Item No.: 4A

Meeting Date: 01/16/18



CLEAN TRUCK PROGRAM UPDATE

Recommended Motion Clean Truck Program Update

Staff will provide a briefing and draft motion today to update the provisions of The Northwest Seaport Alliance's (NWSA) Clean Truck Program.

Synopsis: Hold the January 1, 2018 target and provide a 90-day grace period. Negotiate lease amendments to contractually require 2007 or newer model year engines. Implement a manual program in the south harbor until gate technology can be deployed. Seek separate project approval to install gate technology.

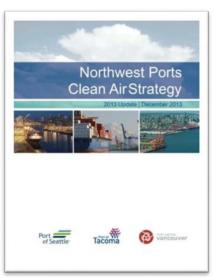
Recommended motion (adoption in February):

To direct staff to update the provisions of the NWSA's Clean Truck Program and seek supporting lease amendments at the international container terminals in the North and South Harbors.





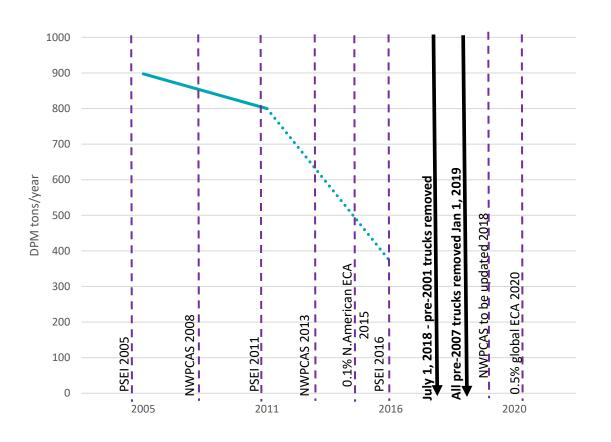
- Northwest Ports Clean Air Strategy published in 2008, revised in 2013, will be revised in 2018
- Collaboration with Port of Vancouver, Port of Seattle and Port of Tacoma, The Northwest Seaport Alliance
- Sets goals and targets to reduce air emissions from port-related sectors, including:
 - Ocean going vessels
 - Harbor craft
 - Locomotives
 - Cargo Handling Equipment
 - Administration activities
 - Heavy duty trucks





NWPCAS DPM Targets

By raising the minimum engine year requirement to 2007, the Clean Truck Program can effectively reduce drayage truck DPM emissions by 85-90% per truck.



1/10/2018

Guiding Principles

- Support comprehensive goals and accompanying programs that benefit the environment we live and work in, the surrounding community that we share the air with, and our workforce that helps us move cargo throughout our gateway.
- Honor the importance of drayage truck drivers in the supply chain and treat both independent and fleet drayage truck drivers fairly.
- Implement the clean truck program consistently across the gateway in both the South and North Harbors.
- Acknowledge those drayage truck operators who have made an investment to meet the 2007 truck engine year standard.



Guiding Principles – Continued

- Be aggressive in working with the supply chain to improve air quality, while avoiding major harm to the gateway and our ability to move cargo.
- Learn from this experience to inform future iterations of the NWPCAS, of which trucks are one part of the larger framework, and develop strong partnerships with various stakeholders to develop consensus-based goals in the future.
- Commit financial and human resources to support the conversion of the fleet and to reduce emissions.





Staff briefed the Managing Members on the Clean Truck Program at the November 7, 2017, meeting. The Managing Members requested the following further information to better inform an action:

- Suggestions for equity for drivers who have made the investment in new trucks;
- 2. Suggestions for equity for drivers with financial hardship;
- 3. Update on lease status; and
- 4. Project update on gate technology





Option	Suggestion	Feedback
1	Speed lanes for compliant trucks/fewer gates available for non-compliant trucks	Speed lanes were ruled out because of limited space to queue non-compliant trucks and the inability to deploy such a strategy equally across all terminals.
2	Provide gates for only compliant trucks (pick one day a week or use extended gates)	This option gained initial support from the MTOs, however, the trucking companies feared the MTOs would chose slow days and they would not be able to derive enough benefit from a program that initially focused on 1-2 days a week.
3	Only allow clean trucks in during the morning hours	Trucking companies expressed concern over difficulty scheduling and communications to drivers. This option would require custom software development to implement via the RFID readers.





Option	Suggestion	Feedback
4	Make terminals pay for long queue times because wait times are currently charged to trucking fleet customers	Absent an agreed upon tracking methodology and technology, this option is not currently implementable.
5	Phasing in the requirement over time (e.g., stepping up truck model year)	Concern from trucking companies and MTOs that this would be confusing to drivers and difficult to monitor. There is no change in emission controls between 1994 and 2008.

Conclusion: Establish a manual method for the MTOs to start enforcing the Clean Truck Program standards by **April 1, 2018.**



Outreach

- Trucker Outreach Forum, representing 1,200+ drivers
 - Clean Truck Program updates at the February, April, June, July, August,
 October, and November meetings
 - Featured presentations on solutions for upgrading or retrofitting equipment, including financing options, used LNG/CNG truck demonstrations and other retrofit products.
 - Formed Clean Truck committee and met in June, July and August
- NWSA Executive Advisory Council in January and July 2017
- September 16, NWSA sponsored a drayage driver workshop organized by the African Chamber of Commerce at South Seattle Community College



Outreach - continued

- Distributed 800 fliers in the truck queues at the end of November 2017
- Fliers distributed with every new truck sticker issued in the South Harbor.
- The NWSA website was updated with more background and with a list of FAQs (https://www.nwseaportalliance.com/trucks).
- Eight sandwich boards were installed at the gates for truckers to see as they were queuing.
- Staff fields at least 5 calls a day from drivers inquiring on the timeline.



Clean Truck Legislation

- At the November 7 meeting, the Managing Members authorized staff to seek a legislative correction clarifying the authority of port districts to offer programs relating to air quality improvement programs.
- Senators Guy Palumbo and Shelly Short have agreed to sponsor the bill in the Senate, while Representatives Mary McBride and Dan Griffey have agreed to sponsor it in the House of Representatives.
- Government Affairs has met with twenty lawmakers from Pierce and King Counties to discuss the bills and has consistently received strong, positive feedback on the bill.





Equivalent Emission ControlsClean Truck Program Update

Technology	Status
DPF Repower and Retrofit	Accepted, provided retrofit is CARB or EPA verified and appropriate for the truck.
Hydrogen Retrofits	Pending EPA/CARB verification.
LNG/CNG Trucks	Accepted.
Biofuels	Biodiesel, even B99, does not reduce PM emissions equivalent to a 2007 engine and is unlikely to be an effective method of achieving the goals set out by the Clean Truck Program.

Staff continues to monitor costs and appropriateness for other alternatively fueled vehicles, such as hydrogen fuel cell trucks and electric trucks.





LeasesClean Truck Program Update

Harbor	Status
North	The three north harbor international container leases impose the 2007 engine truck standards per section 9000 of the Port of Seattle tariff. There is a provision in section 9000(4) of the tariff that recognizes the Port/Alliance's ability to allow in non-compliant trucks. For purposes of keeping the truck programs consistent in both harbors, NWSA has sent letters to the north harbor MTOs requesting they delay implementing the 2007 engine truck standards until April 2, 2018.
South	The four terminals in the south harbor have all verbally agreed to adopt the lease amendment and support the Clean Truck Program. Leases are on schedule to be brought to the Managing Members at their February and March meetings.



Gate Technology Clean Truck Program Update

The full gate technology build-out scope, schedule and budget will be presented at the March meeting. The current schedule shows RFID tracking technology operational in **late summer/early fall of 2018**.

To accelerate the timeline for turning noncompliant trucks, Marine Terminal Operators will implement sticker-based enforcement in the south harbor as an interim measure beginning **April 1, 2018**.

Terminals in the north harbor will use the current RFID system to identify and also turn noncompliant trucks **April 1, 2018**.



Financial Summary Clean Truck Program Update

The 2018-2022 Capital Investment Plan allocates \$1,380,000 for ongoing Clean Truck program costs in 2018 (as depicted below).

NWSA Clean Truck Program	MID 201050.01	
RFID contract	\$ 150,000.00	
Truck stickers	\$ 10,000.00	
Outreach materials and events	\$ 10,000.00	
Meeting facilitation	\$ 50,000.00	
Truck technology review	\$ 30,000.00	
Support truck conversion	\$ 1,000,000.00	
Sum of outside services	\$ 1,250,000.00	
Staff time	\$ 130,000.00	
Grand Total	\$ 1,380,000.00	



Financial Summary – Continued Clean Truck Program Update

- Separately the CIP includes \$800,000 for gate technology installation pending Managing Member approval.
- Staff expects the manual sticker program to cost approximately \$4,000 per week until the technology can be deployed.
- Staff will return in March for full project authorization.
- Staff will address changes to the CIP for 2018 for full funding of this project at the March project authorization request.



Alternatives Considered Clean Truck Program Update

- Holding the original date with a grace period (recommended).
- Grandfathering in the current registered drayage fleet.
- Phasing in the 2007 model year standard on a rolling annual basis.
- Incentivizing clean trucks within the extended gate hours program.



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