

AGENDA REPORT

Resolution: Amendment to Port Resolutions No. 19-41 (June 13, 2019) to 1) remove Requirement for a Year 2019 Emissions Inventory for Ocean-Going Vessels, Tugs and Rail and 2) Update the 2020 and Beyond Plan Intermediate-Term Equipment and Infrastructure Goal I-2 to Accelerate the Zero-Emissions Truck Deployment to 17 Zero-Emissions Drayage Trucks by 2021.

MEETING DATE: 12/17/2020

AMOUNT: \$130,000 FY2022, Operating Expense

PARTIES INVOLVED: Various Maritime Tenants

SUBMITTED BY: Richard Sinkoff, Director of Environmental Programs & Planning

APPROVED BY: Danny Wan, Executive Director

ACTION TYPE: Resolution

EXECUTIVE SUMMARY:

Board Resolution No. 19-41 (June 13, 2019) directed Port staff to complete an emissions inventory including only ocean-going vessels, tugs, and rail operating for calendar year 2019. This agenda report recommends that Resolution No. 19-41 be amended to remove the requirement to perform the Year 2019 limited Emissions Inventory in favor of a Year 2020 comprehensive Emissions Inventory.

Board Resolution No. 20-59 (July 23, 2020) directed Port staff to prepare an implementation plan to accelerate the existing Intermediate Term Equipment Goal I-2 Zero-Emissions Truck Deployment. This agenda report recommends that Intermediate Goal I-2 be updated to acknowledge the accelerated deployment of 17 zero-emissions drayage trucks by 2021, based on known projects in the Seaport.

BACKGROUND

Upon approval of the Seaport Air Quality 2020 and Beyond Plan on June 13, 2019, the Board directed Port Staff to conduct a set of additional studies, reports, and plans on a fixed 18-month schedule (Board Resolution No. 19-41). Among the requirements an Emissions Inventory (EI) of ocean-going vessels (OGVs), tugboats, and rail tenants (i.e., BNSF and West Oakland Pacific Railroad) for Year 2019.

Board Resolution 19-41 also directed Port staff to prepare a feasibility analysis of replacing all drayage trucks at the Port of Oakland with zero-emissions (ZE) trucks including the feasibility of related goals and metrics. Port Staff timely completed the feasibility analysis and presented its findings and conclusions to the Board on December 12, 2019. Using the feasibility criteria set forth in the Plan, the feasibility analysis concluded that ZE trucks were not currently affordable, cost-effective, commercially available or operationally feasible for reliable, long-haul operations.

ANALYSIS

2019 Emissions Inventory for Ocean-Going Vessels, Tugboats and Rail Tenants

The Port contracted with Ramboll in February 2020 for \$47,500 to conduct the 2019 EI. Due to the COVID-19 pandemic and related financial constraints, the Port deferred funding for the work. However, under both the Maritime Air Quality Improvement Plan (MAQIP) and the 2020 and Beyond Plan, the Port conducts periodic emissions inventories to 1) estimate emissions from Seaport mobile sources, and 2) track progress towards the MAQIP goal of achieving an 85% reduction in health risk by year 2020 over 2005 levels. Because the Year 2020 Emissions Inventory will be comprehensive (i.e., include all Seaport-related mobile source emissions including OGVs, tugs, and rail), Port staff recommend that the Board approve an amendment to Resolution No. 19-41, to remove the requirement to perform the Year 2019 EI of OGVs, tugs and rail. Approval of this recommendation will avoid duplication of effort and costs.

Intermediate-Term (Years 2023-2030) Equipment and Infrastructure Goal I-2

Port Staff timely completed the feasibility analysis for ZE drayage trucks directed under Board Resolution 19-41 and presented its findings and conclusions to the Board on December 12, 2019. Using the feasibility criteria set forth in the Plan, the analysis concluded that ZE trucks were not currently affordable, cost-effective, commercially available, or operationally feasible for reliable, long-haul operations.

In conducting the ZE truck feasibility analysis, Port staff reviewed the progress of existing and programmed ZE truck demonstration projects at the Seaport. The feasibility study for ZE drayage trucks distinguished between ZE drayage truck demonstration projects for short-haul operations and ZE drayage trucks for regular revenue service and long-haul operations. Port Staff reported that Port tenant GSC Logistics was already demonstrating three battery electric BYD trucks. Another tenant, Sea Logix was demonstrating four battery electric BYD trucks. None of these demonstration trucks is in long-haul service. Finally, under the ZANZEFF project (NTAP Implementing Actions #3-5), Port tenant Shippers Transport Express plans to deploy ten electric drayage trucks in 2021.

Port Staff reviewed these demonstration projects and revisited the Intermediate-Term goal to “deploy 21 zero-emissions drayage trucks by 2027.” Under Resolution No. 20-59 (July 23, 2020), the Board directed staff to develop an implementation plan for the acceleration of this Intermediate-Term goal. Given that 7 of the demonstration trucks are already being demonstrated at the Port, and Port Staff anticipate that at least another 10 will arrive in 2021, Port Staff recommend revising the Intermediate Goal to “deploy 17 zero-emissions trucks by 2021.” Port staff believe that 17 ZE drayage trucks in 2021 constitute a reliable data set to evaluate operational performance and that the additional four ZE drayage trucks can be reasonably removed from the Intermediate-Term Goal I-2. The lessons learned from the accelerated deployment of 17 trucks in 2021 is expected to provide sufficient data for future ZE drayage deployment.

BUDGET & STAFFING

The FY 2021 Operating Budget provides financial resources to commence the Year 2020 Emissions Inventory; if needed, additional budget will be proposed in the FY 2022 Operating Budget. A typical comprehensive emissions inventory costs about \$110,000 to \$130,000. Port staff plan to apply the \$47,500 previously contracted for the 2019 limited EI to the 2020 comprehensive EI. Port Staff will return to the Board to request additional funds as needed, depending on remaining capacity in Ramboll’s on-call contract and the availability of the \$47,500 previously committed for the 2019 EI.

The accelerated Intermediate Goal I-2 does not require additional staffing or budget.

MARITIME AVIATION PROJECT LABOR AGREEMENT (MAPLA)

The matters included in this Agenda Report do not fall within the scope of the Port of Oakland Maritime and Aviation Project Labor Agreement and the provisions of MAPLA do not apply.

STRATEGIC PLAN

The action described herein would help the Port achieve the following goals and objectives in the Port’s Strategic Business Plan (2018-2022):

- Goal: Care for the Environment/Objective: Develop an updated Maritime Air Quality Improvement Plan (MAQIP, 2009) beyond 2020.

<https://www.portofoakland.com/wp-content/uploads/Port-of-Oakland-Strategic-Plan.pdf>

LIVING WAGE

Living wage requirements in accordance with the Port’s Rule and Regulations for the Implementation and Enforcement of the Port of Oakland Living Wage Requirements (“the Living Wage Regulations”) do not apply because the requested action is not an agreement, contract,

lease or request to provide financial assistance within the meaning of the Living Wage Regulations.

SUSTAINABILITY

The recommendations in this Agenda Report support implementation of the Seaport Air Quality 2020 and Beyond Plan. Implementation of the 2020 and Beyond Plan supports the Port of Oakland Sustainability Policy (2000), particularly the Air Quality, Climate Change and Alternative Fuel and Equipment categories.

ENVIRONMENTAL

CEQA Determination: The Board approved the Seaport Air Quality 2020 and Beyond Plan on June 13, 2019 (Resolution 19-41) pursuant to CEQA. Resolution 19-41 found that Plan approval was statutorily exempt from further CEQA review under Section 15262, which states “a project involving only feasibility studies for possible future actions, which the agency, board, or commission has not approved, adopted or funded, does not require the preparation of an Environmental Impact Report or negative declaration but does require consideration of environmental factors.”

Port staff reviewed the recommendations in this Agenda Report in accordance with the requirements of the California Environmental Quality Act (“CEQA”). The CEQA Guidelines, Section 15061(b)(3) (“common sense exemption”) state that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Because the proposed actions will not have a significant effect on the environment, they are therefore not a project under CEQA. No further review under CEQA is required for the proposed actions.

GENERAL PLAN

The recommendations in this Agenda Report do not change the use of any existing facility, make alterations to an existing facility, or create a new facility. Therefore, the General Plan conformity determination pursuant to Section 727 of the City of Oakland General Plan is not required.

OWNER-CONTROLLED INSURANCE PROGRAM (OCIP)

This action is not subject to the Port’s Owner Controlled Insurance Program as it is not a capital improvement construction project.

OPTIONS

Focused Year 2019 Emissions Inventory for Ocean-Going Vessels, Tugs and Rail

- Option 1: 1) Amend Resolution No. 19-41 to remove the requirement for the Year 2019 Emissions Inventory limited to OGVs, Tugs and Rail and 2) Approve revision of the Intermediate-Term Equipment and Infrastructure Goal I-2 to accelerate zero-emissions drayage truck deployment, as follows “deploy 17 battery-electric trucks by 2021.” This is the recommended action.
- Option 2: Do not 1) amend Resolution No. 19-41 and require staff to prepare the Focused Year 2019 Emissions Inventory for OGVs, Tugs and Rail and/or 2) do not approve revision of Intermediate-Term Equipment and Infrastructure Goal I-2. Goal I-2 would remain unchanged as “deploy 21 zero-emissions drayage trucks by 2027.” Given that both the MAQIP and the 2020 and Beyond Plan provide for a comprehensive Emissions Inventory of 2020 Emissions, including OGVs, tugs and rail, conducting the focused 2019 inventory in addition to the 2020 EI would be duplicative and wasteful of Port financial and staff resources. This is not the recommended action.

RECOMMENDATIONS

- Amend Resolution No. 19-41 to remove the requirement for the Focused Year 2019 Emissions Inventory for OGVs, Tugs and Rail. This is the recommended action.
- Approve revision of the Intermediate-Term Equipment and Infrastructure Goal I-2 to accelerate zero-emissions drayage truck deployment, as follows “deploy 17 battery-electric trucks by 2021.”