



**Office of the Mayor
City of Los Angeles**

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MAYOR CELEBRATES SUCCESSFUL FIRST YEAR OF THE CLEAN TRUCK PROGRAM AT THE PORT OF LOS ANGELES

The Port of Los Angeles will meet 80 percent of its emissions reductions nearly three years ahead of schedule

LONG BEACH – On the one year anniversary of the Port of Los Angeles' Clean Truck Program (CTP), Mayor Villaraigosa announced that the most ambitious air-pollution clean-up in the nation has reduced truck air emissions by nearly 70% at the nation's largest container port.

By immediately banning over 10% of the worst-offending dirty diesel trucks and replacing them with newer, greener trucks, the air quality of the Port of Los Angeles has improved to a level synonymous with taking almost 200,000 automobiles from the road in a year. At this rate, the Port likely will meet its 2012 goal of 80 percent emissions reductions nearly three years ahead of schedule.

“Cleaning the air around the Port has been one of my highest priorities, and I am extremely pleased that the Clean Truck Program has given that effort such a boost in its first year,” said Mayor Villaraigosa. “Through this program and other initiatives we are undertaking with the Clean Air Action Plan, one of our region's biggest economic engines is getting the overhaul it needs to lower Port air pollution and 'grow green.' We very much appreciate the support and cooperation of our terminal operators, as well as the port trucking companies who have aggressively accelerated their investment in clean truck fleets.”

On day one of the program's launch last year, between 1,500 and 2,000 pre-1989 (the first year of diesel pollution controls) diesel trucks were banned from drayage (short-distance hauls) operations at the Port. Those trucks and more have since been replaced by more than 5,500 big rigs that generate 90 percent

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fewer emissions. All pre-2007 trucks that call at the Port incur a \$35-per-TEU (Twenty Foot Equivalent Unit, or 20-foot container) fee paid by the cargo owner.

“If ever there were a win-win air pollution initiative at our Port, the Clean Truck Program is it,” said Port Executive Director Geraldine Knatz, Ph.D. “The air is substantially cleaner and continues to improve. Industry is responding by purchasing clean trucks and taking advantage of our incentive program. The trucking industry and our terminal operators have especially been instrumental in the success of this program, and the dollars generated in the purchase of all these new trucks are an added investment into the Southern California economy.”

The CTP is a significant component of the Clean Air Action Plan (CAAP), which was approved in November 2006 by the Los Angeles and Long Beach boards of harbor commissioners. The CAAP targets the five leading causes of pollution at the ports of Los Angeles and Long Beach -- ships, trains, trucks, cargo handling equipment and harbor craft -- with a goal of reducing overall port air emissions by roughly 50 percent over a five-year period.

Success of the CTP was spurred in part by a \$44 million “2007-Compliant Incentive Program” the Port created, which provided trucking companies with \$20,000 for each privately funded, US Environmental Protection Agency (USEPA) 2007-compliant truck they put into drayage service during the first year of the CTP. Owners had to commit to make an average of six trips per week in those trucks for five years. This fiscal year, another \$23 million in incentives have been allocated to encourage private investment in trucks that run on Liquefied Natural Gas (LNG), Compressed Natural Gas (CNG), or lithium battery electric power.

The requirements imposed on trucks doing business at the Port will continue to become more stringent. In January 2010, all pre-1993 trucks will be banned from the Port, as well as 1994 to 2003 trucks that are not retrofitted to reduce air pollution. By January 1, 2012, every truck will be required to meet 2007 USEPA emissions standards.

Besides the very significant impact of improved air quality, the CTP has also contributed significantly to the Southern California economy and to security at and around the Port. The incentive program has stimulated an estimated \$500 million in private investment and boosted Southern California truck sales by one-third, despite an overall 60 percent drop in sales nationwide.

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Accomplishments of the Clean Truck Program

On October 1, 2008, when trucks with model years prior to 1989 were banned from Port terminals, staff estimates that approximately 1,500 to 2,000 pre-1989 diesel trucks were removed from drayage operations (short-haul cargo container trips). The new trucks that replaced them generate emissions that are more than 90 percent lower than this oldest segment of the truck fleet that serves the San Pedro Bay ports.

At the current rate of new truck replacement, it is possible that by January 2010 more than 90 percent of the cargo gate moves at Port terminals will be made by trucks meeting U.S. Environmental Protection Agency (USEPA) 2007 heavy duty truck emissions standards (Clean Trucks). This achievement will allow the San Pedro Bay ports to meet their 2012 goal of 80 percent emissions reductions from overall drayage operations three years ahead of schedule.

What Are the Benefits of the Clean Truck Program?

Unprecedented Greening of one of the nation's largest port truck fleets

- In 2008, the Port of Los Angeles provided \$44 million in payments to licensed motor carriers in order to incentivize their purchase of 2,200 Clean Trucks. Another \$23 million was approved in May for incentive payouts on the purchase of alternative fueled trucks (natural gas and electric). These incentives, coupled with the effect of the truck ban schedule and associated fees, have led to over \$500 million in private investment toward the purchase or lease of almost 3,000 more Clean Trucks, making a total of more than 5,500 Clean Trucks currently operating at the Port of Los Angeles and Long Beach.
 - These 5,500 Clean Trucks, which includes about 300 alternative fuel vehicles, are making approximately 66 percent of total containerized cargo gate moves at Port of Los Angeles terminals.
 - Operation of 5,500 Clean Trucks will reduce more than 30 tons of diesel particulate matter emitted by trucks per year at the Port, and equates to removing the particulate matter emissions of nearly 200,000 automobiles from our Southern California highways over the course of one year.

Economic Benefits

- More than 10 percent of Port of L.A. Clean Truck Program participants have received truck purchase incentives from the Port of L.A.
- While new truck sales are down 60 percent nationwide, truck dealers near the Port of L.A. are seeing business up by one-third versus last year because of the CTP, including increases in alternative fuel (liquefied natural gas) truck sales.
- The CTP has helped generate over \$500 million in private investment of truck purchases.

Accountability for Health and Environmental Impact

- The Port of Los Angeles has established a drayage contract program (concession) that, for the first time ever, gives the Port a direct relationship with the licensed motor carriers, allowing for far greater accountability and monitoring of the public health, safety, and environmental impact of the trucks.

Why is the Clean Truck Program a Necessity?

Health

- Studies by the South Coast Air Quality Management District (AQMD) and the California Air Resources Board (CARB) have concluded that the more than two million people who live near the ports of Los Angeles and Long Beach face greater health risks than those who live elsewhere in the region.

Cost imposed on our healthcare system

- CARB estimates that Southern Californians pay between \$100 million and \$590 million annually in health impact costs related to drayage truck pollution and will pay up to \$10.1 billion between now and year 2025.

Cost imposed on our transportation system

- According to a drayage options analysis performed by The Boston Consulting Group (BCG), the current drayage system imposes between \$500 million and \$1.7 billion of costs on the public each year through: operational inefficiencies (e.g. impact on truckers and trucking companies of truck under-utilization, traffic congestion and lack of driver health/benefits); city/community costs (e.g. road maintenance, environmental damage, vehicle and driving safety and residential impacts from truck traffic and parking); and, above all, public health (premature death, hospital admissions, workday and school-day loss, and restricted activity).

Who Supports the Los Angeles Clean Truck Program?

- The CTP is supported by a broad array of local advocates united under the umbrella organization of the Coalition for Clean and Safe Ports (www.cleanandsafeports.org). Its 80 members include environmentalists, health advocates, student organizations, faith-based groups, port drivers and residents.
- Nationwide support for solutions like the L.A. Clean Truck Program includes the Coalition for Clean & Safe Ports in Oakland and Seattle, as well as the Coalition for Healthy Ports (NY/NJ) on the east coast.
- The CTP has received public endorsements from: then-Senator Obama; Speaker Nancy Pelosi; thirty-one (31) House California Democrats; Representative Jerrold Nadler (D-NJ); Senators Boxer (D-CA), Feinstein (D-CA), and Lautenberg (D-NJ); Port Authority of New York/New Jersey; New Jersey Governor Jon Corzine; and Newark Mayor Cory Booker.