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.
Chapter 1 Introduction

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

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

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

1.1.3 Purpose of the Recirculated Draft SEIR

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

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

A supplemental EIR, as its name implies, supplements an EIR that has already been certified for a project, to address project changes, changed circumstances, or new information that was not known, and could not have been known with the exercise of reasonable diligence at the time the prior document was certified. The purpose of a
supplemental EIR is to provide the additional information necessary to make the
previously certified EIR adequate for the project as revised. Accordingly, the
Supplemental EIR need only contain the information necessary to respond to the project
changes, changed circumstances or new information that triggered the need for additional
environmental review (CEQA Guidelines, Section 15163.) A supplemental EIR does not
“re-open” a previously certified EIR or reanalyze the environmental impacts of a project
as a whole; the analysis is limited to whether the project changes result in new or
substantially more severe significant impacts.

1.1.4 Scope of the Recirculated Draft SEIR

1.1.4.1 General Background

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

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

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

In accordance with Sections 15126.2 and 15163 of the CEQA Guidelines, this
Recirculated Draft SEIR identifies and focuses on the significant direct and indirect
environmental effects on the physical environment of proposed changes to the CS
Terminal Project, changed circumstances surrounding that project, and new information
of substantial importance to that project. This Recirculated Draft SEIR analyzes whether
operation of CS Terminal under the Revised Project, at throughput levels assumed to
increase incrementally over the levels assumed in the 2008 EIS/EIR and based on the
factors and information described in section 1.4.2, would result in new or substantially
more severe significant effects on the environment, compared to the impacts disclosed in the 2008 EIS/EIR. Updates to the 2008 EIS/EIR are provided only where mitigation measures have been modified or information updated, and where discussion of these changes is necessary to provide sufficient analysis of impacts. Subjects addressed in Chapter 3, Environmental Impact Analysis, of this Recirculated Draft SEIR include:

- Air Quality
- Greenhouse Gases and Climate Change
- Transportation.

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

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

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

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

1.1.4.2 The Recirculated Draft SEIR

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

**CEQA Baseline**

The 2017 Draft SEIR used 2014 (the year before the NOP was issued) as the CEQA baseline. Several comments on the 2017 Draft SEIR disagreed with that baseline, alleging that use of a 2014 baseline ignored the period between 2008, when the project was approved, and 2014 during which some mitigation measures were not fully
implemented, and that the appropriate baseline would be the year 2000-2001 baseline used in the 2008 EIS/EIR. The LAHD acknowledges that the period of partial implementation was not fully addressed in the 2017 Draft SEIR, and has determined that the appropriate baseline would be 2008. That approach captures the period in question but avoids revisiting the period between 2000 and 2008, when no mitigation measures were in effect. Furthermore, it is unnecessary to apply the 2008 baseline to the traffic analysis because no mitigation measures related to traffic were in effect before 2015. Accordingly, this Recirculated Draft SEIR employs a 2008 baseline for air quality (including health risk) and greenhouse gases, and a 2014 baseline for the analysis of traffic impacts.

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

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

**Revised Project Description**

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

1.2.3.1 West Basin Transportation Improvements Program EIR

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

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

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

LAHD settled the lawsuit in 2004. Under the terms of the Amended Stipulated Judgment (ASJ) entered into with the project opponents, LAHD committed to preparing a new project-specific EIR, agreed to several mitigation measures and established a $50 million fund to address impacts of Port operations on the community. Although the CS Container Terminal and Yang Ming Container Terminal share one gate complex, the ASJ required the preparation of a project-specific environmental analysis of all three phases of
the CS Container Terminal project alone, not as part of any larger West Basin project or other project. China Shipping was not a signatory to the ASJ, but was a party to Exhibit B to the ASJ, which required the use of alternative maritime power and low profile cranes at the CS Terminal.

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

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

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

1.2.3.3 2008 EIS/EIR and Economic Downturn

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

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

While the lawsuit was pending, the Port suffered one of the steepest declines ever in trade volumes. The economic recession, which led to a decrease in trade of more than 25 percent (Ravikumar, Shao, and Sposi, 2013) began in 2007 and continued well into 2009. The severity of the recession was due to the interconnected nature of global trade:
eight of the U.S.’ top ten trading partners were also in recession. The close trade linkages between those countries resulted in fewer goods being imported and exported (Ravikumar, Shao, and Sposi, 2013). The drop in trade negatively affected the Port’s volumes and revenues: the Port handled almost 8.4 million TEUs (twenty-foot equivalent units) of loaded containers in 2007 but only 6.7 million TEUs in 2009.

1.2.3.4 Recent Economic Developments

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

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

1.2.4 Background on Mitigation Measures

1.2.4.1 Negotiations with China Shipping

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

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

China Shipping took the position during these negotiations that it was not required to agree to an amended lease because China Shipping was not a party to the ASJ and did not participate in the 2008 EIS/EIR process. For the first time, during this negotiation...
process, China Shipping also informed LAHD that there were technological, economic, and operational challenges that made implementation of certain mitigation measures, under the terms and timeframes required, operationally or economically infeasible. These issues were not raised by China Shipping or any party during the administrative process for the 2008 EIS/EIR, and LAHD was not aware of them when it adopted the mitigation measures.

1.2.4.2 Summary of Issues Raised by China Shipping

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

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

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

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

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

China Shipping informed LAHD, and LAHD confirmed, that it may not be feasible to achieve 100% VSRP for the 40-mile radius, under the terms of MM AQ-10. Non-compliance with the VSRP is typically the result of pressure on vessel schedules caused by weather, port delays, and mechanical problems that result in a vessel being behind
schedule. Vessel schedules are tied to terminal costs for a variety of factors, including maintaining labor on standby and penalties for late cargo delivery. Schedule slippage can be made up by increasing vessel speed, and if a vessel is still behind schedule as it approaches Los Angeles Harbor, the vessel's master may elect to exceed the speed limit in some part of the VSRP control radius. China Shipping asserts it has no direct authority over every vessel master that enters and leaves the CS Container Terminal.

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

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

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

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

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

The measure also requires the use of electrified RTGs. The terminal configuration does not allow for these specific cranes to be used. Based on this, China Shipping informed LAHD that it may not be economically or operationally feasible to operate all electric RTGs and replace all LPG units at the same time to meet the target dates of MM AQ-17.
Drayage Trucks. The 2008 EIS/EIR adopted MM AQ-20 to reduce the emissions of drayage trucks arriving at and departing from the CS Container Terminal. The measure required that liquefied natural gas (LNG)-powered drayage trucks be used to convey containers to and from the terminal. The requirement has three phases: from 2012 through 2014, at least 50% of drayage trucks calling at the terminal must be LNG-powered, from 2015 through 2017 at least 70%, and thereafter the requirement rises to 100%. The 2008 EIS/EIR envisioned that LAHD would be responsible for the trucks and WBCT (the tenant/operator) would be responsible for necessary gate modifications and operations to track the LNG trucks to achieve compliance with this measure.

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

1.3 Changes Proposed by the Revised Project

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

The Revised Project makes minor changes to the continued operation of the CS Container Terminal by modifying 10 operational mitigation measures and one lease measure originally adopted in the 2008 EIS/EIR. The Revised Project would eliminate some existing measures that have proved to be infeasible or unnecessary, institute new mitigation measures, and modify other existing measures to enhance their effectiveness. In proposing these changes, the Revised Project seeks to advance the original goals and objectives of the CS Container Terminal to maximize the efficiency and capacity of terminals while raising environmental standards through the application of all feasible
mitigation measures. In this Recirculated Draft SEIR, some of the measures considered in the Draft SEIR have been further modified in response to additional analysis by the LAHD and comments by agencies and the public. Those changes are summarized below and described in Section 2.5.

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

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

1.3.1 Mitigation Measures for Air Quality and Greenhouse Gas Emissions

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

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

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

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

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

  In the Recirculated Draft SEIR the compliance date is keyed to the effective date of a new lease amendment between the Tenant and the LAHD.
• MM AQ-15 was modified in the 2017 Draft SEIR to require that all LPG yard tractors of model years 2011 or older shall be alternative fuel yard tractors that meet or exceed Tier 4 final off-road engine standards for PM and NOx. In the Recirculated Draft SEIR the standard is revised to require that tractors meet or be lower than ultra-low NOx (0.02 g/bhp-hr) and, for other pollutants, Tier 4 standards, and the compliance dates are keyed to the effective date of a new lease amendment between the Tenant and LAHD.

• MM AQ-16 is combined with MM AQ-17 because there is no actual distinction between railyard equipment and terminal equipment as a whole (this measure is not revised for the Recirculated DSEIR).

• MM AQ-17 was modified in the 2017 Draft SEIR to require that: 1) all diesel-powered RTGs shall be replaced by diesel-electric hybrid with diesel engines that meet or exceed Tier 4 final off-road engine standards for PM and NOx, with some units being all-electric, 2) diesel forklifts shall meet or exceed Tier 4 final off-road engine standards for PM and NOx, with 5-ton units being all-electric, 3) top picks shall meet or exceed Tier 4 final off-road engine standards for PM and NOx, 4) sweepers shall be cleanest available alternative-fueled units by 2025, and 5) shuttle buses shall be all-electric by 2025.

In the Recirculated Draft SEIR the compliance dates for RTGs, forklifts, and top-picks are keyed to the date of a new lease amendment between the Tenant and LAHD, and 5-ton forklifts and shuttle buses are required to be zero-emissions;

• MM AQ-20 was eliminated from the Revised Project; some reductions in drayage truck emissions would be achieved by implementation of CAAP measures and Lease Measure LM AQ-2 (priority access for zero/near-zero-emission trucks), which is described more fully in Section 3.1 (this measure is not revised for the Recirculated Draft SEIR).

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

1.3.2 Mitigation Measures for Transportation

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

• MMs TRANS-2, TRANS-4, and TRANS 6 would not be implemented under the Revised Project;

• The remaining element of MM TRANS-3 (provision of additional right-turn lanes at the John S. Gibson/I-110 northbound ramps) that has not yet been implemented would not be completed under the Revised Project.
Each proposed change to these mitigation measures is evaluated in this Draft SEIR to determine whether the change, when analyzed in the context of projected increases in terminal throughput as discussed in Section 1.4, results in a new environmental impact that was not previously analyzed and disclosed in the 2008 EIS/EIR or substantially increases the severity of an environmental impact defined in the 2008 EIS/EIR. The Draft SEIR also analyzes whether the modifications above can be further revised, or if there are any additional feasible mitigation measures that could be adopted to address such impacts.

1.3.3 Lease Measure for Throughput Tracking

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

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

1.4 Other Changes Since the Approval of the CS Container Terminal

1.4.1 Port and Terminal Operational Changes

1.4.1.1 Changes to the Berths 97-109 Terminal

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

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

As discussed in Section 1.1, LAHD, determined that the larger physical capacity of the Terminal compared to the assumptions used in the 2008 EIS/EIR constitute “changed
circumstances” or “new information” that require analysis in an SEIR. Accordingly, the
SEIR, in evaluating the impacts of operation of the CS Container Terminal under the
Revised Project, assumes and analyzes impacts of an incremental increase in the
Terminal throughput level in future years, based upon re-assessment of Terminal
capacity, compared to the assumptions in the 2008 EIS/EIR.

1.4.1.2 San Pedro Bay Ports Cargo Demand Forecast

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

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

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

To plan, design, and construct infrastructure, the Ports frequently develop detailed macro-
economic cargo forecasts along with detailed terminal capacities (including micro-
simulation). Anticipating the continued importance of containerized shipping, the Port of
Los Angeles and Port of Long Beach, along with USACE, conducted a series of studies
to forecast cargo volumes through 2020 and evaluate the capacity of the San Pedro Bay
Ports with respect to accommodating such cargo volumes. The cargo forecasts predicted
significant increases in containerized cargo from Pacific Rim countries to the Pacific
West Coast and the San Pedro Bay Ports. These forecasts were used as a basis for development of an operations, facilities, and infrastructure study. That study concluded that the Ports needed to provide substantial additional physical facilities and make operational improvements to provide the necessary capacity.

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

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

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

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

### 1.4.1.4 San Pedro Bay Ports Intermodal Cargo Demand and Capacity

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

A key factor in the current forecast is the future capacity of on-dock rail facilities and their operational constraints, because direct intermodal cargo that cannot be handled by on-dock yards must be handled by near/off-dock yards. The goal of the Ports is to maximize on-dock rail operations within the Ports. To achieve this goal, the Ports encourage the marine terminals to schedule round-the-clock shifts and optimize labor
rules, and the railroads have increased operational efficiencies, and hence capacity, at on-
dock facilities. Furthermore, both Ports plan to expand their rail infrastructure over the
next ten years to increase on-dock rail capacity more than two-fold (Table 1-2 and Figure
1-3 show existing and planned on-dock facilities). If all of the proposed changes can be
constructed on the assumed timetable, on-dock use is projected to reach approximately
9,150,000 TEUs by 2035 (Table 1-1).

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

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

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

<table>
<thead>
<tr>
<th>On-Dock Rail Facility</th>
<th>Location and Terminal(s) Served</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Terminal Island ICTF</td>
<td>Port of Los Angeles: YTI and Everport terminals</td>
<td>Operating; expansion by YTI under construction</td>
</tr>
<tr>
<td>Pier 300</td>
<td>Port of Los Angeles: Eagle Marine Services Terminal</td>
<td>Operating; proposed expansion</td>
</tr>
<tr>
<td>Pier 400</td>
<td>Port of Los Angeles: APM Terminal</td>
<td>Operating; proposed expansion</td>
</tr>
<tr>
<td>West Basin Container Terminal</td>
<td>Port of Los Angeles: serving YM and CS terminals</td>
<td>Operating; proposed expansion analyzed herein and in YM EIS/EIR (in preparation)</td>
</tr>
<tr>
<td>TraPac Container Terminal</td>
<td>Port of Los Angeles: TRAPAC</td>
<td>Operating in mid-2016</td>
</tr>
<tr>
<td>Pier G</td>
<td>Port of Long Beach: International Transportation Services Terminal</td>
<td>Operating; proposed expansion</td>
</tr>
<tr>
<td>Middle Harbor</td>
<td>Port of Long Beach: Pier railyard currently serving LBCT/CUT</td>
<td>Expansion completion expected late 2019 (LBCT IY operating)</td>
</tr>
<tr>
<td>Pier A</td>
<td>Port of Long Beach: SSA Pier A Terminal</td>
<td>Operating; proposed expansion</td>
</tr>
<tr>
<td>Pier T</td>
<td>Port of Long Beach: TTI Terminal</td>
<td>Operating</td>
</tr>
</tbody>
</table>
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 (CO\textsubscript{2}e) 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.
This Recirculated Draft SEIR also applies a change in the scope of highway traffic delay impact analysis. Pursuant to standards in the 2004 County of Los Angeles Congestion Management Program (CMP), only one freeway location was analyzed in the 2008 EIS/EIR. In October 2013, “An Agreement Between the City of Los Angeles and Caltrans District 7 On Freeway Impact Analysis Procedures” was entered into by the City of Los Angeles and Caltrans. The agreement described new freeway impact analysis screening criteria and analysis methodology, mitigation options and coordination. In accordance with that agreement, the Recirculated Draft SEIR includes many more highway traffic delay analysis locations than were previously prescribed under the CMP.

1.5 Lead, Responsible and Trustee Agencies

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

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

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

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

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

1.6 Scope of Analysis and Content of the SEIR

1.6.1 Notice of Preparation and Initial Study

The scope of this Recirculated Draft SEIR was established based on the Initial Study prepared pursuant to CEQA, comments received during the Notice of Preparation (NOP) review process, and comments received on the Draft SEIR. The NOP (Appendix A) was
posted on September 18, 2015 and circulated for a 30-day public review and comment period ending on October 19, 2015. A public scoping hearing was conducted on October 7, 2015, in San Pedro. Public comments were received in person during the scoping meeting and by letter during the public review period, which was September 18 to October 19, 2015. Many comments referenced issues that are not part of the Revised Project and therefore not addressed in the Draft SEIR, but to the extent comments are relevant to the Revised Project, Table 1-3 summarizes the key issues and references to the sections of the Draft SEIR that addressed them.

<table>
<thead>
<tr>
<th>Table 1-3: Summary of Key NOP Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Commenter</strong></td>
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<td>----------------------------------------</td>
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</table>
| South Coast Air Quality Management District (SCAQMD) | • 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) | • 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 | • Include citizen oversight in the SEIR as a mitigation measure. | Not part of Revised Project |
| Jack Brisley | • Displeasure at LAHD actions | Not a CEQA issue |
| Coalition for a Safe Environment | • 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

<table>
<thead>
<tr>
<th>Commenter</th>
<th>Key Issues Raised</th>
<th>Where Addressed</th>
</tr>
</thead>
<tbody>
<tr>
<td>• 3rd party monitor for MMRP.</td>
<td>Not a CEQA issue</td>
<td></td>
</tr>
<tr>
<td>• Penalties for failure to comply with MMRP</td>
<td>Not a CEQA issue</td>
<td></td>
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<tr>
<td>• State-of-the-art mitigation measures.</td>
<td>Chapter 3</td>
<td></td>
</tr>
<tr>
<td>• Update emissions inventory to include unmitigated emissions.</td>
<td>Section 3.1, Air</td>
<td></td>
</tr>
<tr>
<td>• Include various goods movement and emissions assessments.</td>
<td>Not part of SEIR</td>
<td></td>
</tr>
<tr>
<td>• Include environmental justice assessment.</td>
<td>Not a CEQA issue</td>
<td></td>
</tr>
<tr>
<td>Chuck Hart (San Pedro &amp; Peninsula Homeowners Coalition)</td>
<td>Section 3.1 (Air)</td>
<td></td>
</tr>
<tr>
<td>• Revise emissions inventory to include unmitigated emissions.</td>
<td>Not a CEQA issue</td>
<td></td>
</tr>
<tr>
<td>• 3rd party MMRP monitor.</td>
<td>Not a CEQA issue</td>
<td></td>
</tr>
<tr>
<td>• Reconstitute PCAC.</td>
<td>Section 1.1 Purpose</td>
<td></td>
</tr>
<tr>
<td>• Request subsequent, not supplemental, EIR and a NEPA document</td>
<td>Not a CEQA issue</td>
<td></td>
</tr>
<tr>
<td>• Include environmental justice assessment.</td>
<td>Chapter 1 Introduction, Section 2.5 Project Description</td>
<td></td>
</tr>
<tr>
<td>Explain “other factors”.</td>
<td>Section 3.1, Air</td>
<td></td>
</tr>
<tr>
<td>• Use latest AQ standards, not those from 2008.</td>
<td>Section 3.1, Air</td>
<td></td>
</tr>
<tr>
<td>• MM AQ-22 is now in effect and must be incorporated into the SEIR.</td>
<td>Section 3.1, Air</td>
<td></td>
</tr>
<tr>
<td>• Disclose excess emissions and health risk.</td>
<td>Section 3.1 Air</td>
<td></td>
</tr>
<tr>
<td>• Conduct a Health Impact Assessment.</td>
<td>Sections 3.1, Air, 3.3, Transportation</td>
<td></td>
</tr>
<tr>
<td>• Suggestions for the mitigation measures in the NOP.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Richard Havenick</td>
<td>Chapter 3, Environmental Analysis</td>
<td></td>
</tr>
<tr>
<td>• Identify new mitigation measures.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Andrea Hricko</td>
<td>Data incorporated into analyses in Section 3.1, Air</td>
<td></td>
</tr>
<tr>
<td>• Include Starcrest tenant survey data on China Shipping activities regarding air mitigation measures.</td>
<td>Section 3.1, Air</td>
<td></td>
</tr>
<tr>
<td>• Calculate the extra pollution resulting from non-compliance 2008 – 2015.</td>
<td>Not part of Revised Project</td>
<td></td>
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<tr>
<td>• Mitigation for noise cannot be dismissed.</td>
<td></td>
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</tr>
<tr>
<td>Terry &amp; John Miller (San Pedro &amp; Peninsula Homeowners Coalition) (3 letters)</td>
<td>See Hart, above</td>
<td></td>
</tr>
<tr>
<td>• Same comments as Chuck Hart, above.</td>
<td></td>
<td></td>
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<tr>
<td>Natural Resources</td>
<td>Section 2.5, Project Description, Section</td>
<td></td>
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<tr>
<td>• Feasibility and implementation of mitigation measures, including ones imposed equally on</td>
<td></td>
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</tbody>
</table>
### Table 1-3: Summary of Key NOP Comments

<table>
<thead>
<tr>
<th>Commenter</th>
<th>Key Issues Raised</th>
<th>Where Addressed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Defense Council et al. (NRDC et al.)</td>
<td>Incorporate state-of-the-art mitigation measures such as low-NOx LNG trucks, ship emissions capture technology.</td>
<td>3.1, Air Section 3.1, Air</td>
</tr>
<tr>
<td></td>
<td>Disclose excess emissions due to non-compliance 2008 – 2015.</td>
<td>Section 3.1, Air</td>
</tr>
<tr>
<td></td>
<td>Make restitution for excess emissions.</td>
<td>Not a CEQA issue</td>
</tr>
<tr>
<td></td>
<td>Analyze excess future emissions.</td>
<td>Section 3.1, Air</td>
</tr>
<tr>
<td></td>
<td>Formulate MMRP with 3rd party oversight.</td>
<td>Not a CEQA issue</td>
</tr>
<tr>
<td></td>
<td>Implement MM AQ-22 to review feasibility.</td>
<td>Not part of SEIR</td>
</tr>
<tr>
<td></td>
<td>Analyze compliance with local, state, and federal laws and the ASJ.</td>
<td>Section 2.7</td>
</tr>
<tr>
<td></td>
<td>Suggestions regarding the feasibility of the mitigation measures being considered in the SEIR.</td>
<td>Chapter 3</td>
</tr>
<tr>
<td></td>
<td>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.</td>
<td>Section 3.1 Air</td>
</tr>
<tr>
<td>Northwest San Pedro Neighborhood Council</td>
<td>Exceed CAAP and NNI.</td>
<td>Section 3.2, Air</td>
</tr>
<tr>
<td></td>
<td>Evaluate traffic west of I-110 and on N. Gaffey, Summerland to Anaheim.</td>
<td>Section 3.3, Transportation</td>
</tr>
<tr>
<td></td>
<td>Evaluate impact of lights.</td>
<td>Not part of Revised Project</td>
</tr>
<tr>
<td></td>
<td>Berth 302-306 truck fleet modernization.</td>
<td>Not part of Revised Project</td>
</tr>
<tr>
<td></td>
<td>Apply new technology and validate emissions reductions.</td>
<td>Section 3.1, Air</td>
</tr>
<tr>
<td></td>
<td>Complete walking/bike path north of the Cruise Terminal.</td>
<td>Not part of Revised Project</td>
</tr>
<tr>
<td></td>
<td>Retain transportation improvement mitigation measures.</td>
<td>Section 3.3, Transportation</td>
</tr>
<tr>
<td></td>
<td>Mitigate impacts by emphasizing public transportation.</td>
<td>Section 3.3, Transportation</td>
</tr>
<tr>
<td></td>
<td>Mitigate perceived noise impacts.</td>
<td>Not part of Revised Project</td>
</tr>
<tr>
<td></td>
<td>Paint the cranes to mitigate aesthetic impacts.</td>
<td>Not part of Revised Project</td>
</tr>
<tr>
<td></td>
<td>Evaluate increased transportation hazard.</td>
<td>Section 3.3 Transportation</td>
</tr>
</tbody>
</table>
Table 1-3: Summary of Key NOP Comments

<table>
<thead>
<tr>
<th>Commenter</th>
<th>Key Issues Raised</th>
<th>Where Addressed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Southern California Environmental Justice Alliance (identical letter and e-mail)</td>
<td>• Evaluate the effectiveness of MMs AQ-9, AQ-10, AQ-17-AQ-17, AQ-20, and AQ-23.</td>
<td>Section 3.1 Air</td>
</tr>
<tr>
<td></td>
<td>• Evaluate the project’s potential to violate air quality standards and emit TACs.</td>
<td>Section 3.1 Air</td>
</tr>
<tr>
<td></td>
<td>• Evaluate greenhouse gas emissions.</td>
<td>Section 3.2 GHG</td>
</tr>
<tr>
<td></td>
<td>• Evaluate noise impacts.</td>
<td>Not part of SEIR</td>
</tr>
<tr>
<td></td>
<td>• Evaluate traffic impacts related to LOS and V/C ratios at local intersections.</td>
<td>Section 3.3, Transportation</td>
</tr>
<tr>
<td></td>
<td>• Evaluate cumulative impacts of air, noise, transportation, and GHG emissions.</td>
<td>Sections 3.1 Air, 3.2 GHG, 3.3, Transportation</td>
</tr>
<tr>
<td>June Smith</td>
<td>• Re-analyze the entire project.</td>
<td>Section 1.1 Purpose</td>
</tr>
<tr>
<td></td>
<td>• 3rd party monitoring of MMRP and future agreements.</td>
<td>Not part of SEIR</td>
</tr>
<tr>
<td>San Pedro &amp; Peninsula Homeowners Coalition</td>
<td>• Same comments as Chuck Hart, above.</td>
<td>See Hart, above</td>
</tr>
<tr>
<td>Peter Warren</td>
<td>• Explain “other factors”.</td>
<td>Section 2.5 Project Description</td>
</tr>
<tr>
<td></td>
<td>• Prepare an entirely new EIR, not an SEIR.</td>
<td>Section 1.1 Purpose</td>
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</tbody>
</table>

Oral Comments at NOP Public Hearing

<table>
<thead>
<tr>
<th>Commenter</th>
<th>Key Issues Raised</th>
<th>Where Addressed</th>
</tr>
</thead>
<tbody>
<tr>
<td>David Petit (NRDC)</td>
<td>• Look to Middle Harbor for feasible mitigation to apply to China Shipping.</td>
<td>Section 3.1 Air</td>
</tr>
<tr>
<td></td>
<td>• Analyze consistency with state and regional statutory framework.</td>
<td>Section 3.1 Air</td>
</tr>
<tr>
<td></td>
<td>• Implement low emissions trucks per the ESCAPE project.</td>
<td>Sections 2.7 Relationship to Plans and 3.1 Air</td>
</tr>
<tr>
<td>James Allen</td>
<td>• Produce the MMRPs from 2008 to now.</td>
<td>Not part of SEIR</td>
</tr>
</tbody>
</table>

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>
<thead>
<tr>
<th>Commenter</th>
<th>Issues</th>
<th>Where Addressed</th>
</tr>
</thead>
</table>
| Los Angeles Department of Transportation       | • Analyze additional freeway segments.  
| (LADOT; 2 letters)                             | • 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)         | • 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)  | • 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            |
| California Natural Gas Vehicle Coalition      | • Disagrees with removal of MM AQ-20 and proposed changes to MM AQ-15.                                                                                                                                | Section 3.1 Air Quality            |
| Richard Havenick                              | • Identify new mitigation measures.                                                                                                                                                                   | Section 3.1 Air Quality            |
| Natural Resources Defense Council et al.      | • The Draft SEIR uses an incorrect CEQA baseline – the baseline should be 2000-2001.  
| (NRDC et al.)                                 | • Air quality analysis has technical errors related to modeling approach and emissions factors.                                                                                                       | Section 2.6 Baselines              |
|                                                | • Appendix D is based on erroneous assumptions.                                                                                                                                                        | Section 3.1 Air Quality            |
|                                                | • Analysis of conformance with AQMP is erroneous.                                                                                                                                                      | Section 3.2 GHG                    |
|                                                | • Failure of timely implement of MM AQ-18 (locomotive DPFs) is ignored.                                                                                                                             | Section 3.3 Ground Transportation  |
|                                                | • 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.                                                                                                          |                                     |
Table 1-4: Summary of Key Comments on the 2017 Draft SEIR

<table>
<thead>
<tr>
<th>Commenter</th>
<th>Issues</th>
<th>Where Addressed</th>
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<tbody>
<tr>
<td></td>
<td>• MM AQ-20 (LNG trucks) is feasible and should be strengthened to require ZE technology.</td>
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<td></td>
<td>• ZE trucks should be required for certain operations.</td>
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<td></td>
<td>• Suggests a variety of additional measures involving operational practices, funded programs, and accelerated CHE turnover.</td>
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<td></td>
<td></td>
<td>Section 3.1 Air Quality</td>
</tr>
<tr>
<td>South Coast Air Quality Management District (SCAQMD)</td>
<td>• Analyze consistency of Revised Project with the 2016 AQMP</td>
<td></td>
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<td></td>
<td>• Require implementation of ZE drayage trucks consistent with the 2017 CAAP Update.</td>
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<tr>
<td></td>
<td>• Suggests a variety of additional measures involving operational practices, incentive funding, demonstration projects and altered implementation timelines.</td>
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<tr>
<td></td>
<td>• Technical analyses, including certain modeling parameters, meteorological data, and screening thresholds, are flawed</td>
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<td></td>
<td>• Draft SEIR’s AMP compliance data and CO emissions data are inconsistent.</td>
<td></td>
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<tr>
<td>California State Lands Commission (CSLC)</td>
<td>• Use consistent terminology for the baseline.</td>
<td>Section 2.6 Baselines</td>
</tr>
<tr>
<td></td>
<td>• MMs AQ-15, AQ-16, and AQ-17 should be strengthened to require ZE technologies.</td>
<td>Section 3.1 Air Quality</td>
</tr>
<tr>
<td></td>
<td>• Clarify whether Port has the authority to approve alternative compliance plan under MM AQ-9.</td>
<td>Section 3.2 GHG</td>
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<td></td>
<td>• Replace MM AQ-20 with a requirement for early deployment of ZE trucks.</td>
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<td></td>
<td>• Accelerate implementation of LM GHG-1 (LED Lighting).</td>
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<td></td>
<td>• Asserts that the stated carbon fund contribution is not supported by substantial evidence.</td>
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<tr>
<td>Oral Comments and Speaker Cards at the Public Hearing</td>
<td></td>
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<tr>
<td>Greg Roche</td>
<td>• Re-visit feasibility of natural gas-powered CHE and trucks.</td>
<td>Section 3.1 Air Quality</td>
</tr>
<tr>
<td>Appendix to NRDC Comment Letter</td>
<td></td>
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<tr>
<td>Sonoma Technologies (for NRDC)</td>
<td>• Emissions factors for heavy-duty trucks are erroneous.</td>
<td>Section 3.1 Air Quality</td>
</tr>
<tr>
<td></td>
<td>• Draft SEIR inconsistently represents future-year benefits of AMP implementation.</td>
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<td></td>
<td>• Determination that Revised Project will be equivalent to fully mitigated scenario is unsupported.</td>
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</table>
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
certain mitigation measures for the approved CS Container Terminal. Except as
proposed to be modified by the Revised Project, all mitigation measures adopted by 2008
EIS/EIR to reduce and alleviate potential impacts of the CS Container Terminal have
been implemented or are underway and are incorporated into the project. Consequently,
for this Recirculated Draft SEIR, the impact significance under CEQA for the Revised
Project has been determined assuming that the previously adopted mitigation measures
will continue to be implemented, except those proposed to be modified by China
Shipping and LAHD for the Revised Project.

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

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

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

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

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

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

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

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

1.6.4 Significant and Unavoidable Effects

1.6.4.1 Project-Level Effects

The Revised Project would result in the following adverse project-level effects even after
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 (NOx), 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, NOx, 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.
The Revised Project would make a cumulatively considerable contribution to a significant and unavoidable cumulative impact related to cancer risk of residential, occupational, and sensitive receptors.

**Greenhouse Gases**

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

**Ground Transportation**

Implementation of MM TRANS-2 would mitigate an identified cumulative 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 cumulative impact. If LADOT approves the implementation of this mitigation measure, then the cumulative impact will be reduced to less than significant.

### 1.7 Alternatives to the Revised Project

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

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

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

- Proposed Project
- No Project Alternative
- No Federal Action Alternative
- Reduced Fill Alternative, No Berth 102 wharf
- Reduced Fill Alternative, No Berth 100 South
- Reduced construction and operation: Phase I construction only
- Omni Cargo Terminal Alternative
- Nonshipping Alternative: (Retail, Office, Light Industrial Land Uses)

Preparation of this Recirculated Draft SEIR does not require revisiting the prior alternatives analysis; rather, the purpose of this Recirculated Draft SEIR is to consider whether the proposed changes to mitigation measures for the Approved Project, when
analyzed in the context of projected increases in terminal throughput as discussed in Section 1.4.1, result in new or substantially more severe significant impacts. The modifications to mitigation measures proposed under the Revised Project analyzed in this Recirculated Draft SEIR do not concern or alter any analysis of or conclusions reached regarding alternatives analyzed in the 2008 EIS/EIR, the comparison of the Approved Project to the alternatives analyzed in the 2008 EIS/EIR, or the identification of the No Federal Action Alternative as the environmentally superior alternative in the 2008 EIS/EIR.

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

1.8 Intended Uses of this Recirculated Draft SEIR

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

1.8.1 Approvals Required by LAHD to Implement the Revised Project

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

The SEIR itself is not a decision document and does not determine whether the Revised Project will be approved. Rather, if changes to existing mitigation measures are recommended as a result of the SEIR, the Board of Harbor Commissioners will consider 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
EIS/EIR determined that these impacts, even with implementation of all mitigation measures, remained significant and unavoidable for the CS Container Terminal project. These impacts remain significant and unavoidable with the application of new mitigation measures; the only difference would be a change in the severity of such impacts.

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

1.9 Key Principles Guiding Preparation of this Recirculated Draft SEIR

1.9.1 Emphasis on Significant Environmental Effects or Substantial Increase in the Severity of Previously Identified Significant Effects

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

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

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

This definition does not include strictly economic impacts (e.g., changes in property values) or social impacts (e.g., a particular group of persons moving into an area). The State CEQA Guidelines (Section 15131[a]) state that “economic or social effects of a project shall not be treated as significant effects on the environment.” However, economic or social effects are relevant to physical effects in two situations. In the first, according to Section 15131(a) of the State CEQA Guidelines: “An EIR may trace a chain
of cause and effect from a proposed decision on a project through anticipated economic
or social changes...to physical changes caused in turn by the economic or social
changes.” In other words, if an economic or social impact leads to a physical impact, this
ultimate physical impact would be evaluated in the EIR. In the second instance,
according to Section 15131(b) of the State CEQA Guidelines: “Economic or social
effects of a project may be used to determine the significance of physical changes caused
by the project.”

As with economic or social impacts, psychological impacts are outside the definition of
the term “environmental.” While not specifically discussed in the State CEQA
Guidelines, the exclusion of psychological impacts was specifically affirmed in the 1999
court decision National Parks and Conservation Association v. County of Riverside 71

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

1.9.2 Forecasts ing

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

1.9.3 Reliance on Environmental Thresholds and
Substantial Evidence

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

The criteria for determining the significance of environmental impacts in this analysis are
described in each resource section in Chapter 3, Environmental Analysis. The “threshold
of significance” under CEQA for a given environmental effect is the level at which
LAHD finds a potential effect of the Revised Project or alternative 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 may be
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.
Effective mitigation measures clearly explain objectives and indicate how a given measure should be implemented, who is responsible for its implementation, and where and when the mitigation would occur. Mitigation measures must be enforceable, meaning that the lead agency must ensure that the measures would be imposed through appropriate permit conditions, agreements, or other legally binding instruments.

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

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

1.9.7 Incorporation by Reference

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

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

1.10 Port of Los Angeles Environmental Initiatives

LAHD’s Environmental Management Policy, as described in this section, was approved by the Harbor Commission on April 27, 2003. The purpose of the Environmental Management Policy is to provide an introspective, organized approach to environmental management; further incorporate environmental considerations into day-to-day Port operations; and achieve continual environmental improvement.
The Environmental Management Policy includes existing environmental initiatives for LAHD and its customers, such as the voluntary Vessel Speed Reduction Program (VSRP), Source Control Program, Clean Air Action Plan, Clean Truck Program, and the Clean Engines and Fuels Policy. These programs, as well as a number of others, are Port-wide initiatives to reduce environmental pollution. Many of the programs relate to the Revised Project, and the following discussion includes details on those programs and their goals. Numerous other Port programs and plans related to wildlife and natural resources, water and sediment quality, and cultural resource protection are not summarized here because they are not directly relevant to the Revised Project, but they can be reviewed at https://www.portoflosangeles.org/idx_environment.asp.

1.10.1 LAHD’s Environmental Policy

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

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

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

1.10.2 Environmental Plans and Programs

LAHD has implemented a variety of plans and programs to reduce the environmental effects associated with operations at the Port. These programs include the San Pedro Bay Port Complex Clean Air Action Plan (CAAP), Water Resources Action Plan (WRAP), deepening the channels of the Port to accommodate larger and more efficient ships, and converting to electric and alternative-fuel vehicles. All of these efforts ultimately reduce 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\textsubscript{x}) and sulfur oxides (SO\textsubscript{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\textsubscript{x}, and 93% for SO\textsubscript{x}
  - By 2023, reduce emissions by 77% for DPM, 59% for NO\textsubscript{x}, and 92% for SO\textsubscript{x}. 
The Project-Specific Standard remained as adopted in the original CAAP in 2006, that
new projects meet the 10 in 1,000,000 excess residential cancer risk threshold, as
determined by health risk assessments conducted in accordance with CEQA statutes,
regulations, and guidelines, and implemented through required CEQA mitigations and/or
lease negotiations. Although each Port has adopted the Project-Specific Standard as a
policy, the Board of Harbor Commissioners retain the discretion to consider and approve
projects that exceed this threshold if the Board deems it necessary by adoption of a
statement of overriding considerations at the time of project approval.

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

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

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

In addition, the 2017 CAAP Update incorporates the recent commitment by the mayors
of Los Angeles and Long Beach to move towards zero emissions at the Ports, including
setting goals of zero-emissions cargo-handling equipment by 2030 and zero-emissions
drayage trucks by 2035. Accordingly, the updated CAAP includes provisions for new
investments in clean technology, expanded use of at-birth emission reduction
technologies, and a zero-emissions drayage truck pilot program. The updated CAAP also
includes a CAAP Implementation Stakeholder Advisory Group to advise the Ports on
details of CAAP implementation and ongoing operational efficiency and energy
conservation programs; a commitment to the nationwide Green Ports Collaborative; and a
commitment to a joint effort to secure funding for necessary equipment purchases and
infrastructure development.

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

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

In 2011, the Port of Los Angeles and the Port of Long Beach released a Zero Emission
Technologies Roadmap to establish an initial plan for identifying technologies to pursue
demonstrations to advance zero emission technology development. In September 2015
the LAHD released a draft Zero Emission White Paper (White Paper) that was developed
to assist LAHD in moving toward the adoption of zero emission technologies for local
goods movement. The White Paper contains information on various types of zero emission and near-zero-emission technologies, the status of those technologies (as of September 2015), proposed testing plans for future demonstrations, infrastructure planning, and a business case study. The paper concluded with a series of specific recommendations, which were designed to guide the LAHD in its decisions regarding the advancement of technology in and around the Port towards zero-emission and near-zero-emissions.

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

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

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

1.10.2.2 Other Environmental Programs

Air Quality

Alternative Maritime Power (AMP): AMP reduces emissions from container vessels docked at the Port. As described in Section 1.2, ships normally shut off their propulsion engines when at berth but use auxiliary diesel generators to power electrical needs such as lights, pumps, and refrigerator units. These generators emit an array of pollutants, primarily NOx, SOx, and particulate matter (PM10 and PM2.5). The Port provides shore-based electricity at 24 of its berths as an alternative to running the generators. The AMP program allows ships to “plug-in” to shoreside electrical power while at dock instead of using on-board generators (a practice also referred to as cold ironing), which dramatically reduces emissions. AMP facilities have been installed and are currently in use at APM Terminals, Eagle Marine Services, the CS Terminal, Yusen Terminal, Everport Terminal, TraPac Terminal, Yang Ming Terminal, and the Cruise Ship Terminal. AMP has been incorporated into the CAAP as a project-specific measure.

Off-Peak Program: Extending cargo terminal operations by five night and weekend work shifts, the Off-Peak Program, managed by PierPASS (an organization created by marine
terminal operators) has been successful in increasing cargo movement, reducing the waiting time for trucks inside Port terminals, and reducing truck traffic during peak daytime commuting periods.

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

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

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

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

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

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

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

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

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

General Port Environmental Programs

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

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

1.11 Availability of the SEIR

Recirculated Draft SEIR for the Revised Project is being distributed directly to agencies,
organizations, and interested groups and persons for comment during the formal review
period as well as to every agency, person, or organization that commented on the prior
Draft SEIR in accordance with Sections 15087, 15088.5(d) and 15088.5(f) of the State
CEQA Guidelines. Reviewers are advised that new comments must be submitted on the
Recirculated Draft SEIR and that, although part of the administrative record, comments
received on the prior Draft SEIR may no longer be considered pertinent and as such,
would not require a written response by the LAHD in the Final SEIR. A 45-day
comment period has been established, which begins on September 28, 2018, and ends on
November 13, 2018, during which the Draft SEIR is available for general public review
at the following locations:

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

- Los Angeles Public Library Central Branch
  630 West 5th Street
  Los Angeles, California 90071

- Los Angeles Public Library San Pedro Branch
  921 South Gaffey Street
  San Pedro, California 90731

- Los Angeles Public Library Wilmington Branch
  1300 North Avalon Boulevard
  Wilmington, California 90744

In addition to printed copies, electronic versions of the Draft SEIR are available as a
series of PDF files to facilitate downloading and printing. Members of the public can
request a CD containing this document. The Draft SEIR is available in its entirety as
PDF files on the Port of Los Angeles website at:

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

- Christopher Cannon, Director
  Environmental Management Division
  Los Angeles Harbor Department
  425 S. Palos Verdes Street
  San Pedro, CA 90731

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

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