From: Jared Blumenfeld
To: Zoe Heller
Cc: Teddy Ryerson
Subject: Ports speech
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First, I would like to thank the Port of Los Angeles for hosting the 3rd Pacific Ports Clean Air Collaborative, and inviting US EPA to this important and needed clean air ports conference.

I also want to thank the Port Long Beach. We commend their outstanding hard work, tough air quality plans, and their dedicated partnerships with EPA and the Pacific Rim ports.

I'm very pleased to be here with all of you for this collaboration on the Challenges for A Sustainable Future, and I wanted to recognize all of you who have traveled to be a part of this dialogue.

And I know I speak for my colleagues at EPA when I say how proud we are to be part of this collaborative effort. We are excited about the potential to do great things for our environment, for our economy and for our communities – especially those underserved communities where environmental and economic action is most needed.

As evidenced by China's Vice President Xi Jinping's tour of the Port of Los Angeles with Governor Brown and Mayor Villaraigosa, both the economic value and the environmental impact of ports and goods movement are of international importance.

In his 2010 State of the Union Address, the President launched the National Export Initiative with the goal of doubling our nation's exports in five years. After two years, we are on pace to meet the President's goal. Exports are up nearly 34% over the level of exports in 2009, exceeding $2.1 trillion in total value in 2011.

In the first 11 months of 2011, West Coast ports registered a gain of 2 percent in total container volume compared to the same time period in 2010.

You've heard from some this morning about what makes a port sustainable, and efforts to move towards more sustainable goods movement. With significant growth expected in port container volume, increases in the volume of ships, port trucks, and rail traffic are also expected.

Today, I'd like to address the pressing need to go above and beyond to improve environmental sustainability at our ports and overall goods movement systems, while continuing projected growth in international commerce and all of our economies.

EPA is pleased to see the global community has placed a priority on sustainability at ports and have made it the focus here.

It is the rarest of opportunities to truly change the world, and make a difference that will benefit billions of people. How we undertake this mission today will have profound effects on our future.

Ports are the gateways of our overall goods movement systems, and the goods that come into and leave each of our countries have impacts on our environment, particularly on our air quality and the citizens environmental health. Often times those who are most disadvantaged suffer the most exposure to environmental pollution.

If we want cleaner air, this increase in the volume of goods will require cleaner, near-zero and zero emission goods movement transportation systems that promote sustainability in the shipment of goods from one country to another, from one city to another, and ultimately into our homes and lives.

In the western US, cargo arriving in our ports is approximately 45% for local use and 55% national. Here in Southern California, we have the highest concentration of freight trains, rail yards and warehouses and distribution centers in the country.

The trucks and trains pass right through the heart of the South Coast Air Basin, which suffers from some of the poorest air quality in the United States, and which is home to 30% of California's 37 million residents.

Approximately 1.6 million residents, many of whom are of disadvantaged communities, live along the highway corridors that move our goods.

The I-710 highway corridor is the primary truck artery for the Ports of LA and Long Beach, which has the highest concentration of trucks and truck-related accident rates in the country.

We can focus on growth and development, but development is not smart if it is not also fair. The California Environmental Justice Alliance has called for a Green Zones approach. This approach is about taking places that have seen the worst environmental impacts and turning them into models of green development, with land use policies that are informed by the need to protect health, and that support economies that are built to last. Areas impacted by goods movement are a prime candidate for this Green Zones approach.

In order to be both clean and fair, the expected increase in the volume of goods will require: Near-zero and zero emission goods movement systems in order for the South Coast to meet Federal air quality standards for PM2.5 and Ozone.

A strong regulatory approach has played an important role in successfully reducing the air and health impacts of freight movement on nearby communities, and creating the market forces for technological innovation.

In addition, a variety of voluntary programs have been developed by local entities to try and reduce the impacts, and federal and state incentive programs have provided funds to help reduce emissions from ports, railyards, and trucks.

For example, EPA has established a public-private partnership, the West Coast Collaborative, which has over a thousand partners up and down the West Coast of the United States, and has focused on the development and implementation of project that reduce diesel emissions at ports. The Collaborative has:

-Funded projects range from shorepower to hybrid and electric trucks, to diesel particulate filters and natural gas powered vehicles and equipment.

-Since 2004, when the West Coast Collaborative was initiated, EPA has funded over $145M and leveraged over $250M from public and private funding sources. Over $87M of these funds have benefited the ports, rail and truck sectors along the West Coast.

I learned from coverage of Vice President Xi Jinping's visit to Port of Los Angeles that the China Holding Company was the first importer there to utilize Alternative Maritime Power, more than 8 years ago. That kind of commitment to sustainable ports and improving near-port communities is commendable.

Even if all marine vessels and locomotives in the South Coast were turned over to highest available engine standards today, there would still need to be further reductions to meet the air quality standards.

This clearly calls for the use of the cleanest, near-zero and zero-emission technologies throughout our goods movement system in our region.

With an estimated 9,000 deaths per year in the California from exposure to particulate matter, and over 3,000 deaths per year in Hong Kong from air pollution related illnesses - we need to act now.

International efforts to reduce emissions from goods movement systems include the International Maritime Organization's Emission Control Area, requiring OGVs to switch to low sulfur distillate fuel 200 miles off shore of North America, and new energy efficiency design indices for new OGVs are all important efforts to reduce emissions of PM, NOx, SOx and GHGs.

Beginning in 2015, all ships will be required to use cleaner fuel operating in the Emission Control Areas, resulting in significant emission reductions not only in coastal regions, but far into the middle of the United States.

-Resulting in 90% PM and SOx reduction by 2030:

Other excellent examples include the Fair Winds Charter at the Port of Hong Kong, calling for OGVs to voluntarily switch to lower sulfur distillate while at berth.

There are countries represented in this room that have implemented near-zero and zero-emission technologies and Mark Sisson from AECOM did a great job of summarizing them. They included:

---fully automated Cargo Handling at the Port of Busan
---the electric fuel cell trucks at the Ports of LA and Long Beach,
---electric freight rail in Italy,
---electric coal trains in Australia,
---Catenaries hybrid heavy duty diesel electric demonstration system in Germany
--- and shorepower for cargo and cruise ships at many ports.

In addition, simple, low-tech operational practices such as reducing the amount of packaging for our goods, allowing transport of a greater volume of products with fewer vessel, trucks and rail cars, resulting in fewer emissions is one approach we are examining.

- Hewlett Packard worked with Wal-Mart to reduce the packaging associated with one of HP's laptop models sold at Wal-Mart stores. The laptop and all accessories are packaged in a reusable messenger bag, and the customer doesn't take any packaging home. Resulting in:

a 65% reduction in packaging materials and removing 1 of every 4 trucks it takes to ship the laptops. Saving 500,000 gal/yr of diesel fuel and all the associated emissions.

Today, The Swedish furniture retailer has adopted a programme to replace all wooden pallets with a cardboard variant
The new, corrugated cardboard design is lighter, thinner and cheaper to use. Ikea says it expects to cut its transport bills by US$193M a year.

Ikea uses 10M pallets a year to ship goods from suppliers to its 287 stores in 26 countries. The programme is scheduled for completion by the end of this year and is expected to cut transport costs by 10%.

Interestingly, the largest TEU counts leaving west coast ports are for recycled paper, steel and plastic.

Though we have come far, we have much farther to travel along a sustainable path for our ports and goods movement systems – including more near zero and zero emission technologies.

As we expand our ports and goods movement systems, we need to keep in mind those communities that are disproportionately impacted by ports and goods movement-related activities at all stages of goods movement – including ports, railyards, freight & highway corridors, distribution center, stores… all the way to our homes.

I'm interested to learn from all of you how we can work together to dramatically improve air quality in and around our ports and throughout our goods movement systems, globally.

We have a lot to learn from one another.

I would also like to pose a challenge to everyone in this room to:

1: commit to continue to work together collaboratively with governments and industry to advanced, near to zero emission goods movement technologies and best practices in each country's port of call, and

2: convene international experts in government, industry, academia, and NGOs in the near future to strategize how to implement cleaner near and zero emission technologies at our ports and throughout the global goods movement system.

Continuing such efforts in earnest will lead us down a cleaner technology pathway, allowing all countries to realize the significant projected growth with reduced impact on our air quality, while protecting the health and welfare of our citizens.

EPA, at the highest level, looks forward to continued collaboration with all constituencies to find solutions to the significant air quality challenges associated with goods movement.

Bringing a healthy environment to our communities is a responsibility we all share. This conference is the first step in what we envision will be a long-lasting and fruitful partnership between ports, government agencies and other constituencies throughout the Pacific Rim.

We know that our future will be built on innovations. And we know that those innovations need the support of robust investment, the ideas and energy of entrepreneurs, and a marketplace for commercialization of new, clean products. I'm glad to see so many of you here dedicated to this important effort, and stepping up in recognition of the shared interests we have for our economic and environmental future. I look forward to working with each and every one of you. I wish you a productive conference. Thank You.

Sent from my iPad