

November 19, 2008

Omar Benjamin, Executive Director
Maritime Committee
Port of Oakland
530 Water Street
Oakland,CA 94607

Dear Director Benjamin and Port of Oakland Maritime Committee:

The members of the Maritime Air Quality Improvement Plan (MAQIP) Interagency Group are pleased to submit to you the attached document, entitled, "Proposed Near-Term Implementation Plan".

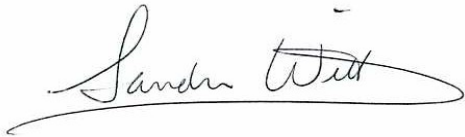
We would like to take the opportunity to congratulate the Port Board of Commissioners for establishing a goal of 85% reduction in health risks by 2020. We appreciate that the Port created a multi-stakeholder task force to assist with the development of the MAQIP and the revised version of the MAQIP reflects many recommendations that the taskforce members contributed.

Our Interagency group feels it is very important for the Port Commission to take some additional concrete steps to make the MAQIP a plan that clearly demonstrates the Port's strong commitment to improving air quality and the health of Oakland residents who live near the Port. The attached document outlines concrete actions and specific timelines that the Port can take to reduce or eliminate negative health impacts. These are actions that we believe are critical to ensuring the MAQIP attains its stated goals. The Interagency Group would like the Near-Term Implementation Plan to accompany the MAQIP. It is our hope that this proposal will be discussed during the Port's Maritime Committee meeting, scheduled for November 20, 2008 and as a result, moved forward to the full Board for review, discussion and approval.

The Interagency group of the MAQIP is comprised of representatives from California Air Resources Board, Bay Area Air Quality Management District, Environmental Protection Agency, City of Oakland, Alameda County Public Health Department, Alameda County Environmental Health Department, Alameda County Board of Supervisors, and the Port of Oakland. If you

should have any questions concerning our proposal please contact Dr.
Sandra Witt (Alameda County Public Health Department) at 510-267-8018.

Sincerely,

A handwritten signature in black ink that reads "Sandra Witt". The signature is written in a cursive style with a long, sweeping underline that extends to the right.

Sandra Witt
Alameda County Public Health Department

Cynthia Marvin
California Air Resources Board

Jean Roggenkamp
Bay Area Air Quality Management District

Amy Zimpfer
US Environmental Protection Agency

Supervisor Keith Carson
Alameda County Board of Supervisors

Supervisor Nate Miley
Alameda County Board of Supervisors

Pamela Evans
Alameda County Environmental Health

Proposed Near-Term Implementation Plan for
 PORT OF OAKLAND MARITIME AIR QUALITY IMPROVEMENT PLAN

Summary of Concrete Actions to be Taken by the Port
 to Help Reduce the Health Risk from Diesel Particulate Matter from Seaport Sources 85% by 2020

The MAQIP (Table 9-3) includes an expansive list of primary and secondary air quality initiatives to cut emissions and health risk, increase efficiency, and reduce community impacts. These initiatives rely on possible future actions by the Port and its partners (including other agencies and the Port’s tenants and customers) to successfully implement them.

The Port of Oakland is demonstrating its leadership and commitment to the MAQIP by itemizing the concrete actions the Commission and staff will take to expedite the Port’s own emission control measures (Table 8-2) in several key areas. The most significant actions the Port can take in the near-term to achieve the goals of the MAQIP are: (1) to establish a source of continued funding for early action incentives, (2) to transition the fleet of port drayage trucks to much cleaner models by the end of 2009, and (3) to embrace and promote the use of shore-based power for ships at dock. Longer-term, the Port will also vigorously pursue efficiency improvements that can provide concurrent economic and environmental benefits. Accomplishing these major tasks in a timely fashion will build public confidence in the effectiveness of the MAQIP and the Port’s ability to deliver on its promises.

OBJECTIVES AND PORT ACTIONS	RESPONSIBLE ENTITY	TIMEFRAME FOR ACTION
Near-Term Objective: Generate substantial new funding for incentives to accelerate pollution reduction programs		
<ul style="list-style-type: none"> • Adopt a user fee of \$12.50/TEU (\$25/container) 	Commission	December 2008
<ul style="list-style-type: none"> • Establish Port policy to dedicate at least the first 3 years of fee revenue to air quality projects to reduce the existing health risk (for port trucks, for shore power and other projects) 	Commission	December 2008 – March 2009
<ul style="list-style-type: none"> • Begin collection of fee 	Staff	October 2009

MAQIP Interagency Proposed Near-term Implementation Plan for Discussion at 11/20/08 Maritime Committee

OBJECTIVES AND PORT ACTIONS	RESPONSIBLE ENTITY	TIMEFRAME FOR ACTION
Near-Term Objective: Quickly clean up the fleet of 2,000 diesel trucks that frequently serve the Port to cut pollution in West Oakland and neighboring communities		
<ul style="list-style-type: none"> Establish Port policy to move the clean truck strategy ahead of the pending comprehensive truck management plan to support compliance with the 2009 deadline in the Air Resources Board's (ARB) rule, ensure trucks are available to legally carry cargo to and from the Port without disruption, and maximize the Proposition 1B funding available for this purpose 	Commission	December 2008
<ul style="list-style-type: none"> Amend the existing Memorandum of Understanding (MOU) with the Bay Area Air Quality Management District (District) to allow the Port's \$5 million in committed funds to be used for truck replacements after demand for retrofits is exhausted 	Commission BAAQMD	December 2008 - January 2009
<ul style="list-style-type: none"> Develop and implement a financing mechanism to leverage the first 3 years of user fee revenues to make the funds available in 2009 for clean truck projects 	Commission Staff	December 2008 January - June 2009
<ul style="list-style-type: none"> Develop an expanded MOU with the District to provide advance funds in 2009 from the user fees to leverage new commitments in 2009 in State, District and regional funding for cleaner trucks 	Commission Staff BAAQMD	December 2008 January-February 2009
<ul style="list-style-type: none"> Negotiate and establish bulk purchase prices for new trucks (like the Ports of Los Angeles and Long Beach) 	Commission City Staff	January 2009 February – June 2009
<ul style="list-style-type: none"> Consider amendments to Prop 1B Guidelines to allow truckers who get retrofit funds to also apply for replacement funds 	ARB	January 2009
<p>Interagency group will pursue other sources of funding for the clean truck strategy including but not limited to economic development grants, economic stimulus funds, Transportation, West Coast Collaborative, small business grants and loans, and others.</p>	Interagency group	December 2008- February 2009

OBJECTIVES AND PORT ACTIONS	RESPONSIBLE ENTITY	TIMEFRAME FOR ACTION
Near-Term Objective: Take the leadership role in bringing shore-based power to all cargo ship berths to dramatically cut ship pollution at dock		
<ul style="list-style-type: none"> Establish a Port policy to promote and enable the use of shore power at all cargo ship berths to comply with ARB's rule to reduce emissions from ships at dock 	Commission	December 2008 – January 2009
<ul style="list-style-type: none"> Provide staff report to the public and the Commission on proposed funding sources for shore-side infrastructure, including State monies (directly or through the District), a tariff on the terminal operators, lease requirements, and/or other means 	Staff	January – May 2009
<ul style="list-style-type: none"> Work with marine terminal operators, carriers, Pacific Gas and Electric and others to design a plan for installation of shore power at marine terminals and modification of ships to accept that power (compliance plans are due to ARB by July 2009 under State regulation). 	Staff	January – June 2009
<ul style="list-style-type: none"> Develop an incentive-based program to increase the usage of low-sulfur marine fuels in ocean-going vessels that visit the Port. The incentives will target fuels with sulfur content below the level required by ARB's regulation. Establish a Port policy to implement the fuel incentive program if the California Air Resources Board's fuel regulation for ocean-going vessels is rescinded, overturned or otherwise not enforced. 	Commission, Staff Shipping Lines	January – June 2009 for program development

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OBJECTIVES AND PORT ACTIONS	RESPONSIBLE ENTITY	TIMEFRAME FOR ACTION
Mid-Term Objective: Increase operational efficiency to reduce emissions of air pollutants and support Port growth		
<ul style="list-style-type: none"> • Provide staff report to the public and the Commission on recommended Port strategies to increase efficiency at sea, on Port property, and along transportation corridors 	Staff	Mid-2010