September 15, 2017

Port of Long Beach
Attn: Heather Tomley
4801 Airport Plaza Drive
Long Beach, CA 90815

Port of Los Angeles
Attn: Chris Cannon
425 S. Palos Verdes St.
San Pedro, CA 90731

Dear Ms. Tomley and Mr. Cannon:

On behalf of the Los Angeles Area Chamber of Commerce, I’m writing to submit comments on the Draft 2017 Clean Air Action Plan update for the San Pedro Bay Ports. The Ports are regional and national assets and the Chamber believes that improving our air quality is imperative for future sustainable growth. However, we need to strike an appropriate balance between emission reductions and costs, economic development and technology constraints. We are concerned that the current draft does not strike that balance.

The Ports of Los Angeles and Long Beach are to be commended for the great strides made in reducing air pollution from port-related cargo movement since the inception of the CAAP in 2006. Due to significant input and collaboration by all involved in goods movement, from the regulatory and environmental agencies, to the railroads, shippers and the trucking industry, technology and industry advancements have all worked to greatly reduce emissions. Sulfur oxides, diesel particulate matter, nitrogen oxides and greenhouse gases were all reduced ahead of the 2014 goals and in two of the major source categories, we are already ahead of 2023 goals.

As the draft is revised prior to the joint POLA and POLB Board of Directors meeting on November 2nd, the Chamber asks that the following principles be considered regarding any new reduction targets and policy goals:

- **Cost-effectiveness:** Cargo handling equipment and trucks have successfully reduced diesel emissions 96 percent in the last decade. Achieving the last few percent should be done in an economically feasible manner. Estimates for the CAAP indicate a cost of $7 billion up to $14 billion for full zero emissions. The $14b may be even higher when you factor in replacing equipment may not be one-for-one and the infrastructure not adequately in place for a move to full zero emissions.

- **Competitiveness:** While the San Pedro ports have finally fully recovered from the economic downturn, east and gulf coast ports, Canadian and Mexican ports have grown at a much quicker pace. The Southern California logistics industry is responsible for over 900,000 jobs in Southern California. While 20 percent of cargo will always remain in the region, we need to retain our competitive edge to ensure discretionary cargo doesn’t go elsewhere. We believe statements in the draft CAAP that claim costs are not a major factor are incorrect.
and in fact have resulted in loss of market share. Increased competitiveness doesn’t just benefit the economy, it provides the ability to invest more in environmental improvements.

- **Technology and fuel neutral**: It should not be the role of the port authorities to choose winners and losers when a variety of technologies could help achieve the goals. The Chamber strongly supports a fuel neutral and technology neutral approach that seeks to improve standards, not limit possibilities.

Over a decade ago, the first Clean Air Action Plan challenged industry to deliver on an ambitious set of goals. Companies rose to the challenge and developed technologies that have not only helped to achieve substantial emission reductions, but have made the Ports a global model. We’d like to continue this collaboration on a program that utilizes zero and near-zero-emission technologies on an achievable timeline in a manner that keeps the San Pedro Bay Ports economically viable for the goods movement industry.

Sincerely,

Gary Toebben
President & CEO