

Chapter 1 Introduction

1.1 Background to the Recirculated Draft SEIR

1.1.1 The China Shipping Terminal

The Los Angeles Harbor Department (LAHD), an agency of the City of Los Angeles, also referred to as the Port of Los Angeles (Port), operates the Port under the legal mandates of the Port of Los Angeles Tidelands Trust (Los Angeles City Charter, Article VI, Section 601; California Tidelands Trust Act of 1911) and the California Coastal Act (PRC Division 20 Sections 30700 et seq.). The LAHD is chartered to develop and operate the Port to benefit maritime uses, and it functions as a landlord by leasing Port properties to more than 300 tenants.

Among the LAHD's tenants is China Shipping, which leases premises at Berths 97-109 to operate a marine container terminal (the "CS Container Terminal"). The terminal occupies approximately 142 acres, has been operational since 2005, and handles foreign waterborne commerce in the form of containerized cargo.

1.1.2 Previous Environmental Reviews

The full background of the CS Container Terminal is described in detail in Section 1.2.3 of this Recirculated Draft SEIR. In summary, LAHD prepared this Recirculated Draft Supplemental Environmental Impact Report (Recirculated Draft SEIR) to supplement and update the Berths 97-109 [China Shipping] Container Terminal Project Environmental Impact Statement/Environmental Impact Report (EIS/EIR) certified by the City of Los Angeles Board of Harbor Commissioners on December 18, 2008 (LAHD and USACE, 2008). The 2008 EIS/EIR evaluated the environmental impacts of the construction and operation of the China Shipping (CS) Container Terminal at Berths 97-109. This Recirculated Draft SEIR evaluates the continued operation of the CS Container Terminal under new and/or modified mitigation measures. These changes to mitigation measures are collectively referred to as the "Revised Project." The term "Revised Project" is used throughout the Draft SEIR and this document to encompass the broadest set of modifications to the Approved Project, the details of which were described in Section 2.5 of the Draft SEIR.

1 The 2008 EIS/EIR was prepared as a result of a lawsuit challenging an earlier previous
2 EIR for the project (LAHD, 1997). The lawsuit was settled in 2004 through an
3 Amended Stipulated Judgement (ASJ) in which the LAHD committed to preparing a
4 new, project-specific EIR, agreed to several mitigation measures, and established a \$50
5 million community impact fund. Construction of the Approved Project was completed in
6 2013.

7 On September 18, 2015, the LAHD issued a Notice of Preparation (NOP) to inform
8 responsible and trustee agencies, public agencies, and the public that the LAHD was
9 preparing a Draft Supplemental Environmental Impact Report (Draft SEIR) to
10 supplement and update the 2008 EIS/EIR.

11 The LAHD released the Draft SEIR for public review and comment on June 16, 2017 and
12 held a public hearing on the Draft SEIR on July 18, 2017. A total of 36 organizations and
13 individuals submitted comments to the LAHD, including oral and written comments
14 received at the public hearing and letters submitted subsequently. Based on those
15 comments, the LAHD has decided to revise and recirculate the Draft SEIR for public
16 review. Because significant new information has been added (summarized in Section
17 1.1.4, below), the LAHD decided to recirculate the Draft SEIR in accordance with CEQA
18 Guidelines Section 15088.5.

19 **1.1.3 Purpose of the Recirculated Draft SEIR**

20 LAHD is the public agency with the principal responsibility for approving the Revised
21 Project, and as such is the Lead Agency under CEQA pursuant to CEQA Guidelines
22 Section 15367. CEQA requires the Lead Agency to consider the information contained
23 in the SEIR prior to approving modifications to the CS Container Terminal. Section
24 15163 of the CEQA Guidelines states that a lead agency may choose to prepare a
25 “supplement” to an EIR when “only minor additions or changes would be necessary to
26 make the previous EIR adequately apply to the project in the changed situation.” The
27 Revised Project would require that a permit amendment be agreed to with the permittee
28 and approval from the Los Angeles Board of Harbor Commissioners (Harbor
29 Commission) and the Los Angeles City Council. Prior to the issuance of any permit
30 amendments or other project approvals, the Harbor Commission must consider the
31 Revised Project’s environmental effects. Those impacts are identified in two documents:
32 an Environmental Impact Statement/Environmental Impact Report (EIS/EIR) prepared by
33 US Army Corps of Engineers (USACE) and the Los Angeles Harbor Department
34 (LAHD) to examine the impacts of construction and operation of the terminal (USACE
35 and LAHD, 2008), and this Recirculated Draft SEIR.

36 USACE was the federal lead agency for the Approved Project under National
37 Environmental Policy Act (NEPA) (U.S. Code [USC Title 42, Section 4341 et seq.) and
38 in conformance with the Council for Environmental Quality (CEQ) Guidelines and the
39 USACE NEPA Implementing Regulations (Code of Federal Regulations [CFR], Title 33,
40 Parts 230 and 325). However, because the Revised Project does not include any elements
41 requiring federal action, including approvals, a NEPA document is not required and is not
42 being prepared.

43 A supplemental EIR, as its name implies, supplements an EIR that has already been
44 certified for a project, to address project changes, changed circumstances, or new
45 information that was not known, and could not have been known with the exercise of
46 reasonable diligence at the time the prior document was certified. The purpose of a

1 supplemental EIR is to provide the additional information necessary to make the
2 previously certified EIR adequate for the project as revised. Accordingly, the
3 Supplemental EIR need only contain the information necessary to respond to the project
4 changes, changed circumstances or new information that triggered the need for additional
5 environmental review (CEQA Guidelines, Section 15163.) A supplemental EIR does not
6 “re-open” a previously certified EIR or reanalyze the environmental impacts of a project
7 as a whole; the analysis is limited to whether the project changes result in new or
8 substantially more severe significant impacts.

9 **1.1.4 Scope of the Recirculated Draft SEIR**

10 **1.1.4.1 General Background**

11 The Revised Project makes minor changes to the continued operation of the CS Container
12 Terminal by modifying 10 mitigation measures and one lease measure that were
13 originally adopted based on the 2008 EIS/EIR. This Recirculated Draft SEIR analyzes
14 the impacts of those modifications to those mitigation measures, in light of conclusions of
15 the certified 2008 EIS/EIR for the CS Container Terminal, and also analyzes the period
16 of partial implementation of mitigation measures between 2008 and 2018.

17 The changes proposed as part of the Revised Project require discretionary approval of the
18 Board of Harbor Commissioners. CEQA requires a lead agency, on the occasion of a
19 subsequent discretionary approval that follows completion of an EIR for a project, to
20 inquire whether substantial evidence indicates that “new significant environmental effects
21 or a substantial increase in the severity of previously identified significant effects” would
22 result from either changed circumstances surrounding the project, or new information of
23 substantial importance to the project that was not and could not have been known at the
24 time of certification of the initial EIR (Guidelines Section 15162; see also Pub. Res. Code
25 Section 21166.) If the agency determines that substantial evidence supports such a
26 conclusion, the agency must conduct subsequent or supplemental environmental review.

27 The LAHD, in the course of preparing the 2017 Draft SEIR (LAHD, 2017), reassessed
28 the capacity of the China Shipping Container Terminal and determined that the physical
29 capacity of the terminal is greater than the assumptions used in the 2008 EIS/EIR. These
30 changes are “changed circumstances” or “new information” that require analysis in an
31 SEIR. Accordingly, the 2017 Draft SEIR and this Recirculated Draft SEIR, in evaluating
32 the impacts of operation of the CS Container Terminal under the Revised Project, assume
33 and analyze impacts of an incremental increase in the terminal’s throughput in future
34 years, based upon re-assessment of terminal capacity, compared to the assumptions in the
35 2008 EIS/EIR. The revised throughput assumptions for this Recirculated Draft SEIR are
36 shown in Table 2-3.

37 In accordance with Sections 15126.2 and 15163 of the CEQA Guidelines, this
38 Recirculated Draft SEIR identifies and focuses on the significant direct and indirect
39 environmental effects on the physical environment of proposed changes to the CS
40 Terminal Project, changed circumstances surrounding that project, and new information
41 of substantial importance to that project. This Recirculated Draft SEIR analyzes whether
42 operation of CS Terminal under the Revised Project, at throughput levels assumed to
43 increase incrementally over the levels assumed in the 2008 EIS/EIR and based on the
44 factors and information described in section 1.4.2, would result in new or substantially

1 more severe significant effects on the environment, compared to the impacts disclosed in
2 the 2008 EIS/EIR. Updates to the 2008 EIS/EIR are provided only where mitigation
3 measures have been modified or information updated, and where discussion of these
4 changes is necessary to provide sufficient analysis of impacts. Subjects addressed in
5 Chapter 3, Environmental Impact Analysis, of this Recirculated Draft SEIR include:

- 6 • Air Quality
- 7 • Greenhouse Gases and Climate Change
- 8 • Transportation.

9 In addition, this Recirculated Draft EIR includes an analysis of energy efficiency
10 (Appendix E), in accordance with the guidance provided in Appendix E of the CEQA
11 Guidelines.

12 The Initial Study included in the NOP concluded that the following issues would involve
13 no significant impact and need not be evaluated in the SEIR: Biological Resources,
14 Cultural Resources, Geology, Groundwater and Soils, Hazards and Hazardous Materials,
15 Land Use/Planning, Marine Transportation, Public Services, Recreation, Utilities/Service
16 Systems, and Water Quality. LAHD reevaluated the scope of impacts covered in the
17 SEIR when, following the NOP review process, it was determined that capacity of the CS
18 Container Terminal had increased incrementally compared to the capacity level identified
19 for the terminal in the 2008 EIS/EIR. That analysis, which is presented in Appendix D of
20 the Draft SEIR, confirmed that the SEIR was not required to assess the impact areas other
21 than Air Quality, GHG, and Transportation.

22 The 2017 Draft SEIR and this Recirculated Draft SEIR incorporate by reference
23 information and analysis contained in the 2008 EIS/EIR. The 2008 EIS/EIR is used in
24 this Recirculated Draft SEIR as a comparison against which the Revised Project is
25 evaluated, except as described below.

26 Whether project changes will result in a new or substantially more severe significant
27 impact is often not known until the supplemental analysis is completed. Therefore, the
28 fact that a SEIR is being prepared does not necessarily imply a conclusion that the
29 changed project components will result in new or more severe significant impacts. The
30 analysis for this SEIR was conducted and is presented here for purposes of full disclosure
31 where the changes to the mitigation measures appeared to have the potential to create
32 new or more severe impacts.

33 **1.1.4.2 The Recirculated Draft SEIR**

34 As result of the circulation of the Draft SEIR for public review in 2017, the LAHD
35 received comments on the Draft SEIR that prompted the LAHD to add significant new
36 information to the environmental review, requiring that the Draft SEIR be recirculated.
37 In particular, the Recirculated Draft SEIR includes a new baseline for analysis, a revised
38 project description, additional study years, revised mitigation and lease measures, and a
39 revised traffic analysis. These revisions and additions are summarized below.

40 ***CEQA Baseline***

41 The 2017 Draft SEIR used 2014 (the year before the NOP was issued) as the CEQA
42 baseline. Several comments on the 2017 Draft SEIR disagreed with that baseline,
43 alleging that use of a 2014 baseline ignored the period between 2008, when the project
44 was approved, and 2014 during which some mitigation measures were not fully

1 implemented, and that the appropriate baseline would be the year 2000-2001 baseline
2 used in the 2008 EIS/EIR. The LAHD acknowledges that the period of partial
3 implementation was not fully addressed in the 2017 Draft SEIR, and has determined that
4 the appropriate baseline would be 2008. That approach captures the period in question
5 but avoids revisiting the period between 2000 and 2008, when no mitigation measures
6 were in effect. Furthermore, it is unnecessary to apply the 2008 baseline to the traffic
7 analysis because no mitigation measures related to traffic were in effect before 2015.
8 Accordingly, this Recirculated Draft SEIR employs a 2008 baseline for air quality
9 (including health risk) and greenhouse gases, and a 2014 baseline for the analysis of
10 traffic impacts.

11 The 2008 baseline for air quality, health risk, and greenhouse gases consists of the “2008
12 Actual Baseline”, which employs actual conditions in 2008 including the 2008 EIR/EIS
13 mitigations that were in place and actually implemented in 2008. After analysis of the
14 2008 EIS/EIR mitigations, it was determined that the conditions of the 2008 Actual
15 Baseline and a FEIR Mitigated Baseline would be exactly the same for purposes of air
16 quality, health risk, and greenhouse gases, since the 2008 EIS/EIR mitigations were
17 found in compliance under actual conditions. Therefore, only one baseline, the 2008
18 Actual Baseline, is analyzed in this Recirculated Draft SEIR for air quality and
19 greenhouse gases.

20 For the analysis of ground transportation, this Recirculated Draft SEIR uses a “2014
21 Mitigated Baseline” to analyze project-specific impacts of proposed modifications to
22 certain ground transportation mitigation measures that were identified in the 2008
23 EIS/EIR. In the case of cumulative impacts, the appropriate baseline is the future
24 conditions that would exist when the related projects and the Revised Project are in full
25 operation. Accordingly, the baselines for this Recirculated Draft SEIR’s analysis of
26 cumulative impacts to street intersections and rail crossings are referred to as “Future
27 Mitigated Baselines,” and they consist of the forecasted 2015, 2030, and 2045
28 cumulative conditions under the Approved Project, with mitigation, which were disclosed
29 in the 2008 EIS/EIR. The Future Mitigated Baselines represent anticipated traffic
30 conditions (including background traffic growth) at the study intersections and grade
31 crossings during the study years, with the added assumption of timely implementation of
32 all mitigation identified in the 2008 EIS/EIR. A full discussion of the change, including
33 the analytical issues involved, is presented in Section 2.6.

34 ***Revised Project Description***

35 Several comments requested that the document consider the period between 2008 and
36 2014, when some of the mitigation measures in the 2008 EIS/EIR were not being fully
37 implemented as required, as part of the project description. The LAHD decided to
38 expand the analysis of the Revised Project to include this “Partial Implementation
39 Period” as a project element. Accordingly, three additional interim years – 2012, 2014,
40 and 2018 – have been added to the analysis, 2012 as the first year when most of the
41 mitigation measures in the 2008 EIS/EIR would be in effect, 2014 to coincide with the
42 baseline in the 2017 Draft SEIR, and 2018 as the last year before the measures in the
43 Revised Project could take effect. In addition, several of the the mitigation and lease
44 measures proposed as elements of the Revised Project have been modified, as
45 summarized below and fully described in Chapter 2.

Revised Mitigation and Lease Measures

Since the release of the 2017 Draft SEIR, the latest version of the Clean Air Action Plan (the 2017 CAAP) has been adopted by the boards of the ports of Los Angeles and Long Beach (SPBP, 2017). The 2017 CAAP strengthens many of the air quality improvement measures included in previous versions of the CAAP. These changes affect the feasibility and in some cases the relevance of some of the air quality-related mitigation and lease measures.

Comments on the 2017 Draft SEIR prompted the LAHD to consider additional revisions and additions to the mitigation and lease measures. Finally, compliance dates have been adjusted to be based on the effective date of a new lease between LAHD and the terminal's tenant, rather than fixed calendar dates. The changes are described in detail in Section 2.6.

Revised Transportation Analysis

The analysis of the Revised Project's potential impacts on traffic has been modified to include six additional intersections and two additional freeway segments requested by Caltrans in comments on the 2017 Draft SEIR.

1.2 Project Background

1.2.1 The Port of Los Angeles

The Port of Los Angeles (POLA) is the leading seaport in North America in terms of shipping container volume and cargo value, generating more than 830,000 regional jobs (this equates to 1 in 9 jobs in the five county area) and \$35 billion in annual wages and tax revenues. Operating for more than a century, POLA has been a center for global trade, national cargo transportation and related industrial uses. Together with the Port of Long Beach, it handles up to 64% of all shipping on the West Coast, and about 35% of all shipping in the United States. In Fiscal Year (FY) 2014-2015, POLA handled more than 8.1 million TEUs (twenty-foot equivalent units, a standardized maritime industry measurement used when counting cargo containers of varying lengths) of cargo through its terminals.

LAHD operates the Port under the legal mandates of the Port of Los Angeles Tidelands Trust (Los Angeles City Charter, Article VI, Section 601) and the California Coastal Act (PRC Division 20, Section 30700 et seq.), which identify the Port and its facilities as a primary economic and coastal resource of the State of California and an essential element of the national maritime industry for the promotion of commerce, navigation, fisheries, and harbor operations. Activities should be water dependent, and LAHD must give highest priority to navigation, shipping, and necessary support and access facilities to accommodate the demands of foreign and domestic waterborne commerce. LAHD is chartered to develop and operate the Port to benefit maritime uses. It functions as a landlord by leasing Port properties to more than 300 tenants.

The United States and China are the two largest trading countries in the world, and the two countries exchange significant amounts of cargo annually. POLA, as the nation's leading seaport, is a critical hub for facilitating trade from Asia, and China in particular.

1.2.2 Overview of the CS Container Terminal

The CS Container Terminal is operated by the West Basin Container Terminal Company under a lease agreement (Permit No. 999) originally entered between China Shipping (North America) Holding Co., Ltd. (“China Shipping”) and LAHD. The premises assigned to China Shipping are located at 2050 John S. Gibson Boulevard, within an industrial area in the vicinity of the West Basin and Turning Basin in Los Angeles Harbor (Figure 1-1). The terminal occupies approximately 142 acres at Berths 97-109 under LAHD Permit No. 999. The site is near the communities of San Pedro and Wilmington, approximately 20 miles south of downtown Los Angeles. The site is generally bounded on the north by the Yang Ming container terminal; on the east by the West Basin and the Main Channel; on the south by the passenger cruise terminal and State Route 47; and on the west by the I-110 Freeway and the community of San Pedro. Land uses in the vicinity support a variety of cargo handling operations, including container, liquid bulk, and dry bulk; commercial fishing and seafood processing; a power plant (Harbor Generating Station); Port administration and maintenance facilities; maritime support uses; and recreational and residential uses.

The CS Container Terminal integrates several different physical components and operational processes to load and unload oceangoing vessels and to move the cargo through the terminal to and from trucks and trains as cost-effectively as possible. The physical components consist of marine container vessels, berths/wharves (docks), cranes, backland storage areas (container yard), entrance and exit gates, rail facilities (usually), and maintenance and administrative buildings. The operational processes include shipping, stevedoring (loading/unloading ships), container storage and management, inter-terminal drayage (hauling), on-dock rail operations, and trucking to offsite locations such as warehouses and rail yards.

The CS Container Terminal was constructed in several phases between 2004 and 2013, and began operation in 2005. It consists of two berths, ten wharf cranes for ship loading, and a container yard and gate complex. The terminal has access to an on-dock intermodal railyard at the adjacent Yang Ming Terminal (for a fuller description of the existing terminal see Section 2.5.1 and USACE and LAHD [2008]). The Revised Project does not include any physical alterations to the existing terminal, but instead consists of altered operating conditions from those examined in the 2008 EIS/EIR (USACE and LAHD, 2008). The Revised Project would operate until 2045, the remaining term under LAHD Permit No. 999.

The CS Terminal includes two berths and a container yard, and it uses the on-dock West Basin Intermodal Container Transfer Facility (WBICTF) that is on the premises of the adjacent Yang Ming terminal at Berths 121-131. Inbound containers that are to be delivered by rail are hauled from the vessel berths to the WBICTF by yard tractors via bridges connecting the two terminals. Similarly, outbound containers arriving by rail are unloaded at WBICTF and transferred to the backlands at the CS Container Terminal. Cargo not transferred by on-dock rail is hauled by trucks to local destinations and other rail facilities. The CS Container Terminal and Yang Ming Container Terminal share one gate complex.

1 1.2.3 Project History

2 1.2.3.1 West Basin Transportation Improvements Program EIR

3 The CS Container Terminal project was developed on vacant land previously used by
4 Chevron USA and Todd Shipyard. Prior to 2001, the adjacent Yang Ming Lines
5 Container Terminal was permitted to use a portion of the undeveloped project site as
6 overflow container backlands. The Port previously prepared and certified the West Basin
7 Transportation Improvements Program (WBTIP) EIR that assessed the proposed
8 construction and operation of terminal and infrastructure improvements in the West Basin
9 of the Port (LAHD, 1997). The document programmatically analyzed the impacts of the
10 development of three separate container terminals in the West Basin: the CS Terminal,
11 the Yang Ming Terminal, and the TraPac Terminal.

12 In March 2001, based on the WBTIP EIR, the Port issued a permit to construct a three-
13 phased container terminal and entered into a lease for China Shipping to occupy the
14 terminal. The lease (Permit No. 999) granted China Shipping nonexclusive use of 72.48
15 acres at Berths 100-102 for operation of a container terminal facility for a term of twenty-
16 five years with three five-year options to extend, exercisable by China Shipping. LAHD
17 would develop and construct the terminal, designed to optimize operations at Berths 97-
18 109, for its tenant, China Shipping. As part of the lease, West Basin Container Terminal
19 LLC (WBCT), a subsidiary of China Shipping, operates the terminal backlands. The
20 lease requires that the premises be used for activities, operations, and purposes incidental
21 to and related to the operation of a container terminal, and prohibits any other use of the
22 premises without prior approval of the Port. In October 2001, the Port granted a coastal
23 development permit to begin construction of Phase I of the CS Terminal Project.

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Figure 1-1: The Berths 97-109 (China Shipping) Container Terminal

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3 **1.2.3.2 Legal Challenge and Amended Stipulated Judgment (ASJ)**

4 In June 2001, opponents of the project filed suit in Los Angeles Superior Court alleging,
 5 among other things, that LAHD did not comply with CEQA in approving the
 6 construction of the CS Terminal Project. The lawsuit sought an order setting aside
 7 Permit No. 999 and the coastal development permit. China Shipping was served with all
 8 papers and pleadings in the lawsuit as the real party in interest, but did not make any
 9 appearance in the lawsuit. On October 30, 2002, the State of California Second District
 10 Court of Appeals ordered a partial halt to ongoing construction and operation, and
 11 ordered the preparation of a project-specific EIR to evaluate the entire CS Container
 12 Terminal project, including elements that had been built and were in operation. Under
 13 the Court's order, construction of Phase I was permitted to continue and was completed
 14 in 2003. Operations officially began on June 21, 2004.

15 LAHD settled the lawsuit in 2004. Under the terms of the Amended Stipulated Judgment
 16 (ASJ) entered into with the project opponents, LAHD committed to preparing a new
 17 project-specific EIR, agreed to several mitigation measures and established a \$50 million
 18 fund to address impacts of Port operations on the community. Although the CS
 19 Container Terminal and Yang Ming Container Terminal share one gate complex, the ASJ
 20 required the preparation of a project-specific environmental analysis of all three phases of

1 the CS Container Terminal project alone, not as part of any larger West Basin project or
2 other project. China Shipping was not a signatory to the ASJ, but was a party to Exhibit
3 B to the ASJ, which required the use of alternative maritime power and low profile cranes
4 at the CS Terminal.

5 Within the terms of the ASJ, China Shipping operated the terminal under the existing
6 lease (Permit No. 999) signed in 2001. Consistent with the ASJ, the existing lease was to
7 be amended after certification of the new project-specific EIR to require compliance with
8 all laws and regulations, including environmental controls that are not part of the current
9 lease.

10 Although China Shipping chose not to participate in the lawsuit or the ASJ, China
11 Shipping filed a claim with LAHD, alleging damages from the delay caused by the
12 litigation. LAHD and China Shipping entered into a settlement of these claims, which
13 was memorialized in a lease amendment in 2005. This amendment incorporated the ASJ
14 measures, settled China Shipping's claims against LAHD, and committed to the delivery
15 of Phase II and III of the CS Container Terminal project by dates certain. As part of this
16 settlement, LAHD paid China Shipping \$22.2 million. The funds were used in part to
17 offset the increased operating costs associated with complying with the new
18 environmental provisions in the ASJ.

19 In 2008, the Port certified the new EIR for the Project, and adopted additional mitigation
20 measures beyond those set forth in the ASJ.

21 **1.2.3.3 2008 EIS/EIR and Economic Downturn**

22 The Los Angeles Board of Harbor Commissioners certified the Berths 97-109 [China
23 Shipping] Container Terminal Project EIS/EIR for the construction and operation of the
24 CS Container Terminal project in 2008 (LAHD and USACE, 2008). The 2008 EIS/EIR
25 analyzed Phase I construction and its subsequent operation in addition to the remaining
26 construction and operation associated with Phases II and III. Major elements of the
27 Approved Project analyzed in the 2008 EIS/EIR included: construction of a new wharf at
28 Berth 102 and lengthening the wharf at Berth 100; the addition of 10 wharf cranes for
29 vessel loading and unloading; installation of shore power (AMP) facilities at both berths;
30 the expansion and development of 142 acres of terminal backlands; the construction of
31 container terminal buildings, gate facilities and accessory structures; the construction of
32 two new bridges over the Southwest Slip to connect the Berth 97-109 Container Terminal
33 to the Berth 121-131 Marine Terminal; relocation of the Catalina Express Terminal; and
34 the construction of road improvements in the vicinity. Construction of Phase II and III of
35 the CS Container Terminal was largely completed by 2013 (two terminal buildings have
36 yet to be constructed), and operations are ongoing.

37 In February 2009, the EIR was challenged as inadequate by the City of Riverside, which
38 claimed that the EIR did not adequately identify, assess or mitigate for remote traffic
39 impacts in the City of Riverside. That litigation concluded in August of 2011, when the
40 Fourth Appellate District affirmed a trial court decision upholding the new EIR as
41 adequate.

42 While the lawsuit was pending, the Port suffered one of the steepest declines ever in trade
43 volumes. The economic recession, which led to a decrease in trade of more than 25
44 percent (Ravikumar, Shao, and Sposi, 2013) began in 2007 and continued well into
45 2009. The severity of the recession was due to the interconnected nature of global trade:

1 eight of the U.S.’ top ten trading partners were also in recession. The close trade linkages
2 between those countries resulted in fewer goods being imported and exported
3 (Ravikumar, Shao, and Sposi, 2013). The drop in trade negatively affected the Port’s
4 volumes and revenues: the Port handled almost 8.4 million TEUs (twenty-foot equivalent
5 units) of loaded containers in 2007 but only 6.7 million TEUs in 2009.

6 **1.2.3.4 Recent Economic Developments**

7 In February 2016, the China Ocean Shipping Group Company, or COSCO, and China
8 Shipping Group merged to create the Cosco Shipping Line. As a result of the
9 restructuring, COSCO Pacific assumed the assets previously held by China Shipping at
10 the CS Container Terminal, including China Shipping North America, which remains the
11 Port’s tenant at Berths 97-109.

12 The restructuring was in response to the continued worldwide downturn in shipping rates
13 and excess shipping capacity. China’s economic slowdown has hurt the prices of
14 commodities and services, including freight rates, which has damaged the shipping
15 companies’ profitability. As a result, shipping lines continue to experience financial
16 challenges, as evidenced by the recent bankruptcy of Hanjin Shipping and the news that
17 Cosco Shipping posted a \$1.44 billion loss for 2016 (Laksmi, 2016).

18 **1.2.4 Background on Mitigation Measures**

19 **1.2.4.1 Negotiations with China Shipping**

20 After certifying the 2008 EIS/EIR, LAHD adopted 60 mitigation measures to reduce
21 significant construction and operational impacts of the Approved Project in the areas of
22 aesthetics, air quality, biology, cultural resources, geology, ground water, noise, public
23 services, and transportation. Eight of those measures (MM TRANS-7 through MM
24 TRANS-14) actually pertained to an alternative that was not adopted, and were
25 erroneously included in the Mitigation Monitoring and Reporting Plan (MMRP) for the
26 Approved Project; accordingly, 52 mitigation measures actually applied to the Approved
27 Project. Some of those 52 measures were developed in the course of preparation of the
28 2008 EIS/EIR; others were incorporated into the document from the ASJ. At the time of
29 the 2008 EIS/EIR, many of these measures had never been attempted anywhere in the
30 world. LAHD believed, at that time, that these measures, although far-reaching, were
31 realistic and could be accomplished by a terminal operator within a reasonable
32 timeframe. China Shipping, at the time, did not submit any information or data to LAHD
33 regarding the feasibility of any of the proposed mitigation measures, or otherwise
34 actively participate in the review or comment process for the 2008 EIS/EIR.

35 LAHD implements mitigation measures on container terminal projects by including them
36 in leases with its tenants. The ASJ allowed China Shipping to operate the CS Container
37 Terminal under Permit No. 999. Under the terms of the ASJ, that lease was to be
38 amended to include the new operational mitigation measures from the 2008 EIS/EIR.
39 Thus, after the trial court upheld the 2008 EIS/EIR, LAHD engaged in a negotiation
40 process with China Shipping to amend the lease to include these measures.

41 China Shipping took the position during these negotiations that it was not required to
42 agree to an amended lease because China Shipping was not a party to the ASJ and did not
43 participate in the 2008 EIS/EIR process. For the first time, during this negotiation

1 process, China Shipping also informed LAHD that there were technological, economic,
2 and operational challenges that made implementation of certain mitigation measures,
3 under the terms and timeframes required, operationally or economically infeasible.
4 These issues were not raised by China Shipping or any party during the administrative
5 process for the 2008 EIS/EIR, and LAHD was not aware of them when it adopted the
6 mitigation measures.

7 **1.2.4.2 Summary of Issues Raised by China Shipping**

8 China Shipping informed LAHD that it had technical, operational, and practical problems
9 with executing some requirements of the mitigation measures, preventing full
10 implementation of these measures (LAHD, 2017a). Per the Port's request, China
11 Shipping provided some information on these issues, which is summarized below, but has
12 not proposed any modifications to make these measures feasible nor provided alternative
13 measures that could address the same environmental impacts.

14 **Alternative Marine Power (AMP).** Mitigation Measure AQ-9 imposed certain
15 requirements on ships calling at the CS Container Terminal to use alternative marine
16 power (AMP). MM AQ-9 required that after 1 January, 2011 100% of China Shipping
17 vessels must use AMP while hoteling in the Port. In addition, all non-China Shipping
18 ships retrofitted for AMP must use AMP while hoteling except when an AMP-capable
19 berth is unavailable.

20 China Shipping informed LAHD that it could not meet the 2011 target date for 100%
21 AMP. LAHD determined that the actual total Particulate Matter (PM) emissions from
22 ocean-going vessels (OGV) in 2012 and 2013 would be below those analyzed in the EIR,
23 primarily because of the lower actual terminal throughput due to the recession, the use of
24 larger vessels, and implementation of California Air Resources Board's (CARB's) low-
25 sulfur marine fuel regulation. Based on these findings, LAHD agreed to extend the 2011
26 deadline for 100% AMP to December 31, 2013, to provide China Shipping with
27 additional time to fit its vessels with AMP capability.

28 China Shipping subsequently informed LAHD that it could not feasibly achieve 100%
29 AMP under the terms of MM AQ-9. Several factors affect the ability of a container
30 terminal to achieve the goal of having 100% of vessel calls use shore power. First, very
31 few terminals service only the vessels of a single shipping line; most, including the CS
32 Container terminal, have a core business of vessels belonging to one shipping company
33 or those of a consortium ("alliance") of a few shipping companies, but also accept third-
34 party business. Second, situations arise that prevent an AMP-capable vessel from
35 utilizing AMP. Finally, a small percentage of the vessels that call at a given container
36 terminal are operated by shipping lines that do not meet the CARB required minimum of
37 25 annual calls; those vessels tend not to be outfitted to connect to shore power.

38 **Vessel Speed Reduction Program (VSRP).** Mitigation Measure AQ-10 required that
39 starting in 2009, 100% of oceangoing vessels calling at the CS Container Terminal
40 comply with the Vessel Speed Reduction Program (VSRP) within a 40-nautical-mile
41 (nm) radius of Point Fermin. The VSRP was initially (2005) established as a 20-nm-
42 radius, but MM AQ-10 extended the radius to 40 nautical miles.

43 China Shipping informed LAHD, and LAHD confirmed, that it may not be feasible to
44 achieve 100% VSRP for the 40-mile radius, under the terms of MM AQ-10. Non-
45 compliance with the VSRP is typically the result of pressure on vessel schedules caused
46 by weather, port delays, and mechanical problems that result in a vessel being behind

1 schedule. Vessel schedules are tied to terminal costs for a variety of factors, including
2 maintaining labor on standby and penalties for late cargo delivery. Schedule slippage can
3 be made up by increasing vessel speed, and if a vessel is still behind schedule as it
4 approaches Los Angeles Harbor, the vessel's master may elect to exceed the speed limit
5 in some part of the VSRP control radius. China Shipping asserts it has no direct authority
6 over every vessel master that enters and leaves the CS Container Terminal.

7 **Yard Tractors.** Mitigation Measure AQ-15 required that all yard equipment at the CS
8 Container Terminal use alternative fuels, as implemented in two phases. For the first
9 phase, AQ-15 imposed the ASJ requirement that the terminal employ exclusively
10 liquefied petroleum gas (LPG)-fueled yard tractors from 2004 to 2014. As of 2012, all
11 yard tractors operating at the CS Container Terminal were LPG-powered, and thus
12 complied with this requirement.

13 For the second phase, MM AQ-15 required that, beginning January 2015, all yard tractors
14 must have the cleanest available NO_x alternative fuel engine meeting Environmental
15 Protection Agency (EPA) Tier 4 requirements for particulate matter (PM), 0.015 grams
16 per horsepower-hour (gm/hp-hr). China Shipping informed LAHD that implementing
17 this requirement is problematic because it would require replacing most, if not all, of the
18 yard tractors purchased to comply with the first phase of the mitigation measure.

19 In general, all LPG tractors, regardless of model year, have a nominal PM emission factor
20 of 0.08 gm/hp-hr and, thus, are considered EPA Tier 3. While it is likely that the actual
21 PM emission rates for the newest 2011 LPG models may meet the PM emissions
22 requirement of this measure, other units purchased earlier to comply with the ASJ target
23 under the first phase would have to be replaced, even though they achieve similar
24 emissions benefits and retain operational usefulness. Based on the cost of replacing all
25 units older than model year 2011, China Shipping informed LAHD that it may not be
26 economically feasible or practicable to replace all pre-2011 LPG units at the same time to
27 meet the target dates of MM AQ-15 (LAHD, 2017a).

28 **Other Cargo Handling Equipment.** Mitigation Measure AQ-17 imposed certain
29 requirements on other yard equipment at the CS Container Terminal. The ASJ required
30 that by 2004, all toppicks and sidepicks be equipped with diesel oxidation catalysts
31 (DOCs) and use emulsified diesel fuel. MM AQ-17 imposed further requirements,
32 including that beginning in 2009, all rubber-tired gantry cranes (RTGs) must be electric
33 powered and by the end of 2014, all cargo handling equipment must meet Tier 4 off-road
34 or on-road engine standards.

35 China Shipping has since informed LAHD that it cannot meet the target dates of MM
36 AQ-17 (LAHD, 2017a). There are currently only three toppicks at the CS Container
37 Terminal that meet the Tier 4 standard in MM AQ-17. The operator, WBCT, would need
38 to purchase another 15 units and dedicate them to the CS Container Terminal to comply
39 with the measure. In addition, there is only one sidepick unit at the CS Container
40 Terminal that meets Tier 4 standards under the measure. Accordingly, compliance with
41 the measure would require replacing eight other units with Tier 4-compliant units and
42 dedicating the new units to the CS Container Terminal. This would entail replacing units
43 that still have operational usefulness.

44 The measure also requires the use of electrified RTGs. The terminal configuration does
45 not allow for these specific cranes to be used. Based on this, China Shipping informed
46 LAHD that it may not be economically or operationally feasible to operate all electric
47 RTGs and replace all LPG units at the same time to meet the target dates of MM AQ-17.

1 **Drayage Trucks.** The 2008 EIS/EIR adopted MM AQ-20 to reduce the emissions of
2 drayage trucks arriving at and departing from the CS Container Terminal. The measure
3 required that liquefied natural gas (LNG)-powered drayage trucks be used to convey
4 containers to and from the terminal. The requirement has three phases: from 2012
5 through 2014, at least 50% of drayage trucks calling at the terminal must be LNG-
6 powered, from 2015 through 2017 at least 70%, and thereafter the requirement rises to
7 100%. The 2008 EIS/EIR envisioned that LAHD would be responsible for the trucks and
8 WBCT (the tenant/operator) would be responsible for necessary gate modifications and
9 operations to track the LNG trucks to achieve compliance with this measure.

10 China Shipping has since informed LAHD that it may not be able to feasibly implement
11 this measure at this time and still accommodate the projected growth in the volume of
12 containerized cargo through the Port (LAHD, 2017a). Currently, only about 5% of the
13 trucks operating at the ports of Los Angeles and Long Beach are LNG-fueled. The rest
14 of the trucks are 2007-compliant diesel powered trucks, i.e., clean trucks, enrolled in the
15 Clean Truck Program (CTP). Due to the size of the CS Container Terminal in relation to
16 the overall port drayage market (in 2014 the terminal moved 6.7% of the 15 million
17 TEUs of container cargo moved through the ports of Los Angeles and Long Beach), it
18 may not be possible to require trucking companies to switch more of their fleets to LNG-
19 fueled trucks to serve only the CS Terminal; in fact, as described more fully in LAHD
20 (2017b), the number of LNG trucks in the CTP is actually decreasing from its 2009 high.
21 Rather, the goods movement industry may take its business to other terminals. As
22 described in Section 2.5.2 and LAHD (2017b), other constraints, including the structure
23 of the drayage industry, the technological limitations of LNG-powered trucks, and the
24 additional costs associated with the requirement to use LNG trucks, limit the feasibility of
25 draying all of CS' cargo by LNG-fueled trucks.

26 **1.3 Changes Proposed by the Revised** 27 **Project**

28 The Port has reviewed the feasibility information summarized in Section 1.2.4.2, and
29 concludes it would be beneficial to analyze whether the existing mitigation measures
30 have feasibility or other technical, operational and practical problems hindering full and
31 proper implementation. In addition, roadway circumstances have changed since the
32 certification of the 2008 EIS/EIR and new information is available concerning traffic
33 conditions at study area intersections that calls into question the need for certain ground
34 transportation mitigation measures identified in the 2008 EIS/EIR. As a result, the Port
35 has proposed certain changes to the operational mitigation measures to be analyzed in
36 this SEIR and for possible inclusion in an amendment to Permit No. 999 or other lease
37 agreement with the operator of the CS Container Terminal (Revised Project).

38 The Revised Project makes minor changes to the continued operation of the CS Container
39 Terminal by modifying 10 operational mitigation measures and one lease measure
40 originally adopted in the 2008 EIS/EIR. The Revised Project would eliminate some
41 existing measures that have proved to be infeasible or unnecessary, institute new
42 mitigation measures, and modify other existing measures to enhance their effectiveness.
43 In proposing these changes, the Revised Project seeks to advance the original goals and
44 objectives of the CS Container Terminal to maximize the efficiency and capacity of
45 terminals while raising environmental standards through the application of all feasible

1 mitigation measures. In this Recirculated Draft SEIR, some of the measures considered
2 in the Draft SEIR have been further modified in response to additional analysis by the
3 LAHD and comments by agencies and the public. Those changes are summarized below
4 and described in Section 2.5.

5 As described in the Draft SEIR, the LAHD is already implementing one of the mitigation
6 measures (MM NOI-2 Noise Walls). Since a screening analysis (Appendix D) shows that
7 the changes associated with the Revised Project do not result in new or more severe
8 impacts requiring additional mitigation measures, that measure and the supporting noise
9 analysis are not included in this Recirculated Draft SEIR.

10 Finally, between 2008 and 2014 some of the mitigation measures in the 2008 EIS/EIR
11 were not fully implemented. The details of the partial implementation of mitigation
12 measures are presented in Section 2.5.1. The impacts of that “partial implementation
13 period” are analyzed and disclosed in this Recirculated Draft SEIR.

14 **1.3.1 Mitigation Measures for Air Quality and** 15 **Greenhouse Gas Emissions**

16 China Shipping has implemented mitigation measures previously identified in the 2008
17 EIS/EIR to avoid or reduce the impacts of the CS Container Terminal. These measures
18 are incorporated in the CS Container Terminal project and will continue to be
19 implemented under the Revised Project.

20 Six mitigation measures (AQ-9, AQ-10, AQ-15, AQ-16, AQ-17, and AQ-20) have not
21 been fully implemented at the CS Container Terminal. As described above, after China
22 Shipping began operations, it informed LAHD that it could not feasibly implement these
23 measures as originally intended; accordingly, modifications are necessary to achieve the
24 purpose and intent of the measures. The Port has proposed changes to address feasibility,
25 the availability of alternative technologies, and the effectiveness of the adopted measures.
26 The Port is proposing to revise each of these mitigation measures and to analyze the
27 revisions as part of the Revised Project. A seventh air quality mitigation measure, AQ-
28 23, that was not implemented is considered in Section 1.3.3 as a lease measure. Some of
29 the revised mitigation measures evaluated in this Recirculated Draft SEIR are altered
30 somewhat from those considered in the 2017 Draft SEIR; the measures considered in this
31 Recirculated Draft SEIR are summarized below, and revisions from the 2017 Draft SEIR
32 noted.

- 33 • **MM AQ-9** was modified in the 2017 Draft SEIR to require that by January 1,
34 2019, all ships calling at Berths 97-109 must use AMP white hoteling in the Port,
35 with a 95 percent compliance rate.

36 In the Recirculated Draft SEIR the compliance date is keyed to the effective date
37 of a new lease amendment between the Tenant and the LAHD.

- 38 • **MM AQ-10** was modified in the 2017 Draft SEIR to require that by January 1,
39 2019, at least 95% compliance with Vessel Speed Reduction Program (VSRP)
40 out to 40 nm for all vessels calling the CS Container Terminal, or alternative
41 compliance plan approved by LAHD.

42 In the Recirculated Draft SEIR the compliance date is keyed to the effective date
43 of a new lease amendment between the Tenant and the LAHD.

- 1 • **MM AQ-15** was modified in the 2017 Draft SEIR to require that all LPG yard
2 tractors of model years 2011 or older shall be alternative fuel yard tractors that
3 meet or exceed Tier 4 final off-road engine standards for PM and NO_x.
4 In the Recirculated Draft SEIR the standard is revised to require that tractors
5 meet or be lower than ultra-low NO_x (0.02 g/bhp-hr) and, for other pollutants,
6 Tier 4 standards, and the compliance dates are keyed to the effective date of a
7 new lease amendment between the Tenant and LAHD.
- 8 • **MM AQ-16** is combined with MM AQ-17 because there is no actual distinction
9 between railyard equipment and terminal equipment as a whole (this measure is
10 not revised for the Recirculated DSEIR).
- 11 • **MM AQ-17** was modified in the 2017 Draft SEIR to require that: 1) all diesel-
12 powered RTGs shall be replaced by diesel-electric hybrid with diesel engines that
13 meet or exceed Tier 4 final off-road engine standards for PM and NO_x, with some
14 units being all-electric, 2) diesel forklifts shall meet or exceed Tier 4 final off-
15 road engine standards for PM and NO_x, with 5-ton units being all-electric, 3) top
16 picks shall meet or exceed Tier 4 final off-road engine standards for PM and
17 NO_x, 4) sweepers shall be cleanest available alternative-fueled units by 2025, and
18 5) shuttle buses shall be all-electric by 2025.
19 In the Recirculated Draft SEIR the compliance dates for RTGs, forklifts, and top-
20 picks are keyed to the date of a new lease amendment between the Tenant and
21 LAHD, and 5-ton forklifts and shuttle buses are required to be zero-emissions;
- 22 • **MM AQ-20** was eliminated from the Revised Project; some reductions in
23 drayage truck emissions would be achieved by implementation of CAAP
24 measures and Lease Measure LM AQ-2 (priority access for zero/near-zero-
25 emission trucks), which is described more fully in Section 3.1 (this measure is
26 not revised for the Recirculated Draft SEIR).

27 Each proposed change to the existing mitigation measures is evaluated in this
28 Recirculated Draft SEIR to determine whether the change, when analyzed in the context
29 of projected increases in terminal throughput as discussed in Section 1.4, results in a new
30 environmental impact that was not previously analyzed and disclosed in the 2008
31 EIS/EIR or substantially increases the severity of an environmental impact defined in the
32 2008 EIS/EIR. The Recirculated Draft SEIR also analyzes whether the modifications
33 above can be further revised, or if there are any additional feasible mitigation measures
34 that could be adopted, to address such impacts.

35 1.3.2 Mitigation Measures for Transportation

36 On the basis of the screening studies (Appendix D1), LAHD determined that certain
37 mitigation measures related to transportation (TRANS-2, TRANS-3, TRANS-4 and
38 TRANS-6) warranted changes as follows:

- 39 • **MMs TRANS-2, TRANS-4, and TRANS 6** would not be implemented under
40 the Revised Project;
- 41 • The remaining element of **MM TRANS-3** (provision of additional right-turn
42 lanes at the John S. Gibson/I-110 northbound ramps) that has not yet been
43 implemented would not be completed under the Revised Project.

1 Each proposed change to these mitigation measures is evaluated in this Draft SEIR to
2 determine whether the change, when analyzed in the context of projected increases in
3 terminal throughput as discussed in Section 1.4, results in a new environmental impact
4 that was not previously analyzed and disclosed in the 2008 EIS/EIR or substantially
5 increases the severity of an environmental impact defined in the 2008 EIS/EIR. The
6 Draft SEIR also analyzes whether the modifications above can be further revised, or if
7 there are any additional feasible mitigation measures that could be adopted to address
8 such impacts.

9 **1.3.3 Lease Measure for Throughput Tracking**

10 A seventh air quality mitigation measure in the 2008 EIS/EIR, MM AQ-23, required the
11 LAHD to track the cargo throughput of the CS Terminal and re-evaluate the impacts of
12 terminal operations if throughput exceeds the projections in the 2008 EIS/EIR. The
13 measure required re-evaluations in 2010, 2015, 2030, and 2045, which were the analysis
14 years for the 2008 EIS/EIR. The measure did not mitigate a specifically identified
15 impact, and in the 2008 FEIR's MMRP it was re-designated lease measure LM AQ-23.

16 The LAHD has removed this measure from the Revised Project. Throughput tracking
17 occurs through standard Port data collection, and the new analysis in the Recirculated
18 Draft SEIR already takes into account the maximum capacity of the terminal and growth
19 in TEU volume, and applies all feasible mitigation measures to address future air quality
20 impacts. Accordingly, periodic reviews of throughput are unnecessary.

21 **1.4 Other Changes Since the Approval of the** 22 **CS Container Terminal**

23 **1.4.1 Port and Terminal Operational Changes**

24 **1.4.1.1 Changes to the Berths 97-109 Terminal**

25 The 2008 EIS/EIR assumed that at full capacity the CS Container Terminal would handle
26 approximately 1,551,000 TEUs (twenty-foot equivalent units, a measure of containerized
27 cargo capacity) per year, which is roughly equivalent to 838,380 standard shipping
28 containers per year. That throughput would require 1,508,000 truck trips, 234 vessel
29 calls, and 817 train trips per year. Those numbers were based on cargo forecasting
30 performed in 2005. The document assumed that at full capacity approximately 83% of
31 the containers would be moved in and out of the terminal by truck (including to regional
32 intermodal railyards) and the rest would be moved by trains from the WBICTF.

33 Since the 2008 EIS/EIR, there have been a number of changes in the operational activity
34 of the CS Container Terminal, including the difference between the forecasted throughput
35 and the actual throughput, the degree to which mitigation measures in the original
36 document have been implemented, and the availability of new technology in cargo-
37 handling equipment since the 2008 analyses.

38 As discussed in Section 1.1, LAHD, determined that the larger physical capacity of the
39 Terminal compared to the assumptions used in the 2008 EIS/EIR constitute "changed

1 circumstances” or “new information” that require analysis in an SEIR. Accordingly, the
2 SEIR, in evaluating the impacts of operation of the CS Container Terminal under the
3 Revised Project, assumes and analyzes impacts of an incremental increase in the
4 Terminal throughput level in future years, based upon re-assessment of Terminal
5 capacity, compared to the assumptions in the 2008 EIS/EIR.

6 **1.4.1.2 San Pedro Bay Ports Cargo Demand Forecast**

7 This section presents background information on long-term containerized cargo growth at
8 the Ports. Facilities planning must take into account both the economy’s demand for
9 cargo and the capacity of the Ports and associated transportation infrastructure to handle
10 that cargo. Long-term cargo growth forecasts are used as planning tools to understand
11 and predict cargo volumes and Port-related activities for the movement of cargo.
12 Terminal planning involves balancing existing and potential physical and operational
13 capacities with market demand projections for cargo. As is described below, the demand
14 forecasts and the capacity modeling demonstrate a need for the Ports to be improved and
15 expanded to accommodate future demand.

16 In the last 40 years, containerized shipping through West Coast ports in the United States
17 has increased twentyfold, driven by outsourcing of U.S. manufacturing and increasing
18 trade with Asian economies. Major West Coast ports, particularly the ports of Los
19 Angeles, Long Beach, Oakland, and Seattle-Tacoma, have continued to invest billions of
20 dollars to optimize facilities and accommodate increases in containerized shipping.
21 These investments are necessary because most marine terminals across the country were
22 not designed to handle the larger vessels that are projected to enter the fleet mix over
23 time. Taller, wider cranes are required to lift from increased stack heights on vessels and
24 to reach across the additional rows of containers on the larger vessels. In some cases,
25 structural improvements to wharves may be required to support the larger and heavier
26 cranes and/or vessels. Ports have deepened their channels and berths to accommodate
27 larger container ships; demolished existing facilities and built new container terminals in
28 their place; and created new land to provide space for additional container terminal
29 backlands. The Port of Los Angeles and USACE Channel Deepening project, completed
30 in 2013, deepened the Port’s 45-foot deep Main Channel, West Basin Channel and East
31 Basin Channel to a 53-foot depth and is intended to allow for the navigation of these
32 larger vessels in future years (USACE and LAHD, 2009).

33 Terminal-specific improvements are required, including berth deepening, larger cranes,
34 wharf improvements, expansion of backlands, and rail improvements to accommodate the
35 larger vessels and associated cargo. Some marine terminal operators have purchased
36 high-speed cranes, modernized transportation equipment, and introduced terminal
37 automation to move containers more rapidly between ships and trucks or trains. These
38 and other improvements represent an ongoing effort to accommodate the anticipated
39 growth in cargo. Major projects are planned for both the Port of Los Angeles and the
40 Port of Long Beach well into the future.

41 To plan, design, and construct infrastructure, the Ports frequently develop detailed macro-
42 economic cargo forecasts along with detailed terminal capacities (including micro-
43 simulation). Anticipating the continued importance of containerized shipping, the Port of
44 Los Angeles and Port of Long Beach, along with USACE, conducted a series of studies
45 to forecast cargo volumes through 2020 and evaluate the capacity of the San Pedro Bay
46 Ports with respect to accommodating such cargo volumes. The cargo forecasts predicted
47 significant increases in containerized cargo from Pacific Rim countries to the Pacific

1 West Coast and the San Pedro Bay Ports. These forecasts were used as a basis for
2 development of an operations, facilities, and infrastructure study. That study concluded
3 that the Ports needed to provide substantial additional physical facilities and make
4 operational improvements to provide the necessary capacity.

5 The resulting San Pedro Bay 2020 Plan included the construction of new container
6 terminals and the optimization of existing terminals at the Ports. From the early 1990s to
7 2007, actual volumes of containerized cargo passing through the Ports exceeded the
8 forecasts of the 2020 Plan. Accordingly, the Ports commissioned two market-based
9 forecasts, one in 2007 (Tioga, 2007) and an update in 2009 (Tioga, 2009).

10 The 2007 cargo forecast predicted that economic growth would result in a demand of
11 65,100,000 TEUs through the San Pedro Bay ports in 2030 (this was an unconstrained
12 forecast, meaning that it did not take into account whether the Ports could actually
13 accommodate that much cargo). The 2009 update was prompted by a severe global
14 recession, beginning in 2008, that dramatically affected international trade, resulting in
15 volumes at the Ports that were significantly below 2006 peak volumes. The 2009 update
16 predicted that it would take six to seven years the peak volumes of 2006 to return to the
17 Ports. It also predicted that the Ports would continue to grow at a slower pace than
18 predicted in the 2007 forecast, resulting in a gap between the new and the old forecasts
19 that would widen over time. The 2009 forecast, which was also unconstrained, projected
20 an annual throughput of 34,600,000 TEUs through the Port Complex by 2030 (Tioga,
21 2009). The Ports extended this market forecast, yielding a predicted demand of
22 41,369,000 TEUs in the Port Complex by 2035.

23 Although the 2009 forecast provided the basis for port planning for a number of years,
24 the ongoing economic recovery and a number of other factors that could affect future
25 cargo volumes prompted the Ports to undertake a new cargo forecast. The 2016 forecast
26 (Mercator International and Oxford Economics, 2016) incorporated new economic
27 growth factors and considered the effects of such factors as the imminent completion of
28 the Panama Canal expansion, increased marine terminal costs at the Ports, and the growth
29 of competitive West Coast ports such as Prince Rupert, BC. The 2016 forecast, which,
30 like the previous ones, is unconstrained, considered nine scenarios of combinations of
31 economic growth rates and rates of cargo diversion to other ports. The “base case” used
32 the expected macro-economic assumption of an average combined annual growth rate
33 (CAGR) of 4.0% (rather than high or low growth rates) and assumed an intermediate
34 level of cargo diversion. (A high level of cargo diversion to other ports would result in
35 lower cargo volumes through the San Pedro Bay Ports, and vice versa.)

36 That scenario, which the Ports will use for planning purposes, predicts that cargo demand
37 will reach 34.3 million TEUs in 2035 (very similar to the 2009 forecast for 2030) and
38 41.1 million TEUs in 2040 (Figure 1-2). The low-economic-growth scenario with a high
39 level of diversion resulted in a demand of 30.9 million TEUs in 2040, and the high-
40 growth/low diversion scenario resulted in a demand of 54.5 million TEUs in 2040.
41 Containerized cargo trade through the Port Complex is expected to grow at a compound
42 annual growth rate (CAGR) of 4.0% over this time period, driven primarily by trade with
43 Northeast Asia (China, Japan, and South Korea) and Southeast Asia, for which the Port
44 Complex will continue to be the major gateway.

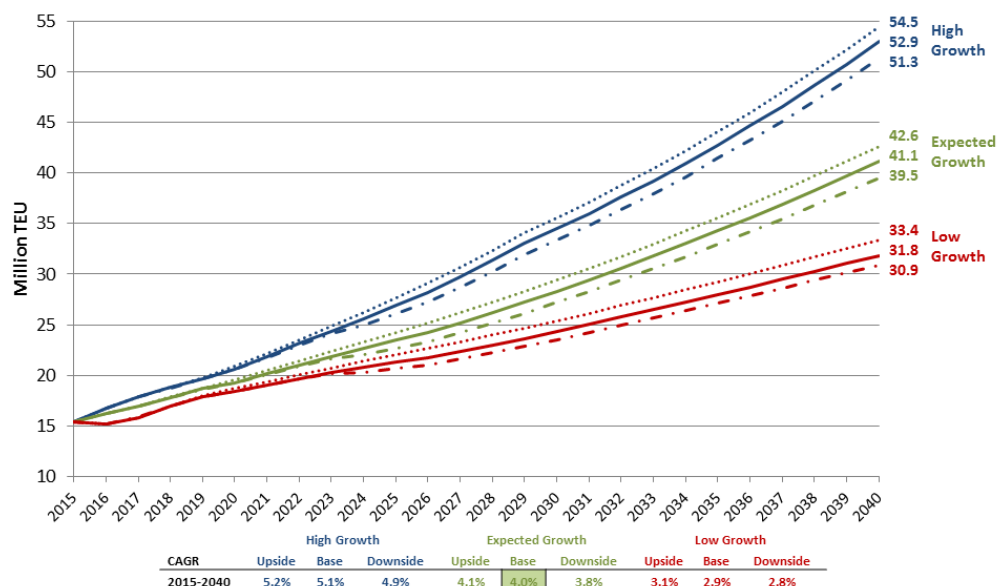
1.4.1.3 San Pedro Bay Container Terminal Capacity

In addition to forecasting future cargo volumes, the Ports evaluate the physical and operational capacity of the marine terminals to handle those volumes. To estimate the future maximum or optimal capacity of each terminal through 2045, the Ports use a methodology that relies on two capacity models: one that analyzes the terminals' backland (i.e., container yard, or CY) capacity and one that analyzes the terminals' berth capacity (a terminal could be berth constrained or backlands constrained or evenly balanced between the two). For the CY capacity, the Port has also utilized a simulation model to aid the estimate of overall terminal capacity, when and where appropriate. The modelers make realistic assumptions regarding different physical improvements (e.g., increasing the length of a berth or adding more container yard) and operating parameters (e.g., increasing the number of hours worked per day or crane productivity, decreasing the amount of time containers are allowed to remain in the terminal, or the recently introduced practice of using peel off yards) to estimate the future operating capacity of each terminal, including ones projected to be built. The container handling capacity of the peel off yards was estimated using a model which is normally utilized for determining container yard capacities. For peel-off yards, the model was adjusted to reflect an all-wheeled container storage operation. With this assumption, the peel-off yards combined are expected to add an additional 591,000 TEUs worth of container handling capacity.

The assumptions, while reasonable, are not conservative; for example, terminals are assumed to be able to reach throughput levels greater than 10,000 TEUs per acre per year compared with current throughput levels of between 5,000 and 7,000 TEUs per acre. This approach allows the Ports and their businesses to identify shortfalls between future cargo volumes and the capacity of the terminals and supporting infrastructure (e.g., roads and railroads) to handle those volumes. POLA has updated capacity analyses for its terminals since the last cargo forecast of 2009; POLB terminal capacities were obtained directly from the POLB staff.

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Figure 1-2: Cargo Demand Through the San Pedro Bay Ports, 2015 - 2040.



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The environmental analysis in this Recirculated Draft SEIR assumes that the physical and operational capacities of Port container terminals will be fully utilized by future cargo volumes. The results of the capacity modeling show that, with the assumed changes in physical configurations and operating practices, the maximum capacity of the San Pedro Bay Ports is projected to be approximately 35,217,000 TEUs. That estimate of total marine terminal capacity exceeds the forecasted 2035 cargo demand of approximately 34,281,000 TEUs, meaning that the Ports will be able to handle demand at least to 2035. Thereafter, the modeling results show cargo volumes increasing up to the Ports’ maximum capacity by 2040. Actual throughput might be lower because of changes in consumer demand patterns and/or economic conditions. However, to be conservative this Recirculated Draft SEIR assumes that the Ports will operate at their maximum capacity by 2036.

15 **1.4.1.4 San Pedro Bay Ports Intermodal Cargo Demand and** 16 **Capacity**

17 In 2014, approximately 37% of all containers were conveyed directly between Port
18 terminals and intermodal rail facilities, the majority being transported via on-dock
19 railyards. Direct intermodal cargo has remained at around 40% for the last 10 to 15
20 years, but the 2016 cargo forecast (Table 1-1) predicted that the proportion moved via on-
21 dock in the future will be approximately 33% (Mercator International and Global
22 Economics, 2016). The projections in Table 1-1 are used in this Recirculated Draft
23 SEIR.

24 A key factor in the current forecast is the future capacity of on-dock rail facilities and
25 their operational constraints, because direct intermodal cargo that cannot be handled by
26 on-dock yards must be handled by near/off-dock yards. The goal of the Ports is to
27 maximize on-dock rail operations within the Ports. To achieve this goal, the Ports
28 encourage the marine terminals to schedule round-the-clock shifts and optimize labor

1 rules, and the railroads have increased operational efficiencies, and hence capacity, at on-
 2 dock facilities. Furthermore, both Ports plan to expand their rail infrastructure over the
 3 next ten years to increase on-dock rail capacity more than two-fold (Table 1-2 and Figure
 4 1-3 show existing and planned on-dock facilities). If all of the proposed changes can be
 5 constructed on the assumed timetable, on-dock use is projected to reach approximately
 6 9,150,000 TEUs by 2035 (Table 1-1).

Table 1-1: San Pedro Bay Ports Direct Intermodal Cargo Forecast (TEUs)

Year	2014	2023	2030	2036-2045
San Pedro Bay Ports Demand/Capacity	15,120,806	22,264,950	28,651,411	35,217,000
On-Dock (percent of total)	4,063,995 26.9%	5,648,656 25.4%	7,449,255 26.0%	9,154,058 26.0%
Off-/Near-Dock (percent of total)	1,466,854 9.7%	1,924,940 8.6%	2,005,710 7.0%	2,467,552 7.0%
Total LA/LB Intermodal (percent of total)	5,530,849 36.6%	7,573,596 34.0%	9,454,965 33%	11,612,610 33%
Transloaded to rail (via 53-ft containers)	2,106,819	3,474,453	4,396,224	5,322,376

Note: 2014 represents actual intermodal cargo movements, 2023 and 2030 figures are forecasted demand, and the 2036-2045 figure is maximum capacity

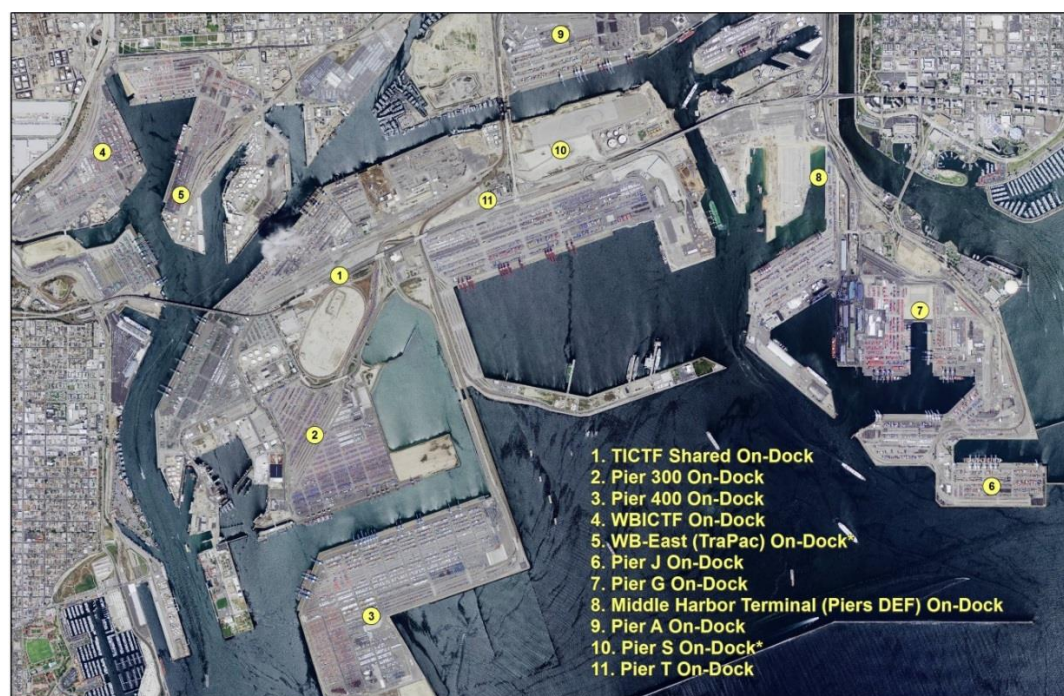
Table 1-2: Existing and Planned On-Dock Railyards

On-Dock Rail Facility	Location and Terminal(s) Served	Status
Terminal Island ICTF	Port of Los Angeles: YTI and Everport terminals	Operating; expansion by YTI under construction
Pier 300	Port of Los Angeles: Eagle Marine Services Terminal	Operating; proposed expansion
Pier 400	Port of Los Angeles: APM Terminal	Operating; proposed expansion
West Basin Container Terminal	Port of Los Angeles: serving YM and CS terminals	Operating; proposed expansion analyzed herein and in YM EIS/EIR (in preparation)
TraPac Container Terminal	Port of Los Angeles: TRAPAC	Operating in mid-2016
Pier G	Port of Long Beach: International Transportation Services Terminal	Operating; proposed expansion
Middle Harbor	Port of Long Beach: Pier railyard currently serving LBCT/CUT	Expansion completion expected late 2019 (LBCT IY operating)
Pier A	Port of Long Beach: SSA Pier A Terminal	Operating; proposed expansion
Pier T	Port of Long Beach: TTI Terminal	Operating

1.4.1.5 China Shipping Container Terminal Operational Changes

Based on this updated analysis of cargo demand and capacity, LAHD has estimated that, as presently configured, the Berths 97-109 Container Terminal's maximum capacity is 1,698,504 TEUs per year. Under current assumptions of cargo growth, that capacity will be reached by 2030. The 2008 EIS/EIR estimated the terminal's maximum capacity at 1,551,000 TEUs per year, meaning that the new estimate is approximately ten percent greater than the original estimate.

Figure 1-3: Existing and Proposed On-Dock Railyards in the San Pedro Bay Port Complex



1.4.2 Regulatory Changes

The regulatory framework has changed since the 2008 EIS/EIR. While these changes do not require the preparation of this Recirculated Draft SEIR, this document will apply these new standards in evaluating the impacts of the Revised Project. The key change is the result of Senate Bill (SB) 97 (CEQA Guidelines), which became effective in 2010, and the South Coast Air Quality Management District's (SCAQMD's) greenhouse gas (GHG) CEQA thresholds guidance, which became effective in 2011. These regulatory initiatives are described in more detail in Section 3.2.3.2 of this Recirculated Draft SEIR. Briefly, SB 97 requires EIRs to evaluate GHGs more comprehensively, and the SCAQMD guidance sets a significance threshold of 10,000 metric tons on Carbon Dioxide equivalent (CO₂e) emissions per year. In response to these and other regulatory initiatives, the LAHD determined that it would be appropriate to consider GHG impacts in a separate section of Chapter 3, Environmental Analyses, of its EIRs, rather than as part of the air quality analysis, as was done in the 2008 EIS/EIR. Accordingly, GHG is in Section 3.2 of this Recirculated Draft SEIR.

1 This Recirculated Draft SEIR also applies a change in the scope of highway traffic delay
2 impact analysis. Pursuant to standards in the 2004 County of Los Angeles Congestion
3 Management Program (CMP), only one freeway location was analyzed in the 2008
4 EIS/EIR. In October 2013, “An Agreement Between the City of Los Angeles and
5 Caltrans District 7 On Freeway Impact Analysis Procedures” was entered into by the City
6 of Los Angeles and Caltrans. The agreement described new freeway impact analysis
7 screening criteria and analysis methodology, mitigation options and coordination. In
8 accordance with that agreement, the Recirculated Draft SEIR includes many more
9 highway traffic delay analysis locations than were previously prescribed under the CMP.

10 **1.5 Lead, Responsible and Trustee Agencies**

11 CEQA defines the role of “lead agency” as the public agency that has principal
12 responsibility for carrying out or approving a project. The CEQA lead agency will
13 decide whether an EIR or negative declaration will be required and will cause the
14 document to be prepared (Guidelines Section 15367).

15 Other agencies could have special roles with respect to the Revised Project, and if so, will
16 use this Recirculated Draft SEIR as the basis for their decisions to issue any approvals
17 and/or permits that might be required. Section 15381 of the State CEQA Guidelines
18 defines a “responsible agency” as:

19 ... a public agency that proposes to carry out or approve a project for
20 which a lead agency is preparing or has prepared an EIR or negative
21 declaration. For the purposes of CEQA, the term “responsible
22 agency” includes all public agencies other than the lead agency that
23 have discretionary approval power over the project.

24 Additionally, Section 15386 of the State CEQA Guidelines defines a “trustee agency” as
25 “... a state agency having jurisdiction by law over natural resources affected by a project
26 that are held in trust for the people of the State of California”.

27 Several lead, responsible, and trustee agencies could rely on this Recirculated Draft SEIR
28 in a review capacity or as a basis for issuance of a permit or other approval for the
29 Revised Project. Specifically, LAHD as the lead agency will use this document when
30 considering approval of the Revised Project, a new lease for the CS Container Terminal,
31 and implementation of the mitigation measures. The California Department of
32 Transportation (Caltrans), the City of Los Angeles Transportation Department (LADOT),
33 and the Los Angeles Department of Building and Safety may use the document when
34 considering approvals for the implementation of any transportation mitigation measures.

35 **1.6 Scope of Analysis and Content of the** 36 **SEIR**

37 **1.6.1 Notice of Preparation and Initial Study**

38 The scope of this Recirculated Draft SEIR was established based on the Initial Study
39 prepared pursuant to CEQA, comments received during the Notice of Preparation (NOP)
40 review process, and comments received on the Draft SEIR. The NOP (Appendix A) was

1 posted on September 18, 2015 and circulated for a 30-day public review and comment
 2 period ending on October 19, 2015. A public scoping hearing was conducted on October
 3 7, 2015, in San Pedro. Public comments were received in person during the scoping
 4 meeting and by letter during the public review period, which was September 18 to
 5 October 19, 2015. Many comments referenced issues that are not part of the Revised
 6 Project and therefore not addressed in the Draft SEIR, but to the extent comments are
 7 relevant to the Revised Project, Table 1-3 summarizes the key issues and references to
 8 the sections of the Draft SEIR that addressed them.

Table 1-3: Summary of Key NOP Comments

Commenter	Key Issues Raised	Where Addressed
	Comment Letters	
South Coast Air Quality Management District (SCAQMD)	<ul style="list-style-type: none"> • Ensure that the newly approved project does not backslide on the level of control and emission reductions provided by the previously approved mitigation. • Implement all feasible mitigation, even if it provides additional reductions beyond what had previously been approved in 2008, with the goal of reducing impacts to a level below significance. • Per MM AQ-22, deploy the lowest emission technologies possible wherever feasible including those “capable of being accomplished in a successful manner within a reasonable period of time” (Public Resources Code §21061.1), such as zero and near-zero emission technologies that are expected early in the life of the project. • Analyze the environmental impacts from actual existing conditions and what they should have been had all mitigation been implemented fully in the past, and into the future. • The consistency of this project with the AQMP should be fully analyzed. 	Chapter 2 Project Description, Section 3.1 Air
Los Angeles County Metropolitan Transportation Authority (LACMTA)	<ul style="list-style-type: none"> • Re-evaluate LOS at nearby intersections for impact on Metro bus 246. • Mitigate any impacts on Red Car Trolley service. • Evaluate and mitigate impacts on other bus routes in San Pedro. • Prepare a Transportation Impact Analysis per CMP requirements. • Requests a copy of the draft EIR. 	Section 3.3, Transportation
James Allen	<ul style="list-style-type: none"> • Include citizen oversight in the SEIR as a mitigation measure. 	Not part of Revised Project
Jack Brisley	<ul style="list-style-type: none"> • Displeasure at LAHD actions 	Not a CEQA issue
Coalition for a Safe Environment	<ul style="list-style-type: none"> • Request subsequent, not supplemental, EIR and a NEPA document. • Re-write NOP to include specific measures. 	Section 1.1 Not part of SEIR

Table 1-3: Summary of Key NOP Comments

Commenter	Key Issues Raised	Where Addressed
	<ul style="list-style-type: none"> • 3rd party monitor for MMRP. • Penalties for failure to comply with MMRP • State-of-the-art mitigation measures. • Update emissions inventory to include unmitigated emissions. • Include various goods movement and emissions assessments. • Include environmental justice assessment. 	<p>Not a CEQA issue</p> <p>Not a CEQA issue</p> <p>Chapter 3</p> <p>Section 3.1, Air</p> <p>Not part of SEIR</p> <p>Not a CEQA issue</p>
<p>Chuck Hart (San Pedro & Peninsula Homeowners Coalition)</p>	<ul style="list-style-type: none"> • Revise emissions inventory to include unmitigated emissions. • 3rd party MMRP monitor. • Reconstitute PCAC. • Request subsequent, not supplemental, EIR and a NEPA document • Include environmental justice assessment. • Explain “other factors”. • Use latest AQ standards, not those from 2008. • MM AQ-22 is now in effect and must be incorporated into the SEIR. • Disclose excess emissions and health risk. • Conduct a Health Impact Assessment. • Suggestions for the mitigation measures in the NOP. 	<p>Section 3.1 (Air)</p> <p>Not a CEQA issue</p> <p>Not a CEQA issue</p> <p>Section 1.1 Purpose</p> <p>Not a CEQA issue</p> <p>Chapter 1 Introduction, Section 2.5 Project Description</p> <p>Section 3.1, Air</p> <p>Section 3.1, Air</p> <p>Section 3.1, Air</p> <p>Section 3.1 Air</p> <p>Sections 3.1, Air, 3.3, Transportation</p>
<p>Richard Havenick</p>	<ul style="list-style-type: none"> • Identify new mitigation measures. 	<p>Chapter 3, Environmental Analysis</p>
<p>Andrea Hricko</p>	<ul style="list-style-type: none"> • Include Starcrest tenant survey data on China Shipping activities regarding air mitigation measures. • Calculate the extra pollution resulting from non-compliance 2008 – 2015. • Mitigation for noise cannot be dismissed. 	<p>Data incorporated into analyses in Section 3.1, Air</p> <p>Section 3.1, Air</p> <p>Not part of Revised Project</p>
<p>Terry & John Miller (San Pedro & Peninsula Homeowners Coalition) (3 letters)</p>	<ul style="list-style-type: none"> • Same comments as Chuck Hart, above. 	<p>See Hart, above</p>
<p>Natural Resources</p>	<ul style="list-style-type: none"> • Feasibility and implementation of mitigation measures, including ones imposed equally on 	<p>Section 2.5, Project Description, Section</p>

Table 1-3: Summary of Key NOP Comments

Commenter	Key Issues Raised	Where Addressed
Defense Council et al. (NRDC et al.)	TraPac. <ul style="list-style-type: none"> • Incorporate state-of-the-art mitigation measures such as low-NO_x LNG trucks, ship emissions capture technology. • Disclose excess emissions due to non-compliance 2008 – 2015. • Make restitution for excess emissions. • Analyze excess future emissions. • Formulate MMRP with 3rd party oversight. • Implement MM AQ-22 to review feasibility. • Analyze compliance with local, state, and federal laws and the ASJ. • Suggestions regarding the feasibility of the mitigation measures being considered in the SEIR. • Consider additional mitigation measures including accelerated CARB cold-ironing, phasing out old trucks, zero-emissions cargo movement technologies, ship emissions capture technology, maximization of on-dock rail, all-electric yard tractors, lease termination for non-compliance, publication of compliance monitoring, funding TAP, and funding Harbor Community Benefit Foundation. 	3.1, Air Section 3.1, Air Section 3.1, Air Not a CEQA issue Section 3.1, Air Not a CEQA issue Not part of SEIR Section 2.7 Chapter 3 Section 3.1 Air
Northwest San Pedro Neighborhood Council	<ul style="list-style-type: none"> • Exceed CAAP and NNI. • Evaluate traffic west of I-110 and on N. Gaffey, Summerland to Anaheim. • Evaluate impact of lights. • Berth 302-306 truck fleet modernization. • Apply new technology and validate emissions reductions. • Complete walking/bike path north of the Cruise Terminal. • Retain transportation improvement mitigation measures. • Mitigate impacts by emphasizing public transportation. • Mitigate perceived noise impacts. • Paint the cranes to mitigate aesthetic impacts. • Evaluate increased transportation hazard. 	Section 3.2, Air Section 3.3, Transportation Not part of Revised Project Not part of Revised Project Section 3.1, Air Not part of Revised Project Section 3.3, Transportation Section 3.3, Transportation Not part of Revised Project Not part of Revised Project Section 3.3 Transportation

Table 1-3: Summary of Key NOP Comments

Commenter	Key Issues Raised	Where Addressed
Southern California Environmental Justice Alliance (identical letter and e-mail)	<ul style="list-style-type: none"> Evaluate the effectiveness of MMs AQ-9, AQ-10, AQ-17-AQ-17, AQ-20, and AQ-23. Evaluate the project's potential to violate air quality standards and emit TACs. Evaluate greenhouse gas emissions. Evaluate noise impacts. Evaluate traffic impacts related to LOS and V/C ratios at local intersections. Evaluate cumulative impacts of air, noise, transportation, and GHG emissions. 	Section 3.1 Air Section 3.1 Air Section 3.2 GHG Not part of SEIR Section 3.3, Transportation Sections 3.1 Air, 3.2 GHG, 3.3, Transportation
June Smith	<ul style="list-style-type: none"> Re-analyze the entire project. 	Section 1.1 Purpose
	<ul style="list-style-type: none"> 3rd party monitoring of MMRP and future agreements. 	Not part of SEIR
San Pedro & Peninsula Homeowners Coalition	<ul style="list-style-type: none"> Same comments as Chuck Hart, above. 	See Hart, above
Peter Warren	<ul style="list-style-type: none"> Explain "other factors". Prepare an entirely new EIR, not an SEIR. 	Section 2.5 Project Description Section 1.1 Purpose
Oral Comments at NOP Public Hearing		
David Petit (NRDC)	<ul style="list-style-type: none"> Look to Middle Harbor for feasible mitigation to apply to China Shipping. Analyze consistency with state and regional statutory framework. Implement low emissions trucks per the ESCAPE project. 	Section 3.1 Air Sections 2.7 Relationship to Plans and 3.1 Air Section 3.1 Air
James Allen	<ul style="list-style-type: none"> Produce the MMRPs from 2008 to now. 	Not part of SEIR

1.6.2 Comments on the 2017 Draft SEIR

On June 16, 2017, the LAHD released the Draft SEIR for a 45-day public review and comment period that was extended by an additional 60 days through September 29, 2017. A public hearing on the Draft SEIR was held on July 18, 2017. As stated above, the LAHD received written and oral comments from 36 agencies, organizations, and individuals.

Because the LAHD has determined to prepare and circulate this Recirculated Draft SEIR, there is no duty under CEQA to respond in writing to the comments received on the prior Draft SEIR. However, the LAHD has modified its analysis to address issues raised in certain of the comments received on the Draft SEIR. Table 1-4 summarizes the key issues and references the sections of the Recirculated Draft SEIR that addresses them. This list does not include all comments received on the Draft SEIR.

Table 1-4: Summary of Key Comments on the 2017 Draft SEIR

Commenter	Issues	Where Addressed
Comment Letters		
Los Angeles Department of Transportation (LADOT; 2 letters)	<ul style="list-style-type: none"> Analyze additional freeway segments. Notify LADOT of proposed changes to study intersections and that monitoring be conducted. Requests changes in analytical methodology in certain cases. Mitigation is needed for a cumulative impact on northbound I-110 north of 223rd St. 	Section 3.3 Ground Transportation
California Air Resources Board (CARB)	<ul style="list-style-type: none"> Strengthen MMs AQ-9, AQ-10, AQ-15, AQ-17, and AQ-20 Change LM 22 to require use of ZE technology within two years of commercial availability. Add MM requiring Tier 4 locomotives. 	Section 3.1 Air Quality
Coalition for a Safe Environment (2 letters)	<ul style="list-style-type: none"> Revise MMs AQ-9, AQ-10, AQ-15, AQ-17, and LMs AQ-1, AQ-3, and GHG-1. EIR fails to account for impacts of travel to all "Port destinations". Disagrees with feasibility determinations related to emissions reduction technologies. 	Section 3.1 Air Quality Section 3.2 GHG Section 3.3 Ground Transportation
California Natural Gas Vehicle Coalition	<ul style="list-style-type: none"> Disagrees with removal of MM AQ-20 and proposed changes to MM AQ-15. 	Section 3.1 Air Quality
Richard Havenick	<ul style="list-style-type: none"> Identify new mitigation measures. 	Section 3.1 Air Quality Section 3.2 GHG Section 3.3 Ground Transportation
Natural Resources Defense Council et al. (NRDC et al.)	<ul style="list-style-type: none"> The Draft SEIR uses an incorrect CEQA baseline – the baseline should be 2000-2001. Air quality analysis has technical errors related to modeling approach and emissions factors. Appendix D is based on erroneous assumptions. Analysis of conformance with AQMP is erroneous. Failure of timely implement of MM AQ-18 (locomotive DPFs) is ignored. 100% AMP is feasible and should be maintained as MM AQ-9. 100% compliance with VSRP is feasible and should be maintained as MM AQ-10. MMs AQ-15, AQ-16, and AQ-17 should be strengthened to require ZE technologies. The Draft SEIR's CHE replacement timetables and engine technologies need to be re-visited. 	Section 2.6 Baselines Section 3.1 Air Quality

Table 1-4: Summary of Key Comments on the 2017 Draft SEIR

Commenter	Issues	Where Addressed
	<ul style="list-style-type: none"> • MM AQ-20 (LNG trucks) is feasible and should be strengthened to require ZE technology. • ZE trucks should be required for certain operations. • Suggests a variety of additional measures involving operational practices, funded programs, and accelerated CHE turnover. 	
South Coast Air Quality Management District (SCAQMD)	<ul style="list-style-type: none"> • Analyze consistency of Revised Project with the 2016 AQMP • Require implementation of ZE drayage trucks consistent with the 2017 CAAP Update. • Suggests a variety of additional measures involving operational practices, incentive funding, demonstration projects and altered implementation timelines. • Technical analyses, including certain modeling parameters, meteorological data, and screening thresholds, are flawed • Draft SEIR's AMP compliance data and CO emissions data are inconsistent. 	Section 3.1 Air Quality
California State Lands Commission (CSLC)	<ul style="list-style-type: none"> • Use consistent terminology for the baseline. • MMs AQ-15, AQ-16, and AQ-17 should be strengthened to require ZE technologies. • Clarify whether Port has the authority to approve alternative compliance plan under MM AQ-9. • Replace MM AQ-20 with a requirement for early deployment of ZE trucks. • Accelerate implementation of LM GHG-1 (LED Lighting). • Asserts that the stated carbon fund contribution is not supported by substantial evidence. 	Section 2.6 Baselines Section 3.1 Air Quality Section 3.2 GHG
Oral Comments and Speaker Cards at the Public Hearing		
Greg Roche	<ul style="list-style-type: none"> • Re-visit feasibility of natural gas-powered CHE and trucks. 	Section 3.1 Air Quality
Appendix to NRDC Comment Letter		
Sonoma Technologies (for NRDC)	<ul style="list-style-type: none"> • Emissions factors for heavy-duty trucks are erroneous. • Draft SEIR inconsistently represents future-year benefits of AMP implementation. • Determination that Revised Project will be equivalent to fully mitigated scenario is unsupported. 	Section 3.1 Air Quality

1.6.3 Content of This Recirculated Draft SEIR

This Recirculated Draft SEIR is organized into seven chapters; two chapters normally included in EIRs – Growth-Inducing Impacts and Significant Irreversible Changes – are not included in this Recirculated Draft SEIR because, since the terminal was built and is operating essentially as considered in the 2008 EIS/EIR, these issues do not require additional analysis. The seven chapters are:

Chapter 1.0, Introduction: This chapter summarizes the background of the project and explains the environmental review process.

Chapter 2.0, Project Description: This chapter provides a detailed description of the proposed Revised Project, including the specific changes proposed to the mitigation measures and explanation for why such changes are sought.

Chapter 2 also discusses how the baselines used in this Recirculated Draft SEIR were developed and applied for the Revised Project. The purpose of a supplemental EIR is to determine whether modifications to a project would result in new or substantially more severe significant environmental impacts than disclosed in a prior EIS/EIR. In the typical case, a supplemental EIR would adopt as its baseline the full build-out of the approved project analyzed under the prior EIS/EIR, regardless of whether that project has been fully constructed. Thus, for this Recirculated Draft SEIR, it is proper to use the approved CS Container Terminal, as fully mitigated, as the baseline conditions for evaluating the impacts of the Revised Project and to disclose the incremental change in environmental impacts between the Approved Project and the Revised Project. An explanation on how this baseline is applied to specific resource areas is provided in Section 2.6.

Chapter 3.0, Environmental Impact Analysis: This chapter includes an assessment of the impacts of the Revised Project, mitigation for those impacts determined to be potentially significant, and a discussion of the changes in these impacts as compared to those identified in the 2008 EIS/EIR analysis. This chapter is divided into main sections for each of the three resource areas, i.e., Transportation, Air Quality, and Greenhouse Gases) that describe relevant changes to the environmental setting since 2008 and discuss the impacts of the Revised Project in comparison with those of the approved CS Container Terminal project.

To determine whether the proposed action would have significant and unavoidable impacts on the environment, impacts resulting from implementation of the Revised Project are compared to the baseline condition, as discussed above. The difference between the Revised Project and the baseline is then compared to a threshold to determine if the difference between the two is significant.

The criteria for determining the significance of environmental impacts in this Recirculated Draft SEIR analysis are described in the section titled “Significance Criteria” under each resource topic in Chapter 3. The threshold of significance for a given environmental effect is the level at which the LAHD finds a potential effect of the Revised Project to be significant. “Threshold of significance” can be defined as a “quantitative or qualitative standard, or set of criteria, pursuant to which significance of a given environmental effect could be determined” (CEQA Guidelines, Section 15064.7 [a]).

The significance thresholds are used here to evaluate whether the incremental change from the Revised Project results in any new impact or substantially increases the severity of a prior impact. As described earlier, the Revised Project consists of modifications to

1 certain mitigation measures for the approved CS Container Terminal. Except as
2 proposed to be modified by the Revised Project, all mitigation measures adopted by 2008
3 EIS/EIR to reduce and alleviate potential impacts of the CS Container Terminal have
4 been implemented or are underway and are incorporated into the project. Consequently,
5 for this Recirculated Draft SEIR, the impact significance under CEQA for the Revised
6 Project has been determined assuming that the previously adopted mitigation measures
7 will continue to be implemented, except those proposed to be modified by China
8 Shipping and LAHD for the Revised Project.

9 Based on this, potential impacts from the Revised Project can be categorized into four
10 types

- 11 • No Impact: No environmental impacts would occur from the Revised Project.
- 12 • Less-than-Significant Impact: Environmental impacts from the Revised Project
13 would not be significant, or if they would be, they would be significantly reduced
14 with the feasible mitigation measures adopted from the 2008 EIS/EIR and the
15 modifications proposed for the Revised Project.
- 16 • No Significant Impact with Additional Mitigation: Environmental impacts from
17 the Revised Project would be significant and adverse but could be significantly
18 reduced with additional, newly proposed feasible mitigation measures identified
19 in this Recirculated Draft SEIR.
- 20 • Significant and Unavoidable Impact: Environmental consequences of the Revised
21 Project would be substantial and adverse and would remain so even with
22 implementation of the feasible mitigation measures identified in this Recirculated
23 Draft SEIR.

24 **Chapter 4.0, Cumulative Impacts Analysis:** This chapter describes the cumulative
25 project scenario, updated with current information.

26 **Chapter 5.0, References:** This chapter identifies the materials and documents consulted
27 in preparing this Draft SEIR.

28 **Chapter 6.0, List of Preparers and Contributors:** This chapter lists the individuals
29 involved in preparing this Draft SEIR.

30 **Chapter 7.0, Glossary, Acronyms, and Abbreviations:** This chapter the full names for
31 acronyms and abbreviations used throughout this document.

32 **Appendices:** Present additional background information and technical detail for several
33 of the resource areas.

34 This Recirculated Draft SEIR has been prepared by Ramboll under contract to LAHD
35 and has been reviewed independently by LAHD staff. The scope of the document,
36 methods of analysis and conclusions represent the independent judgments of the LAHD.
37 Staff members from LAHD and Ramboll who helped prepare this Recirculated Draft
38 SEIR are identified in Chapter 11, List of Preparers and Contributors.

39 1.6.4 Significant and Unavoidable Effects

40 1.6.4.1 Project-Level Effects

41 The Revised Project would result in the following adverse project-level effects even after
42 implementation of the new recommended mitigation measures:

Air Quality

In the case of air quality, the mitigation measures proposed to be modified under the Revised project were part of a larger suite of measures identified in the 2008 EIS/EIR to address operational air emissions, ambient concentrations, toxic air contaminants and greenhouse gas emissions impacts of the CS Container Terminal project. The 2008 EIS/EIR determined that these impacts, even with implementation of all mitigation measures, remained significant and unavoidable for the CS Container Terminal project.

The Revised Project would have significant and unavoidable impacts related to criteria pollutants because emissions of carbon monoxide (CO), nitrogen oxides (NO_x), and volatile organic compounds (VOC) would exceed significance criteria in most of the analysis years even after mitigation.

The Revised Project would have a significant and unavoidable impact related to ambient concentrations of NO₂ and PM₁₀, which would exceed federal and/or state significance thresholds in multiple analysis years.

The Revised Project would have a significant and unavoidable impact related to toxic air contaminants. Cancer risks would be significant for residential, occupational, and sensitive receptor types.

Greenhouse Gases

GHG emissions from the Revised Project would exceed the state CEQA threshold in all analysis years even after mitigation.

Ground Transportation

Implementation of MM TRANS-2 would avoid an identified impact on operating conditions at the intersection of Alameda and Anaheim Streets (Study Location #3), but would require approval from LADOT. Because LADOT approval is not guaranteed, the Revised Project would have a significant and unavoidable impact. If LADOT approves the implementation of this mitigation measure, then the impact would be reduced to less than significant.

1.6.4.2 Cumulative Effects

The Revised Project, in combination with past, present and reasonably foreseeable future projects, would make cumulatively considerable contributions to significant cumulative impacts even after implementation of the new recommended mitigation measures:

Air Quality

The Revised Project, in combination with past, present and reasonably foreseeable future projects, would make cumulatively considerable contributions to significant cumulative impacts related to criteria pollutant emissions of CO, NO_x, and PM₁₀ because those emissions would exceed significance criteria.

The Revised Project would make cumulatively considerable contributions to significant cumulative impacts related to ambient concentrations of NO₂ and PM₁₀.

1 The Revised Project would make a cumulatively considerable contribution to a
2 significant and unavoidable cumulative impact related to cancer risk of residential,
3 occupational, and sensitive receptors.

4 **Greenhouse Gases**

5 The Revised Project, in combination with past, present and reasonably foreseeable future
6 projects, would make a cumulatively considerable contribution to a significant and
7 unavoidable cumulative impact related to GHG emissions because GHG emissions would
8 exceed 10,000 mt per year in all analysis years.

9 **Ground Transportation**

10 Implementation of MM TRANS-2 would mitigate an identified cumulative impact on
11 operating conditions at the intersection of Alameda and Anaheim Streets (Study Location
12 #3), but would require approval from LADOT. Because LADOT approval is not
13 guaranteed, the Revised Project would have a significant and unavoidable cumulative
14 impact. If LADOT approves the implementation of this mitigation measure, then the
15 cumulative impact will be reduced to less than significant.

16 **1.7 Alternatives to the Revised Project**

17 The Revised Project consists of modifications to mitigation measures for the previously
18 approved CS Container Terminal project. It does not propose substantive modifications
19 to the CS Container Terminal, but instead seeks to further achieve and support the
20 purpose and objectives for the Approved Project.

21 According to the CEQA Guidelines, an SEIR is required when “[o]nly minor additions or
22 changes would be necessary to make the previous EIR adequately apply to the project in
23 the changed situation” (CEQA Guideline § 15163(a)(2)). As a result, this Recirculated
24 Draft SEIR contains only the information necessary to make the 2008 EIS/EIR adequate
25 for the Revised Project. (CEQA Guideline § 15163(b).)

26 The 2008 EIS/EIR analyzed a reasonable range of alternatives to the Approved Project.
27 Section 2.5 and Chapter 6 of the 2008 EIS/EIR provide extensive information on the
28 development and screening of those project alternatives. These alternatives included:

- 29 • Proposed Project
- 30 • No Project Alternative
- 31 • No Federal Action Alternative
- 32 • Reduced Fill Alternative, No Berth 102 wharf
- 33 • Reduced Fill Alternative, No Berth 100 South
- 34 • Reduced construction and operation: Phase I construction only
- 35 • Omni Cargo Terminal Alternative
- 36 • Nonshipping Alternative: (Retail, Office, Light Industrial Land Uses)

37 Preparation of this Recirculated Draft SEIR does not require revisiting the prior
38 alternatives analysis; rather, the purpose of this Recirculated Draft SEIR is to consider
39 whether the proposed changes to mitigation measures for the Approved Project, when

1 analyzed in the context of projected increases in terminal throughput as discussed in
2 Section 1.4.1, result in new or substantially more severe significant impacts. The
3 modifications to mitigation measures proposed under the Revised Project analyzed in this
4 Recirculated Draft SEIR do not concern or alter any analysis of or conclusions reached
5 regarding alternatives analyzed in the 2008 EIS/EIR, the comparison of the Approved
6 Project to the alternatives analyzed in the 2008 EIS/EIR, or the identification of the No
7 Federal Action Alternative as the environmentally superior alternative in the 2008
8 EIS/EIR.

9 It should be noted that a supplemental EIR is not required to consider alternatives to a
10 component of the project. Rather, the alternatives analysis in the 2008 EIS/EIR
11 appropriately considered alternatives to the project as a whole. The proposed
12 modifications to the mitigation measures in the Revised Project do not change the
13 Approved Project as a whole and do not require that an alternative be developed that
14 specifically addresses those particular modifications.

15 **1.8 Intended Uses of this Recirculated Draft** 16 **SEIR**

17 This Recirculated Draft SEIR has been prepared in accordance with applicable state
18 environmental regulations, policies and laws to inform decision-makers about the
19 potential environmental impacts of the Revised Project. As an informational document,
20 an SEIR does not recommend approval or denial of a project. The Recirculated Draft
21 SEIR is being provided to the public for review, comment, and participation in the
22 planning process. After public review and comment, a Final SEIR will be prepared,
23 including responses to comments on the Recirculated Draft SEIR received from agencies,
24 organizations, and individuals. The Final SEIR will be distributed to provide the basis
25 for decision-making by the CEQA lead agency, as well as other concerned agencies.

26 **1.8.1 Approvals Required by LAHD to Implement the** 27 **Revised Project**

28 LAHD has jurisdictional authority over the Revised Project primarily pursuant to the
29 Tidelands Trust, California Coastal Act, and the Los Angeles City Charter. The SEIR
30 will be used by LAHD, as the lead agency under CEQA, in making a decision regarding
31 the future operation of the Revised Project and in informing agencies considering permit
32 applications and other actions required to lease and operate the Revised Project. LAHD's
33 certification of the SEIR, Notice of Completion, Findings of Fact, and Statement of
34 Overriding Considerations (if necessary) would document their decision as to the
35 adequacy of the SEIR and inform subsequent decisions by LAHD whether to approve the
36 Revised Project.

37 The SEIR itself is not a decision document and does not determine whether the Revised
38 Project will be approved. Rather, if changes to existing mitigation measures are
39 recommended as a result of the SEIR, the Board of Harbor Commissioners will consider
40 amending the lease for operations at Berths 97-109 accordingly.

1.8.2 What Happens If the Revised Project Is Not Approved

The purpose of this section is to provide information to the public and decisionmakers on the implications if the Revised Project analyzed in this Recirculated Draft SEIR is not approved by the Board of Harbor Commissioners.

Construction and operation of the CS Container Terminal was analyzed in the 2008 EIS/EIR. Construction was largely completed by 2013 and operations are ongoing. If the modifications to the operational mitigation measures proposed for the Revised Project are not approved by the Board of Harbor Commissioners, the terms previously approved for the CS Container Terminal for the project studied in the 2008 EIS/EIR would remain in place.

With respect to the mitigation measures related to transportation that are proposed for modification under the Revised Project, the effect of not approving the Revised Project would mean that LAHD would need to comply with these original mitigation measures, even if facts show that such measures would not reduce a significant environmental impact. This would require LAHD to expend public funds and resources on measures that would not result in a benefit to the community or the environment.

With respect to air quality and greenhouse gas impacts, LAHD has, as discussed above, received information from China Shipping that certain mitigation measures previously approved in the 2008 EIS/EIR intended to address these impacts may not be feasibly implemented as originally adopted. This means that retaining those mitigation measures may not be effective in addressing such impacts and would not be consistent with the original project objectives. Those objectives are:

- (1) provide a portion of the facilities needed to accommodate the projected growth in the volume of containerized cargo through the Port;
- (2) comply with the Mayor's goal for the Port to increase growth while mitigating the impacts of that growth on the local communities and the Los Angeles region by implementing pollution control measures, including the elements of the Clean Air Action Plan (CAAP) applicable to the proposed Project; and
- (3) comply with the Port Strategic Plan to maximize the efficiency and capacity of terminals while raising environmental standards through application of all feasible mitigation measures.

The last two objectives may not be met under the previously approved CS Container Terminal project because impacts would remain unaddressed despite the availability of alternative feasible mitigation, as identified in this Recirculated Draft SEIR. This is a consideration in determining the implications of the Board's action on the Revised Project.

Putting aside the feasibility issues raised about these mitigation measures, if the Board does not approve the Revised Project, the original mitigation measures for air quality and greenhouse gas emissions would remain applicable to the CS Container Terminal. As analyzed in the 2008 EIS/EIR, the impacts remaining after implementation of the previously approved mitigation measures would be less severe than the impacts of the Revised Project. Thus, again not considering the potential feasibility issues, allowing the previously approved mitigation measures to remain in place would avoid an incremental increase in severity of impacts caused by the proposed changes. However, the 2008

1 EIS/EIR determined that these impacts, even with implementation of all mitigation
2 measures, remained significant and unavoidable for the CS Container Terminal project.
3 These impacts remain significant and unavoidable with the application of new mitigation
4 measures; the only difference would be a change in the severity of such impacts.

5 Consequently, if the Board does not approve the Revised Project, the environmental
6 impacts determined in the 2008 EIS/EIR for the CS Container Terminal would still
7 remain and the previously approved mitigation measures would still be required. LAHD
8 would continue to be responsible for overseeing the Mitigation Monitoring and Reporting
9 Program and ensuring all parties comply with the mitigation measures. This includes the
10 requirement that all mitigation measures and leasing policy requirement be included in
11 leases and lease amendments for operation of the CS Terminal. Consequently, LAHD
12 would still have to adopt or amend the lease with any terminal operator, including China
13 Shipping, to ensure compliance with the mitigation measures. If the previously approved
14 mitigation measures are not implemented as required in the 2008 EIS/EIR, any action by
15 LAHD to enforce such measures would be a separate proceeding outside the scope of this
16 Recirculated Draft SEIR.

17 **1.9 Key Principles Guiding Preparation of** 18 **this Recirculated Draft SEIR**

19 **1.9.1 Emphasis on Significant Environmental Effects** 20 **or Substantial Increase in the Severity of** 21 **Previously Identified Significant Effects**

22 This Recirculated Draft SEIR focuses on the significant environmental effects of the
23 Revised Project, including any new significant impacts or substantial increases in the
24 severity of significant impacts identified in the 2008 EIS/EIR, and their relevance to the
25 decision-making process. The following sections describe the general framework for
26 analysis under CEQA. These summaries are not meant to capture the legal nuances that
27 have developed through the passage and amendment of various statutes and regulations,
28 and from corresponding judicial decisions; rather, the summaries are meant to
29 communicate a general understanding of CEQA.

30 “Environmental impacts,” as defined by CEQA, include physical effects on the
31 environment. The State CEQA Guidelines (Section 15360) define the environment as
32 follows:

33 The physical conditions which exist within the area which will
34 be affected by a proposed project, including land, air, water,
35 minerals, flora, fauna, ambient noise, and objects of historic or
36 aesthetic significance.

37 This definition does not include strictly economic impacts (e.g., changes in property
38 values) or social impacts (e.g., a particular group of persons moving into an area). The
39 State CEQA Guidelines (Section 15131[a]) state that “economic or social effects of a
40 project shall not be treated as significant effects on the environment.” However,
41 economic or social effects are relevant to physical effects in two situations. In the first,
42 according to Section 15131(a) of the State CEQA Guidelines: “An EIR may trace a chain

1 of cause and effect from a proposed decision on a project through anticipated economic
2 or social changes...to physical changes caused in turn by the economic or social
3 changes.” In other words, if an economic or social impact leads to a physical impact, this
4 ultimate physical impact would be evaluated in the EIR. In the second instance,
5 according to Section 15131(b) of the State CEQA Guidelines: “Economic or social
6 effects of a project may be used to determine the significance of physical changes caused
7 by the project.”

8 As with economic or social impacts, psychological impacts are outside the definition of
9 the term “environmental.” While not specifically discussed in the State CEQA
10 Guidelines, the exclusion of psychological impacts was specifically affirmed in the 1999
11 court decision *National Parks and Conservation Association v. County of Riverside* 71
12 Cal. App. 4th 1341, 1364 (1999).

13 In view of these legal precedents, LAHD is not required to treat economic, social, or
14 psychological impacts as significant environmental impacts absent a related physical
15 effect on the environment. Therefore, such impacts are discussed only to the extent
16 necessary to determine the significance of the physical impacts of the Revised Project
17 and alternatives.

18 **1.9.2 Forecasting**

19 In this Recirculated Draft SEIR, the LAHD and its consultants have made their best
20 efforts to predict and evaluate the reasonable, foreseeable, direct, indirect, and cumulative
21 environmental impacts of the Revised Project. CEQA does not require LAHD to engage
22 in speculation about impacts that are not reasonably foreseeable (State CEQA Guideline
23 Sections 15144 and 15145). CEQA does not require a worst-case analysis.

24 **1.9.3 Reliance on Environmental Thresholds and** 25 **Substantial Evidence**

26 The identification of impacts as “significant” or “less than significant” is one of the
27 important functions of an EIR. While impacts determined to be “less than significant”
28 need only be acknowledged as such, an EIR must identify mitigation measures for any
29 impact identified as “significant.” In preparing this document, LAHD has based its
30 conclusions about the significance of environmental impacts on identifiable thresholds
31 and has supported these conclusions with substantial scientific evidence.

32 The criteria for determining the significance of environmental impacts in this analysis are
33 described in each resource section in Chapter 3, Environmental Analysis. The “threshold
34 of significance” under CEQA for a given environmental effect is the level at which
35 LAHD finds a potential effect of the Revised Project or alternative to be significant.
36 “Threshold of significance” can be defined as a “quantitative or qualitative standard or
37 set of criteria, pursuant to which significance of a given environmental effect may be
38 determined” (State CEQA Guidelines, Section 15064.7(a)).

1.9.4 Reliance on Current Data, Models, and Analytical Tools

In preparing this Recirculated Draft SEIR, LAHD has used the most current data available to determine the 2008 baselines and future condition assumptions. In addition, substantial advances in air quality, health risk, and traffic modeling and other analytical tools have occurred since the 2008 EIS/EIR was prepared. The new models and analytical tools were used in the preparation of this document in order to ensure an accurate and up-to-date assessment of the impacts of the Revised Project. Furthermore, as described in more detail in Section 2.5, many of the models and analytical tools used in the previous analysis are no longer available or are no longer approved for use by the relevant resource agencies.

1.9.5 Disagreement Among Experts

During preparation of the Recirculated Draft SEIR, it is possible that evidence that might raise disagreements will be presented during the public review of the Recirculated Draft SEIR. Such disagreements will be noted and will be considered by the decision-makers during the public hearing process. However, to be adequate under CEQA, the Recirculated Draft SEIR need not resolve all such disagreements (State CEQA Guidelines Section 15151).

Accordingly, conflict of evidence and expert opinions on an issue concerning the environmental impacts of the Revised Project—when LAHD is aware of these controversies—has been identified in this Recirculated Draft SEIR. The Recirculated Draft SEIR has summarized the conflicting opinions, where they occur, and has included sufficient information to allow the public and decision-makers to take intelligent account of the environmental consequences of their actions.

In rendering a decision on a project where there is a disagreement exists among experts, the decision-makers are not obligated to select the most conservative, environmentally protective or liberal viewpoint. Decision-makers might give more weight to the views of one expert than to those of another, and need not resolve a dispute among experts. The decision-makers must consider the comments received and address any objections, but need not follow said comments or objections so long as the decision-makers state the basis for their decision and the decision is supported by substantial evidence.

1.9.6 Duty to Mitigate

According to Section 15126.4(a) of the State CEQA Guidelines, each significant impact identified in an EIR must include a discussion of feasible mitigation measures that would avoid or substantially reduce the significant environmental effect. To reduce significant effects, mitigation measures must avoid, minimize, rectify, reduce, eliminate, or compensate for a given impact of the proposed Project. Mitigation measures must satisfy certain requirements to be considered adequate. Mitigation should be specific and enforceable, define feasible actions that would demonstrably improve significant environmental conditions, and allow monitoring of their implementation. Mitigation measures that merely require further studies or consultation with regulatory agencies and are not tied to a specific action that would directly reduce impacts, or that defer mitigation until some future time, are not adequate.

1 Effective mitigation measures clearly explain objectives and indicate how a given
2 measure should be implemented, who is responsible for its implementation, and where
3 and when the mitigation would occur. Mitigation measures must be enforceable,
4 meaning that the lead agency must ensure that the measures would be imposed through
5 appropriate permit conditions, agreements, or other legally binding instruments.

6 Section 15041 of the State CEQA Guidelines grants public agencies the authority to
7 require feasible changes (mitigation) that would substantially lessen or avoid a significant
8 effect on the environment associated with activities involved in a project. Public
9 agencies, however, do not have unlimited authority to impose mitigation. A public
10 agency might exercise only those express or implied powers provided by law, aside from
11 those provided by CEQA. However, where another law grants discretionary powers to a
12 public agency, CEQA authorizes use of discretionary powers (State CEQA Guidelines
13 Section 15040).

14 In addition to limitations imposed by CEQA, the U.S. Constitution limits the authority of
15 regulatory agencies to impose conditions to those situations where a clear and direct
16 connection (“nexus,” in legal terms) exists between a project impact and the mitigation
17 measure. Finally, a proportional balance must exist between the impact caused by the
18 project and the mitigation measure imposed upon the project applicant. A project
19 applicant cannot be forced to pay more than its fair share of the mitigation, which should
20 be roughly proportional to the impact(s) caused by the project.

21 **1.9.7 Incorporation by Reference**

22 CEQA encourages incorporation by reference (State CEQA Guidelines Section 15006(t))
23 and establishes guidelines for incorporation by reference (State CEQA Guidelines
24 Section 15150). Specifically, Section 15150 states, “Where an EIR or Negative
25 Declaration uses incorporation by reference, the incorporated part of the referenced
26 document shall be briefly summarized where possible or briefly described if the data or
27 information cannot be summarized. The relationship between the incorporated part of the
28 referenced document and the EIR shall be described”. In addition, a supplemental EIR
29 may be circulated by itself without recirculating the previous EIR (in this case, the 2008
30 EIS/EIR), and the decision-making body is to consider the previous EIR as revised by the
31 SEIR (State CEQA Guidelines Sections 15163(D) and (e)).

32 This Recirculated Draft SEIR incorporates the 2008 EIS/EIR for the Approved Project
33 (USACE and LAHD, 2008) by reference. The key findings of the 2008 EIS/EIR and its
34 relationship to this document are summarized in Section 2.2 of this Recirculated Draft
35 SEIR.

36 **1.10 Port of Los Angeles Environmental** 37 **Initiatives**

38 LAHD’s Environmental Management Policy, as described in this section, was approved
39 by the Harbor Commission on April 27, 2003. The purpose of the Environmental
40 Management Policy is to provide an introspective, organized approach to environmental
41 management; further incorporate environmental considerations into day-to-day Port
42 operations; and achieve continual environmental improvement.

1 The Environmental Management Policy includes existing environmental initiatives for
2 LAHD and its customers, such as the voluntary Vessel Speed Reduction Program
3 (VSRP), Source Control Program, Clean Air Action Plan, Clean Truck Program, and the
4 Clean Engines and Fuels Policy. These programs, as well as a number of others, are
5 Port-wide initiatives to reduce environmental pollution. Many of the programs relate to
6 the Revised Project, and the following discussion includes details on those programs and
7 their goals. Numerous other Port programs and plans related to wildlife and natural
8 resources, water and sediment quality, and cultural resource protection are not
9 summarized here because they are not directly relevant to the Revised Project, but they
10 can be reviewed at https://www.portoflosangeles.org/idx_environment.asp.

11 **1.10.1 LAHD's Environmental Policy**

12 LAHD is committed to managing resources and conducting Port developments and
13 operations in an environmentally and fiscally responsible manner. LAHD strives to
14 improve the quality of life and minimize the impacts of its development and operations
15 on the environment and surrounding communities. This is done through the continuous
16 improvement of its environmental performance and the implementation of
17 pollution-prevention measures, in a feasible and cost-effective manner that is consistent
18 with LAHD's overall mission and goals and with those of its customers and the
19 community.

20 To ensure this policy is successfully implemented, LAHD will develop and maintain an
21 environmental management program that will:

- 22 • ensure that environmental policy is communicated to LAHD staff, its customers,
23 and the community;
- 24 • ensure compliance with all applicable environmental laws and regulations;
- 25 • ensure that environmental considerations include feasible and cost-effective
26 options for exceeding applicable regulatory requirements;
- 27 • define and establish environmental objectives, targets, and best management
28 practices (BMPs), and monitor performance;
- 29 • ensure LAHD maintains a Customer Outreach Program to address common
30 environmental issues; and
- 31 • fulfill the responsibilities of each generation as trustee of the environment for
32 succeeding generations through environmental awareness and communication
33 with employees, customers, regulatory agencies, and neighboring communities.
- 34 • LAHD is committed to the spirit and intent of this policy and the laws, rules, and
35 regulations, which give it foundation.

36 **1.10.2 Environmental Plans and Programs**

37 LAHD has implemented a variety of plans and programs to reduce the environmental
38 effects associated with operations at the Port. These programs include the San Pedro Bay
39 Port Complex Clean Air Action Plan (CAAP), Water Resources Action Plan (WRAP),
40 deepening the channels of the Port to accommodate larger and more efficient ships, and
41 converting to electric and alternative-fuel vehicles. All of these efforts ultimately reduce
42 adverse environmental effects.

1.10.2.1 Clean Air Action Plan

The Ports of Los Angeles and Long Beach, with the participation and cooperation of the staff of the EPA, CARB, and SCAQMD, prepared the San Pedro Bay Port Complex CAAP, a planning and policy document that sets goals and implementation strategies to reduce air emissions and health risks associated with Port operations while allowing Port development to continue. In addition, the CAAP sought the reduction of criteria pollutant emissions to the levels that assure Port-related sources decrease their “fair share” of regional emissions to enable the South Coast Air Basin to attain state and federal ambient air quality standards. Each individual CAAP measure is a proposed strategy for achieving these emissions reductions goals. The Ports approved the first CAAP in November 2006. Specific strategies to significantly reduce the health risks posed by air pollution from Port-related sources included:

- aggressive milestones with measurable goals for air quality improvements;
- specific goals set forth as standards for individual source categories to act as a guide for decision-making;
- recommendations to eliminate emissions of ultrafine particulates;
- technology advancement programs to reduce greenhouse gases; and
- public participation processes with environmental organizations and the business communities.

The CAAP focuses primarily on reducing diesel particulate matter (DPM), along with nitrogen oxide (NO_x) and sulfur oxides (SO_x). Reducing emissions, and therefore health risk, allows for future Port growth while progressively controlling the impacts associated with growth. The CAAP includes emission control measures as proposed strategies that are designed to further these goals. The goals are expressed as Source-Specific Performance Standards that may be implemented through the environmental review process or could be included in new leases or Port-wide tariffs, Memoranda of Understanding (MOU), voluntary action, grants, or incentive programs.

The CAAP was updated in 2010 to include updated and new emission control measures as proposed strategies that support the goals expressed as the Source-Specific Performance Standards and the Project-Specific Standards.

In addition, the 2010 CAAP Update included the recently developed San Pedro Bay Standards, which establish emission and health risk reduction goals to assist the Ports in their planning for adopting and implementing strategies to significantly reduce the effects of cumulative Port-related operations.

The goals set forth as the San Pedro Bay Standards were the most significant addition to the CAAP and include both a Bay-wide health risk reduction standard and a Bay-wide mass emission reduction standard. Ongoing Port-wide CAAP progress and effectiveness are measured against these Bay-wide Standards, which consist of the following reductions as compared to 2005 emissions levels:

- Health Risk Reduction Standard: 85% reduction in DPM by 2020
- Emission Reduction Standards:
 - By 2014, reduce emissions by 72% for DPM, 22% for NO_x, and 93% for SO_x
 - By 2023, reduce emissions by 77% for DPM, 59% for NO_x, and 92% for SO_x.

1 The Project-Specific Standard remained as adopted in the original CAAP in 2006, that
2 new projects meet the 10 in 1,000,000 excess residential cancer risk threshold, as
3 determined by health risk assessments conducted in accordance with CEQA statutes,
4 regulations, and guidelines, and implemented through required CEQA mitigations and/or
5 lease negotiations. Although each Port has adopted the Project-Specific Standard as a
6 policy, the Board of Harbor Commissioners retain the discretion to consider and approve
7 projects that exceed this threshold if the Board deems it necessary by adoption of a
8 statement of overriding considerations at the time of project approval.

9 The latest CAAP Update, adopted in November 2017, re-affirms the Ports' commitment
10 to the goals and standards of previous CAAP versions, but also introduces new goals,
11 standards, and programs. The 2017 CAAP Update incorporates two new emission
12 reduction targets:

- 13 • reduce greenhouse gases (GHG) from port-related sources to 40% below 1990
14 levels by 2030
- 15 • reduce GHGs from port-related sources to 80% below 1990 levels by 2050.

16 The 2017 update retains the reduction targets for emissions of diesel particulates,
17 nitrogen oxides, and sulfure oxides set in the 2010 update. It also retains the health risk
18 reduction goals set by the 2010 update, re-affirms the Ports' commitment to those goals,
19 and further commits the Ports to working with regulators and stakeholders toward further
20 reductions in emissions and health risks.

21 In addition, the 2017 CAAP Update incorporates the recent commitment by the mayors
22 of Los Angeles and Long Beach to move towards zero emissions at the Ports, including
23 setting goals of zero-emissions cargo-handling equipment by 2030 and zero-emissions
24 drayage trucks by 3035. Accordingly, the updated CAAP includes provisions for new
25 investments in clean technology, expanded use of at-beth emission reduction
26 technologies, and a zero-emissions drayage truck pilot program. The updated CAAP also
27 includes a CAAP Implementation Stakeholder Advisory Group to advise the Ports on
28 details of CAAP implementation and ongoing operational efficiency and energy
29 conservation programs; a commitment to the nationwide Green Ports Collaborative; and a
30 commitment to a joint effort to secure funding for necessary equipment purchases and
31 infrastructure development.

32 This Draft SEIR analysis assumes compliance with the CAAP in its current form, as
33 updated in 2017. Proposed project-specific mitigation measures applied to reduce air
34 emissions and public health impacts are consistent with, and in some cases exceed, the
35 emission-reduction strategies of the 2017 CAAP.

36 Zero Emission Equipment: While the CAAP has been very successful at encouraging
37 substantial emissions reductions, further reductions may be needed as Port throughput
38 continues to increase in the coming years. Promising developments in the area of zero
39 and near-zero emissions technology may mean that zero-emissions equipment capable of
40 handling the demands of the heavy use requirements of a marine terminal may be
41 forthcoming in the near future.

42 In 2011, the Port of Los Angeles and the Port of Long Beach released a Zero Emission
43 Technologies Roadmap to establish an initial plan for identifying technologies to pursue
44 demonstrations to advance zero emission technology development. In September 2015
45 the LAHD released a draft Zero Emission White Paper (White Paper) that was developed
46 to assist LAHD in moving toward the adoption of zero emission technologies for local

1 goods movement. The White Paper contains information on various types of zero
2 emission and near-zero-emission technologies, the status of those technologies (as of
3 September 2015), proposed testing plans for future demonstrations, infrastructure
4 planning, and a business case study. The paper concluded with a series of specific
5 recommendations, which were designed to guide the LAHD in its decisions regarding the
6 advancement of technology in and around the Port towards zero-emission and near-zero-
7 emissions.

8 During the adoption of the State Implementation Plan in March 2017, the CARB Board
9 directed its staff to, among other actions, develop cargo-handling equipment regulations
10 to achieve up to 100% compliance with zero-emissions vehicles by 2030. In the 2017
11 CAAP Update the Ports committed to engage in the rulemaking process while
12 simultaneously focusing on implementation and, where feasible and consistent with their
13 legal and jurisdictional authority, accelerating those regulations to facilitate compliance
14 and generate emission reductions in the early years. Accordingly, the Ports, in the 2017
15 CAAP Update, are proposing a suite of actions to encourage acceleration of new trucks
16 entering the fleet to meet the cleanest standards, including near-zero emissions and zero-
17 emissions. The Ports have also bolstered their incentive-based strategies to promote
18 voluntary turnover to cleaner technologies.

19 The LAHD has provided over \$7 million in funding for projects aimed at developing zero
20 emission technology for short-haul drayage trucks and on-terminal yard tractors. Initial
21 zero emission vehicle testing has shown mixed results, but more recent progress has been
22 made that reinforces the LAHD's belief that zero emission container movement
23 technologies show great promise for helping to reduce criteria pollutants and greenhouse
24 gas emissions in the future.

25 The Port of Los Angeles, working collaboratively with the Port of Long Beach and
26 several stakeholders and partnerships, is committed to expanded development and testing
27 of zero emission technologies, identification of new strategic funding opportunities to
28 support these expanded activities, and new planning for long-term infrastructure
29 development to sustain developed programs, all while ensuring competitiveness among
30 maritime goods movement businesses.

31 **1.10.2.2 Other Environmental Programs**

32 **Air Quality**

33 Alternative Maritime Power (AMP): AMP reduces emissions from container vessels
34 docked at the Port. As described in Section 1.2, ships normally shut off their propulsion
35 engines when at berth but use auxiliary diesel generators to power electrical needs such
36 as lights, pumps, and refrigerator units. These generators emit an array of pollutants,
37 primarily NO_x, SO_x, and particulate matter (PM₁₀ and PM_{2.5}). The Port provides shore-
38 based electricity at 24 of its berths as an alternative to running the generators. The AMP
39 program allows ships to “plug-in” to shoreside electrical power while at dock instead of
40 using on-board generators (a practice also referred to as cold ironing), which dramatically
41 reduces emissions. AMP facilities have been installed and are currently in use at APM
42 Terminals, Eagle Marine Services, the CS Terminal, Yusen Terminal, Everport Terminal,
43 TraPac Terminal, Yang Ming Terminal, and the Cruise Ship Terminal. AMP has been
44 incorporated into the CAAP as a project-specific measure.

45 Off-Peak Program: Extending cargo terminal operations by five night and weekend work
46 shifts, the Off-Peak Program, managed by PierPASS (an organization created by marine

1 terminal operators) has been successful in increasing cargo movement, reducing the
2 waiting time for trucks inside Port terminals, and reducing truck traffic during peak
3 daytime commuting periods.

4 On-Dock Rail and the Alameda Corridor: Use of rail for long-haul cargo is
5 acknowledged as an air quality benefit. Five existing on-dock railyards at the Port,
6 including the WBICTF used by the CS Container Terminal (Figure 1-3), significantly
7 reduce the number of short-distance truck trips (the trips that normally would convey
8 containers to and from off-site railyards

9 The Alameda Corridor, a joint undertaking of the two San Pedro Bay ports, allows trains
10 to and from the on-dock railyards to connect directly to the nationwide rail network,
11 starting near downtown Los Angeles. The corridor is fully grade-separated, meaning that
12 train traffic does not conflict with roadway traffic and can travel at higher speeds than
13 previously. Use of the Alameda Corridor allows more cargo to travel by rail, thereby
14 reducing emissions compared to truck travel, and reduces vehicle emissions caused by
15 delay at grade crossings.

16 Electric and Alternative Fuel Vehicles: The Port has converted more than 35% of its fleet
17 to electric or alternative-fuel vehicles. These include heavy-duty vehicles and passenger
18 vehicles. In addition, through its Technology Advancement Program, its participation in
19 zero-emissions technology projects, and other initiatives the Port has provided funding
20 and staff support for pilot and demonstration programs related to electric and hybrid
21 heavy-duty trucks. These initiatives are part of the Port's efforts to reduce emissions in
22 the goods movement industry.

23 Electrified Terminal Operating Equipment: The 85 ship-loading cranes currently in use at
24 the Port operate under electric power. In addition, a variety of other terminal operations
25 equipment has been fitted with electric motors.

26 Yard Equipment: Over the past ten years, diesel oxidation catalysts have been applied to
27 nearly all yard tractors at the Port. This program has been carried out with Port funds and
28 funding from the Carl Moyer Program. The Port has also participated in projects to
29 demonstrate zero-emissions and hybrid cargo-handling equipment and yard tractors.,
30 Projects include providing funding for an Eco-Crane (diesel-electric RTG)
31 demonstration, supporting a CARB demonstration project at the APM Terminal
32 involving electric yard tractors, and participating in a recent CEC grant program at the
33 Everport Terminal that converted 20 yard tractors to LNG.

34 Vessel Speed Reduction Program: Under this voluntary program, oceangoing vessels
35 slow to 12 knots when within 20 and 40 nautical miles of the entrance to Los Angeles
36 Harbor, thus reducing emissions from main propulsion engines. Currently,
37 approximately 94% of ships comply with the voluntary program within 20 nautical miles
38 and 79% comply within 40 nautical miles.

39 Greenhouse Gas Reduction: Under a December 2007 agreement with the Attorney
40 General's office, the Port conducts annual comprehensive inventories of Port-related
41 greenhouse gas emissions, tracking these emissions from their foreign sources to
42 domestic distribution points throughout the United States. The Port reports this data
43 annually to the California Climate Action Registry. The annual reports include emissions
44 of all ships bound to and from the Port terminals, encompassing points of origin and
45 destination; emissions of all rail transit to and from Port terminals, encompassing major
46 rail cargo destination and distribution points in the United States; and emissions of all

1 truck transit to and from Port terminals, encompassing major truck destinations and
2 distribution points.

3 The Port-wide inventory will be conducted annually until the CARB regulations on
4 greenhouse gas monitoring and reporting mandated by Assembly Bill (AB) 32 become
5 effective. Under the agreement, LAHD is also constructing a 10-megawatt photovoltaic
6 solar system to offset approximately 17,000 metric tons of carbon dioxide equivalent
7 annually.

8 In addition to the agreement with the Attorney General, many of the environmental
9 programs described in this section (such as the Green Terminal Program, the Recycling
10 Program, the Green Ports Program, and all of the air quality improvement programs
11 described above) serve to reduce greenhouse gas emissions.

12 **General Port Environmental Programs**

13 Green Building Policy: In August 2007, LAHD adopted a Green Building Policy, which
14 outlines the environmental goals for newly constructed and existing buildings, dictates
15 the incorporation of solar power and technologies that are efficient with respect to the use
16 of energy and water, dedicates staffing for the advancement and refinement of sustainable
17 building practices, and maintains communication with other City of Los Angeles
18 departments for the benefit of the community. The policy incorporates sustainable
19 building design and construction guidelines based on the United States Green Building
20 Council – Leadership in Energy and Environmental Design Green Building Rating
21 System (POLA, 2007).

22 Recycling: The Port incorporates a variety of innovative environmental programs and
23 concepts into its construction projects and administrative and maintenance activities. For
24 example, when building an on-dock rail facility, the Port saved nearly \$1,000,000 and
25 thousands of cubic yards of landfill space by recycling existing asphalt pavement instead
26 of purchasing new pavement. The Port also maintains an annual contract to crush and
27 recycle broken concrete and asphalt. In addition, the Port successfully has used recycled
28 plastic products, such as fender piles and protective front-row piles, in many wharf
29 construction projects. Ongoing Port initiatives include recycling and waste diversion
30 programs targeting office activities (e.g., paper, cardboard, and toner cartridge
31 recycling/reduction), vehicle maintenance waste minimization and recycling (e.g., tires
32 and motor oil), metal and wood reclamation/waste diversion (construction and
33 maintenance activities); and green waste recycling.

34 **1.11 Availability of the SEIR**

35 Recirculated Draft SEIR for the Revised Project is being distributed directly to agencies,
36 organizations, and interested groups and persons for comment during the formal review
37 period as well as to every agency, person, or organization that commented on the prior
38 Draft SEIR in accordance with Sections 15087, 15088.5(d) and 15088.5(f) of the State
39 CEQA Guidelines. Reviewers are advised that new comments must be submitted on the
40 Recirculated Draft SEIR and that, although part of the administrative record, comments
41 received on the prior Draft SEIR may no longer be considered pertinent and as such,
42 would not require a written response by the LAHD in the Final SEIR. A 45-day
43 comment period has been established, which begins on September 28, 2018, and ends on

1 November 13, 2018, during which the Draft SEIR is available for general public review
2 at the following locations:

3 LAHD Environmental Management Division
4 222 West Sixth Street, 9th Floor
5 San Pedro, California 90731

6 Los Angeles Public Library Central Branch
7 630 West 5th Street
8 Los Angeles, California 90071

9 Los Angeles Public Library San Pedro Branch
10 921 South Gaffey Street
11 San Pedro, California 90731

12 Los Angeles Public Library Wilmington Branch
13 1300 North Avalon Boulevard
14 Wilmington, California 90744

15 In addition to printed copies, electronic versions of the Draft SEIR are available as a
16 series of PDF files to facilitate downloading and printing. Members of the public can
17 request a CD containing this document. The Draft SEIR is available in its entirety as
18 PDF files on the Port of Los Angeles website at:
19 http://www.portoflosangeles.org/environment/public_notices.asp.

20 Interested parties may provide written comments on the Draft SEIR, which must be
21 postmarked by November 13, 2018. Please address comments to:

22 Christopher Cannon, Director
23 Environmental Management Division
24 Los Angeles Harbor Department
25 425 S. Palos Verdes Street
26 San Pedro, CA 90731

27 Comments may also be sent via email to ceqacomment@portla.org.

28 CEQA allows that a supplement to an EIR may be circulated for public review by itself
29 without recirculating the previous draft or final EIR. LAHD will make available the
30 2008 EIS/EIR during the review of the Draft SEIR on the Port of Los Angeles website at:
31 http://www.portoflosangeles.org/environment/public_notices.asp or in hard copy at the
32 Environmental Management Division.