



The Port of  
LONG BEACH

# San Pedro Bay Ports Clean Air Action Plan

January 23, 2009

California Energy Commission  
Dockets Office, MS-4  
Re: Docket No. 08-ALT-1  
1516 Ninth Street  
Sacramento, CA 95814-5512

**DOCKET**

**08-ALT-1**

DATE JAN 23 2009

RECD. JAN 23 2009

Subject: Docket Number 08-ALT-1: AB 118 Program Implementation Plan

Dear Commissioners and Staff:

Thank you for the opportunity to provide input regarding the California Energy Commission's (CEC's) Assembly Bill 118 (AB 118) Alternative and Renewable Fuel and Vehicle Technology Program Draft Investment Plan (Plan). This letter provides specific comments on the Plan as a follow-up to our earlier docket submittal that focused on our proposal for the development of a Strategic Alliance between the Port of Los Angeles and the Port of Long Beach and the CEC. The comments below further support the ports' hope that the AB 118 Program provides the opportunity to form a Strategic Alliance with CEC as an efficient implementation mechanism of the Plan and the execution of its goals and objectives.

The ports are very supportive of the Gap Analysis approach used by CEC to develop appropriate focus for AB 118 program funding. The ports request CEC's funding priorities give full consideration to the unique aspects of implementing advanced greenhouse gas and petroleum reduction technologies in port-related equipment and operations. The ports support the overall direction and goals of the Plan, and provide the following comments for CEC's consideration:

1. Off-Road Equipment Projects: A large majority of port-related goods movement activity is conducted with off-road equipment and vehicles. The ports agree with CEC that there is a significant need for alternative fuel demonstrations and deployment incentives, and suggest that a significant percentage of these incentives should target off-road applications. Specifically, AB 118 support in the areas of ocean going and other marine vessel cold ironing, cargo handling equipment, and harbor craft applications is recommended.
2. Prioritize Alternative Fuel Infrastructure: The ports support CEC's proposed AB 118 funding priority for the implementation of new and retrofit alternative fuel infrastructure, emphasizing solar and other electric on-road vehicle and off-road

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The San Pedro Bay Ports Clean Air Action Plan was developed with the participation and cooperation of the staff of the US Environmental Protection Agency, California Air Resources Board and the South Coast Air Quality Management District.

equipment charging infrastructure, in addition to natural gas and other alternative fuel infrastructure. Historically, CEC has led the state in the effort to address the need for alternative fueling infrastructure to support growing supply needs. The ports hope CEC will continue in this leadership role with a strong emphasis on funding for all types of alternative fuel infrastructure. As the ports are learning first hand, infrastructure and the ability to fuel (liquid, gaseous or electricity) are critical to the success of implementing new technologies. Infrastructure for renewable fuels, including solar powered recharging stations for port equipment should also be considered a priority.

3. AB 118 Plan needs to consider regional air quality priorities: The ports understand and support the Plan's focus on GHG emission reductions, but wish to emphasize that selected projects should not be conducted at the expense of other regional air quality goals. For example, biodiesel, which results in particulate matter (PM) reductions, is also known to increase oxides of nitrogen (NOx) emissions, an ozone precursor. Areas such as the South Coast Air Basin are in non-attainment for both PM and ozone. Technologies that reduce emissions of a specific criteria pollutant while increasing emissions of another criteria pollutant may not be appropriate in specific regions. The ports request that AB 118 funding be distributed to regions throughout the state with a focus on fuels that do not have any measurable adverse impact on the regional environment.
4. Vehicle and equipment incentives are critically important: The ports request clarification on the Plan's disbursement mechanisms for incentives and the balance between direct incentives and the Heavy-Duty Vehicle Air Quality Loan Program. The ports strongly support a high priority be placed on direct incentives, but also understand the need for innovative approaches to developing other funding incentives that may also provide assistance in the effort to accelerate alternative fuel implementation. The ports have recent experience with vehicle leases and loan guarantees and would appreciate the chance to discuss this experience with the CEC as the loan program is developed. It would be helpful if the Plan is more explicit about the types of direct incentives that will be available and provide an explanation regarding the above referenced Loan Program.
5. Need for prioritization relative to petroleum displacement: The ports request that AB 118 funding priority be placed on technologies that maximize petroleum displacement as well as GHG reductions such as all-electric technologies.
6. Vehicle and Engine Efficiency should include off-road applications: The ports support CEC's emphasis on light-medium, heavy-duty hybrid, and hydraulic hybrid technology implementation with a variety of conventional and alternative fuels. The ports would like to add that this technology is also applicable to off-

road vehicles and equipment and recommend that funding for off-road equipment be included in this AB 118 program area.

7. Renewable Energy Projects: The ports wish to emphasize the importance of research/development, demonstration and large scale implementation of renewable energy technologies. Renewable energy technologies implemented successfully at the ports will further support statewide goals critical to enhancing California's energy security.

The ports appreciate this opportunity to offer our comments on CEC's proposed AB 118 Implementation Plan. We remain extremely excited about the possibility of forming a Strategic Alliance with CEC to implement many of the program areas reviewed above. We believe it is mutually beneficial to leverage our joint resources; focusing on both turnkey, and longer term projects to maximize AB 118 program benefits, and to meet the goals of the legislation.

If you have any questions regarding these comments or the ports' proposed Strategic Alliance, please contact Heather Tomley, Assistant Director of Environmental Planning, Port of Long Beach, at (562) 590-4160; or Kevin Maggay, Environmental Specialist, Port of Los Angeles, at (310) 732-3947.

Sincerely,



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