Congress of the United States

Washington, DC 20515

October 6, 2023

The Honorable Michael Regan Administrator U.S. Environmental Protection Agency 1200 Pennsylvania Avenue, N.W. Washington, DC 20460

Dear Administrator Regan:

We write in support of the priorities identified by key California stakeholders to support the implementation of the *Inflation Reduction Act* (IRA)'s *Clean Ports Program*. The California Congressional Delegation was instrumental in the passage of the IRA and strongly supports the goals of this critical program. We note that California plays a critical and unique role in our nation's freight transportation infrastructure, and California has led the nation in freight decarbonization. We therefore look forward to partnering with the Administration to continue to advance our shared goals and ensure the greatest returns on the IRA's investments.

California is the United States' most significant global trade gateway and home to the largest logistics centers in the country. In 2020, California ports handled 38 percent of our nation's containerized imports, supporting over 3 million jobs and \$416 billion in waterborne trade that touches every single Congressional district in the country. Accordingly, the State of California has recently made historic investments in California's nationally significant ports: in July, the California State Transportation Agency (CalSTA) awarded more than \$1.5 billion – including approximately \$450 million for zero-emission infrastructure, locomotives, vessels and vehicles carrying the goods from ports to the largest logistics centers in the United States. The recent supply chain crisis further highlighted the national significance of California's ports and goods movement system and underscored the need for continued federal investment in the ports and the surrounding freight corridors.

The State of California and California ports lead the nation in addressing climate change and improving air quality for disadvantaged, port-adjacent communities and communities along the freight corridor, including by adopting aggressive decarbonization goals. The San Pedro Bay Ports, comprised of the Ports of Los Angeles and Long Beach, have significantly reduced emissions by 90 percent for diesel particulate matter, 63 percent for nitrogen oxides, and 97 percent for sulfur oxides under their joint Clean Air Action Plan (CAAP). These efforts are complemented by the State's overall climate and air quality goals, including the recently adopted Advanced Clean Fleets regulation that requires all new drayage trucks to be zero emission starting in 2024 with a full transition to zero-emission drayage trucks by 2035.

In Oakland, port-related diesel emissions have been reduced by over 85 percent since 2005, and additional initiatives are underway for decarbonization of freight equipment and electrical infrastructure. As part of the Port of San Diego's ongoing commitment to the San Diego Bay and surrounding communities, the Port is transitioning to zero emission (ZE) heavy-duty cargo trucks with the adoption of the Maritime Clean Air Strategy (MCAS). The MCAS sets ambitious goals to advance zero emission trucks which transport cargo to and from marine cargo terminals to 40 percent of calls in 2026 and 100 percent of calls by 2030. The cities and regions that will benefit from the decarbonization of ports and freight corridors constitute the majority of the most polluted areas in the United States, based on the major categories of air pollution tracked by the American Lung Association.

Page 2

EPA's *Clean Ports Program* will be critical to achieving the important goals listed above. For these reasons, as you develop program guidelines and the forthcoming Request for Proposals, we offer the following recommendations to ensure the program is successful and achieves its nationwide goals.

- 1. **Do not cap award sizes -** The scale of California's ports and volume of cargo that flows through them means that federal investments can deliver outsized returns in reduced emissions and increased supply chain efficiency. EPA should ensure that the program design allows for award sizes that match the scale of California's gateways, freight corridors, and the greenhouse gas, criteria pollutant, and air toxics emission reductions that can be achieved in California. Large projects that invest in clean, zero emission equipment will also drive commercialization of these technologies, thereby lowering costs across the country. We urge you to avoid any caps on award sizes, both for individual awards and for the total aggregate awards for each state.
- 2. **Provide flexible program criteria that allows supporting infrastructure** California port projects will require flexibility from EPA to deploy infrastructure projects at ports and their freight corridors that support zero emission equipment, including zero-emission cargo handling equipment, harbor crafts, locomotives, and oceangoing vessels.
- 3. Focus on investments that positively impact disadvantaged communities Many California ports are in or adjacent to disadvantaged communities and neighborhoods that have been disproportionately impacted by air pollution due to multiple industrial and transportation-related activities. In order to uphold our shared commitment to achieving the administration's Justice40 goals, we urge you to ensure that the \$750 million set aside for extreme and severe nonattainment areas is a floor, not a ceiling, and to prioritize projects that will benefit areas disproportionately affected by environmental pollution and other hazards that can lead to negative public health effects.
- 4. **Complement state regulations and clean electricity goals** California has enacted important and aggressive regulations and goals to decarbonize its supply chain and electric grid, and meet federal *Clean Air Act* requirements. The *Clean Ports Program* and other IRA and IIJA programs will be critical to meeting the goals of these regulations. We urge you to ensure that program funding may be utilized to meet or exceed existing state regulations.

Thank you for your consideration of our recommendations for the EPA *Clean Ports Program* and for your leadership on sustainability, environmental justice, and equity issues.

Sincerely,

Robert Garcia Member of Congress

Alex Padilla United States Senator

Pete Aguilar Member of Congress

Barbara Lee Member of Congress

<u>Nanette Diaz Barragi</u> Nanette Diaz Barfagán Member of Congress

Jelan S. S. Hill

Adam B. Schiff Member of Congress

politano Grace F. Napolitano

Orace F. Napolitano Member of Congress

Sum

Julia Brownley Member of Congress

Tren

Ted W. Lieu Member of Congress

Josh Harder Member of Congress

mannenhi

John Garamendi Member of Congress

Mark DeSaulnier Member of Congress

Kevin Mullin Member of Congress

J. Luis Correa Member of Congress

CIX

Salud Carbajal Member of Congress

Tinde J. an

Linda T. Sánchez Member of Congress

Jimmy Gomez Member of Congress



Scott H. Peters Member of Congress

anetta

limmy Panetta Member of Congress

Zoe Lofgren Member of Congress

Lared Huffman Member of Congress

Katie Porter Member of Congress

Judy Chu

Member of Congress

Dianne Feinstein United States Senator

ardend on

Tony Øárdenas Member of Congress

Jim Costa Member of Congress

Sara Jacobs

Member of Congress

Juan Vargas Member of Congress