

**MONDAY MORNING GROUP OF WESTERN RIVERSIDE COUNTY
ANNUAL ADVOCACY TRIP – WASHINGTON, DC
APRIL 9 – 11, 2024**

**ZERO-EMISSION TRANSFORMATION OF SAN PEDRO BAY PORTS & INLAND EMPIRE
LOGISTICS COMPLEX**

ISSUE: South Coast Air Quality Management District (South Coast AQMD), Port of Los Angeles, and Port of Long Beach (San Pedro Bay Ports) are partnering on a comprehensive federal grant strategy to spur the zero-emissions transformation of the region's goods movement and logistics complex. The transition to a zero-emissions goods movement system will support economic growth and preserve good paying jobs while addressing deep rooted air pollution and climate issues that affect the health and safety of our communities.

ACTION: The Monday Morning Group urges support for the South Coast AQMD and the San Pedro Bay Ports in their request for \$500 million in federal funding. Along with state and local support, this funding is crucial to the zero-emissions transformation of the San Pedro Bay Ports and Inland Empire Logistics Complex to provide air quality and community health benefits for environmental justice communities. Additionally, funding will expand decarbonization initiatives, while ensuring the San Pedro Bay Ports remain reliable national economic assets and preserving good paying jobs.

BACKGROUND:

Western Gateway for U.S. Supply Chain & Economic Impact

The San Pedro Bay Ports are the busiest in the nation serving as the Western Gateway to the U.S. Supply Chain and international commerce. The Ports are also major economic drivers through direct job creation and by supporting manufacturing and industry related to goods movement activity, generating employment for nearly 3 million Americans nationwide.

The San Pedro Bay Ports have long recognized their environmental stewardship role through the Clean Air Action Plan (CAAP), that establishes the most comprehensive, far-reaching strategy for reducing port-related air pollution and related health risks in the country. Originally adopted in 2005, the CAAP has resulted in major decreases in air pollution from port sources and has been hailed as a model for the industry by the Environmental Protection Agency. The 2017 CAAP update sets aggressive goals to transition to 100% zero emission cargo handling equipment by 2030 and 100% zero emission heavy duty trucks by 2035.

To achieve these goals, the San Pedro Bay Ports in the South Coast region serve as an incubator for the early development and demonstration of clean technologies and infrastructure, a leadership role that provides benefits for other ports and logistics centers nationally and globally. The extensive Southern California goods movement system, connecting marine ports to the Inland Empire Logistics Complex through a comprehensive network of highways and railways, helps build economies of scale and supports the broad commercialization of zero-emission, clean air technologies throughout the nation. South Coast AQMD and the San Pedro Bay Ports are partnering with private companies who are the cutting edge across all mobile source sectors and infrastructure to develop and demonstrate zero-emission technologies to meet business, environmental and community needs.

Community Impacts

The South Coast Air Basin (Basin) is in extreme nonattainment for ozone and serious nonattainment for PM2.5 under National Ambient Air Quality Standards (NAAQS). This means our over 16 million residents are breathing some of the unhealthiest air in the nation. The South Coast region is also home to approximately two-thirds of the state's environmental justice communities who are disproportionately impacted by air pollution, including emissions related to the Southern California goods movement and logistics complex. Air pollution causes or contributes to asthma and lung damage, respiratory and cardiac diseases, cancer, birth defects, premature death, and other health issues. We estimate that there are approximately 1600 premature deaths per year in our region as a consequential result of our polluted air.

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Clean Air Act: Authority & Sanctions

The Clean Air Act (CAA) established a framework for local, state, and federal regulatory authority to reduce criteria and hazardous air pollutants. South Coast AQMD's regulatory authority is over stationary and indirect sources with limited jurisdiction over mobile sources. More than 80% of the air pollution impacting the South Coast region is from mobile sources, which mostly falls under the jurisdiction of the State and U.S. EPA. To attain the 2015 ozone standard, nitrogen oxides (NO_x) emissions need to be reduced by 67 percent over 2022 levels by 2037. Our region is on the precipice of CAA sanctions due to mobile sources primarily under the jurisdiction of U.S. EPA, including:

- 2:1 permitting offsets for large stationary sources such as wastewater treatment and power plants, factories, refineries and facilities with boilers and other equipment. Increased permit offsets would substantially increase the cost of doing business.
- Withholding of highway funding which could jeopardize critical transportation and infrastructure projects, including grant awards from the Bipartisan Infrastructure Law and Inflation Reduction Act.
- A Federal Implementation Plan which equates to a U.S. EPA takeover of local and state air quality regulatory authority and allows for actions such as no drive days and other draconian measures.

Upcoming Notices of Funding Opportunities

Programs like Climate Pollution Reduction Grants (EPA), Clean Ports (EPA), Clean Heavy-Duty Vehicles (EPA), Port Infrastructure Development Program (MARAD), and others provide access to the resources needed to make major progress to improve air quality and community health in disproportionately impacted communities while combatting climate change. A significant portion of the funding from these programs must flow to our region, commiserate with the need to address persistent air quality issues, our aggressive environmental goals. The desire of our partners to be industry leaders in decarbonization will serve as a model for other ports and logistics centers, and the critical role Southern California goods movement plays in our national economy.