PORT OF OAKLAND

OMAR R. BENJAMIN
Executive Director

October 15, 2007

Mary Nichols, Chair
California Air Resources Board
1001 "I" Street
P.O. Box 2815
Sacramento, CA 95812

Tom Cackette
Acting Executive Officer
California Air Resources Board
1001 "I" Street
P.O. Box 2815
Sacramento, CA 95812

RE: NEW DRAFT VERSION OF AT-BERTH OCEAN GOING VESSEL REGULATION

Dear Ms. Nichol and Mr. Cackette:

On behalf of the Port of Oakland, I am writing to express my serious concerns about the California Air Resources Board's proposed draft regulation for ocean going vessels at berth that has been circulated for comment. While the Port of Oakland appreciates the work of the ARB staff to address the issue of air quality from international vessels while at berth in California ports, this draft rule does not adequately address the varying needs and capacities of California ports with respect to the ability to provide electricity from the power grid. Further, by favoring one particular technological solution over another, this rule will impose a severe financial hardship on the Port without providing a substantial incremental benefit in the air quality situation in our neighboring communities.

I would like to reiterate our support for the Board's efforts to address emissions from ocean going vessels while at berth. We recognize the need to reduce emissions from these vessels, and are actively engaged in a number of voluntary efforts to address the air quality issues related to our seaport operations. However, the most-current draft regulation circulated for comment appears to be biased towards a presumed solution to provide shore-based power to ocean going vessels – the electrical grid.

The Port of Oakland, along with other California ports, has consistently raised concerns about the high cost of utility-based shore power given the lack of sufficient electrical infrastructure to support the additional electrical demand created by shore power loads. The electrical infrastructure to support the traditional method of cold ironing at the Port of Oakland simply does not exist, with our electrical system already operating at or near capacity during peak demand times. The cost of creating the additional substations and

conveyances for the power needed to support cold-ironing in Oakland would exceed $90 million and would take years to implement across the port's terminal facilities.

We have been encouraged by recent trends with the testing and refinement of alternative emissions reductions technologies that use a distributed power generation system that do not rely on the power grid. The demonstrations of this technology here in Oakland have shown that this technology delivers comparable emissions reductions benefits to those derived from grid power, at a substantially lower cost. We believe that such an alternative would be highly preferable to installing a grid-based power system at the Port of Oakland.

However, it is unfortunate that the current regulation contains differing compliance schedules depending on which method is selected. Port authorities, terminal operators, and vessel owners will be hindered in their planning and decision-making by the lack of a single compliance schedule for all potential solutions. Further, this proposal may have the effect of delaying any implementation at all until the latest possible date. This would postpone the emissions reductions benefits that can be implemented in the near term if a common compliance date were available. Additionally, this draft lacks the incentives for early adoption that were included in earlier drafts of the regulation.

As currently written, this regulation has the very real potential to impede the rapid deployment of proven technology to accomplish the important work of cleaning up the air in California's ports. We hope that your staff will make the appropriate changes to this proposal so that there is a level playing field among the differing technological solutions to this issue, and that the Board will support innovation and encourage early adoption in its strategies to clean up the air in port communities.

I appreciate your consideration in this matter.

Sincerely,

Omar R. Benjamin
Executive Director

cc: Mayor Ronald V. Dellums, City of Oakland
Supervisor Jerry Hill, San Mateo County Board of Supervisors
Senator Don Perata
Assemblymember Sandre Swanson
Mike Waugh, California Air Resources Board

2-21-20