Port of Richmond

Honda Port of Entry Fact Sheet

October 16, 2008

Project Objectives

The objectives of the Honda Port of Entry Project are to:

- Maximize economic benefit from underutilized real estate assets in the Port of Richmond (Richmond City Council in Resolution 100-07, September 11, 2007).
- Promote long-term industrial distribution opportunities within the Port of Richmond that enhance the Port's financial condition and support community goals of environmentally responsible economic development.
- Improve rail operations between the BNSF Richmond Yard and all rail-served industries within the Canal Boulevard industrial corridor through reducing peak-hour blockages at grade crossings, and through the use of environmentally efficient locomotives and improved rail operational practices.
- Establish a modern, efficient on-dock rail loading capability within the Port of Richmond. This will reduce traffic, noise and pollution by eliminating the need to shuttle 70,000 of vehicles along Canal and Cutting Boulevards each year.

Background

Auto Warehousing Company (AWC) has successfully operated its existing auto processing facility at the Port of Richmond's Point Potrero Marine Terminal (PPMT) since 2004. The AWC facility at PPMT currently processes 85,000 Hyundai and KIA automobiles annually; these autos are imported from Korea by car-carrying ships. AWC has proposed to expand its operations at the Port of Richmond to develop a Northern California Port of Entry for Honda automobiles from Japan. AWC expects to process approximately 150,000 Honda automobiles annually.

AWC, in cooperation with TransDevelopment Group, has proposed to construct the following improvements to the PPMT to accommodate the

additional Honda vehicles, as well as improve its existing Hyundai and KIA auto processing operations:

- Create a new rail yard adjacent to the ship berths at the PPMT to enable imported autos to be loaded directly onto rail cars. This would eliminate the need for 70,000 individual auto shuttle trips on local streets adjacent to the Port of Richmond.
- Repair existing ship berth at the PPMT. Specifically:
  - Repair existing concrete deck pavement;
  - Install new bull rail at the edge of the berth; and
  - Install new rubber dock fenders on the side of the berth.

Benefits of the Honda Port of Entry Project

Consistent with Richmond City Council Resolution 100-07, the Honda Port of Entry project will help to maximize the economic benefit from underutilized real estate assets at the Port of Richmond. This project will result in the following benefits to the City of Richmond:

- A minimum of $100 million additional revenue to the City of Richmond over 15 years;
- More than 100 new full-time, direct high-wage union jobs (Teamster and Longshore);
- More than 150 part-time (Longshore) and indirect jobs;
- Greater utilization of existing Port assets;
- New on-dock rail and industrial distribution capacity to support future environmentally responsible economic development at the Port;
- Improved rail operations connecting the BNSF Richmond Yard, the Port, and all rail-served industries along the Canal Boulevard industrial corridor;
- Reduced peak-hour blockages at rail grade crossings;
- Improved air quality in and around the Port of Richmond through:
  - Reducing 70,000 local auto trips each year;
  - Using clean, environmentally efficient railroad locomotives and equipment;
  - Improving rail operational practices;
  - Minimizing idling time by locomotives, trucks and other equipment.

This project would have these regional, state, and global benefits:

- **Reduced Truck Trips, Emissions, Fuel Consumption, and Traffic Between San Diego and Northern California**
    - The Honda Port of Entry project will eliminate the need for nearly 4,000 two-way long distance auto carrier truck trips within California each year. These truck trips are currently associated with the transport of approximately 35,000 Honda vehicles from San Diego to Northern California.
    - Eliminating these truck trips will:
        - Reduce 4 million truck miles from congested California highways and roads;
        - Reduce the consumption of nearly one million gallons of fuel;
        - Reduce annual emissions of nitrogen oxides (NO_x) by 56.3 tons, particulate matter (PM_{10}) by 2.2 tons, reactive organic gases (ROG) by 2.6 tons, carbon monoxide (CO) by 11.4 tons, and carbon dioxide (CO_2) by 5,731 tons.
- **Reduced Ship Emissions and Fuel Consumption**
    - Due to a shorter steaming distance from Japan to Richmond versus Japan to San Diego, the Project will reduce the number of miles traveled by auto carrying ships by approximately 51,000 nautical miles per year, thereby reducing annual emissions of NO_x by 528 tons, PM_{10} by 56.4 tons, ROG by 21.2 tons, CO by 41.4 tons, and CO_2 by 25,534 tons.

Environmental Impacts

The air quality analysis of the Honda Port of Entry project identified one significant and unavoidable impact of the proposed project. Emissions of nitrogen oxides (NOx) from ships transiting to the Port of Richmond from twenty-four miles west of the Golden Gate were found to substantially exceed the Bay Area Air Quality Management District's threshold of significance of 80 pounds per day. All other environmental impacts of this project have been determined to be less-than significant or will be mitigated as specified in the Environmental Impact Report (EIR).

It is important to note that the recent approval on October 9, 2008 by the International Maritime Organization (IMO) of strong new emissions

standards, and their ratification by the United States, may significantly reduce emissions of NOx, SOx and particulate matter (PM), as ships operating within 200 miles of the coast may be required to burn only clean, low-sulfur fuel.

Clean Air Action Plan

To reduce emissions associated with the Honda Port of Entry project, the Port of Richmond will develop and implement a Clean Air Action Plan (CAAP). The CAAP will be finalized prior to construction of the Honda Project, and implementation shall begin with the commencement of Honda Project operations. Key elements of this plan include:

- **Reduce Emissions from Ocean Going Vessels**
  - **Cleaner Ship Fuels at Berth** Ships serving the Honda Port of Entry shall use low sulfur marine fuel for auxiliary engines and boilers while at berth at the Port of Richmond.
  - **Cleaner Ship Fuels In Transit.** By 2015, and possibly sooner, all ships operating within 200 miles of the coast will comply with International Maritime Organization (IMO) standards requiring the use of clean, low-sulfur fuel in both main and auxiliary engines.
  - **Emissions Treatment Systems.** Ships serving the Honda Port of Entry will utilize an emissions treatment system that both captures and treats emissions whenever feasible.
- **Reduce Emissions from Railroad Equipment**
  - **Cleaner Railroad Locomotives.** The Burlington Northern Santa Fe (BNSF) Railway will use cleaner operating switch locomotive engines for the new on-dock rail operation.
  - **Minimize Idling for Railroad Locomotives at the PPMT.**
- **Reduce Emissions from Trucks**
  - **Reduce Idling Time.** Idling restrictions of no more than five minutes, where applicable, will be imposed for trucks serving the PPMT.
  - **Cleaner Auto Carrier Trucks.** The Port of Richmond will seek federal, state and regional grant funds to provide financial incentives for early replacement and retrofit of older, dirtier trucks with new cleaner trucks. Potential sources of funding include the Carl Moyer program, the Transportation

Fund for Clean Air, and the California Transportation Commission's Trade Corridor Improvement Fund.

- **Reduced Emissions, Fuel Consumption and Traffic.** This project will eliminate the need for nearly 4,000 two-way long distance auto carrier truck trips within California each year. These truck trips are currently associated with the transport of approximately 35,000 Honda vehicles from San Diego to Northern California. Eliminating these truck trips will reduce the consumption of nearly one million gallons of fuel, and the associated NOx, SOx, PM and GHG emissions.

- **Reduce Emissions from Automobiles**
  - **Reduce Local Automobile Trips.** The creation of a new on-dock rail yard at the PPMT will eliminate the need for tens of thousands of automobiles to be driven from the PPMT to the Richmond BNSF Rail Yard on Canal and Cutting Boulevards.
  - **Reduce Employee Automobile Trips.** The Port and City of Richmond shall encourage and provide incentives for ridesharing and use of public transit for employees at the PPMT. Additionally, the Port of Richmond shall work with the City and with AC Transit to extend current bus service between the PPMT and local transit centers, including the Richmond BART station.
  - **Conversion of Vans and Yard Handling Equipment.** AWC will utilize clean fuel vans and equipment (forklifts) wherever feasible.
- **General Emissions Reductions**
  - **Use Best-Available Technology**
  - **Biennial Inventory of Port Emissions.** The Port shall conduct a biennial emission to assess the benefits of mitigation measures, and to develop other opportunities to reduce emissions of NO_x, $PM_{10}/_{2.5}$, TACs and other pollutants.
  - **Regular Review of New Technology and Regulations.**
  - **Grant Funding.** The Port of Richmond will actively pursue federal, state and regional grant funds to implement the Clean Air Action Plan.