

## Silly Question

You have to love simple loaded questions, especially when the obvious answer is not the one expected. Recently, Dr. Barry Wallerstein, Executive Officer for the South Coast Air Quality Management District (SCAQMD), was quoted in L.A. Times as asking "So either we create a backstop rule, or the federal government adopts regulations for us. Which one do the ports prefer?"

While I can't speak for the Ports, I can respond for the maritime industry that uses the ports with a definitive "We prefer uniform federal regulations that apply equally to all Ports in the United States, regulations that will not create a competitive disadvantage for the San Pedro Bay ports and drive trade away from this region."

A little background is in order. Recently SCAQMD proposed regulating the Ports of Los Angeles and Long Beach to require that they meet specific air emission targets to protect public health. These regulations specify emission reduction targets that are not only unique to San Pedro Bay Ports they are inconsistent with the emission reduction goals of the Ports. Further, the proposed rules offer no new strategies to assist in meeting the emission targets, but they do provide for penalties if the Ports fail to meet those targets. The Ports have already released their own plan, complete with specific targets, as part of their updated San Pedro Bay Clean Air Action Plan (CAAP). The CAAP that was originally adopted by the Ports in 2006 has been a tremendous success story, greatly reducing emissions from trucks, trains, cargo handling equipment, work boats, and vessels that call at the Port. The updated CAAP continues the air quality improvements through the implementation of regulations and voluntary programs that are available and foreseeable to meet these goals.

A key component to the success of the CAAP is the necessary emission reductions from the international vessels that call at the Ports. To that end the maritime industry fully supported the recent amendments to the international treaty to impose stringent fuel and engine standards on all vessels, regardless of flag, and to create an Emission Control Area that extends 200 nautical miles that extends from Alaska to Mexico on the west coast of North America. These amendments, lead by the U.S. Environmental Protection Agency and Environment Canada, will result in vessel emissions being reduced 98 percent for sulfur oxides, 85 percent for particulates, and 80 percent for nitrogen oxides. It is hoped and expected that Mexico will also join in the ECA in the near future.

But that isn't good enough for Dr. Wallerstein; he wants to force the Ports to meet emission reductions that go beyond the targets set in the CAAP without providing new strategies or technologies to meet those goals, only penalties if they fail. He is fully aware that if he is successful in passing these backstop regulations that the Ports will impose the cost of meeting those goals and paying the fines on the maritime industry, an industry that has already experienced a 20 percent decline in cargo as a result of the economic downturn. Cargo that is already subjected to much larger operational costs of bringing cargo through southern California could easily divert to other ports if these costs continue to increase.

So the answer to Dr. Wallerstein's question is elementary. The maritime industry does prefer federal regulation that will not create an incentive to move cargo out of southern California and create even more economic distress for an industry that is already suffering; resulting in further loss of jobs and tax revenues for the region. The industry recognizes the need to provide significant air quality improvements, and has demonstrated that in making the CAAP a success, and in supporting stringent, uniform regulations that maintain competitive parity with other ports in California, the United States and Canada. So for the sake of the economic viability of the goods movement industry in southern California, Dr. Wallerstein, please consider your question asked and answered.