



OFFICE OF AIR AND RADIATION

WASHINGTON, D.C. 20460

November, 16, 2023

MEMORANDUM

SUBJECT: Response to the Office of Inspector General Final Report No. OSRE-FY22-0140 "*The EPA Needs to Address Increasing Air Pollution at Ports,*" dated September 21, 2023

FROM: Joseph Goffman
Principal Deputy Assistant Administrator

TO: Laretta Joseph, Director
Programs, Office, and Centers Oversight Directorate
Office of Special Review and Evaluation

Thank you for the opportunity to respond to the final report titled "*The EPA Needs to Address Increasing Air Pollution at Ports.*" The Office of Air and Radiation's (OAR) response below includes clarification on the proposed corrective action for recommendation 2 along with outstanding technical comments.

RESPONSE TO RECOMMENDATION 2 CORRECTIVE ACTION

Recommendation 2: Set quantifiable performance measures for the Ports Initiative, including a plan for identifying their baselines.

In OAR's response to the draft report on August 17, 2023, OAR agreed with the recommendation and described two types of measures currently used to help evaluate the impact of the program. In the final report published on September 21, 2023, the OIG disagreed on the efficacy of these measures because they lack defined objectives and has therefore left this recommendation unresolved. OAR believes these measures are effective and provides further explanation of these measures below, including how they relate to defined objectives of the Ports Initiative program. In OAR's response to the draft report, OAR committed to continuing to use these two types of performance measures. OAR also committed to considering additional steps to evaluate the impact of EPA's Ports Initiative by Q4 FY25, including the establishment of measures to evaluate the new \$3B Clean Ports Program in the Inflation Reduction Act that OAR is still working to design.

The objective of EPA's Ports initiative is to accelerate the adoption of cleaner technologies and clean air planning practices at ports across the country. Greater adoption of clean technologies and planning practices will help achieve the program's overall goal to reduce diesel pollution, improve air quality, and advance environmental justice in near-port communities. One performance measure we use to evaluate progress towards achieving our defined program objective is the number of major ports that have publicly available emissions inventories, emission reduction targets, emission reduction projects/plans, and community engagement efforts. Another performance measure we use to evaluate progress towards achieving our defined program objective is the number and size of Diesel Emissions Reduction Act (DERA) grants supporting adoption of cleaner technologies at ports. We describe these performance measures and how they relate to Ports Initiative program objectives and goals in more detail below.

(1) Number of major ports that adopted specific clean air planning practices

One objective of the Ports Initiative is to accelerate the adoption of clean air planning practices at ports, including emissions inventories, emission reduction targets, emission reduction projects/plans, and community engagement efforts. These planning practices help stakeholders identify clean air investments that make sense for their unique situation and operations, including the priorities and goals of local residents, and help to ensure transparency and accountability. These planning practices are indicators of efforts port operators are taking to reduce diesel pollution, improve air quality, advance environmental justice in near-port communities, and highlight potential areas for port operator improvement. OAR promotes the adoption of these planning practices through a variety of forums and has developed technical resources to support port stakeholders in undertaking these planning practices, including Port Emissions Inventory Guidance¹, the Community-Port Collaboration Toolkit², and the Shore Power Technology Assessment at U.S. Ports³. OAR publicly tracks the adoption of these planning practices at major U.S. ports through the Ports Initiative interactive map⁴, and uses it as a performance measure to assess the impact of EPA Ports Initiative outreach and technical resources. OAR began collecting this data in 2021, which is a baseline against which we intend to track progress over time.

(2) Number and size of DERA awards for port projects

Another objective of EPA's Ports Initiative is to support the adoption of cleaner technologies at ports (including through EPA's DERA funding), to help reduce diesel pollution, improve air quality, and advance environmental justice in near-port communities. EPA gives priority consideration to port and other goods movement project applications in the DERA program. Through technical resources and outreach efforts, EPA's Ports Initiative helps port operators identify high-quality emission reduction projects and encourages them to apply for funding from DERA and other programs to help implement those projects. OAR has collected data on the number and size of

¹ <https://www.epa.gov/ports-initiative/port-and-goods-movement-emission-inventories>

² <https://www.epa.gov/community-port-collaboration/community-port-collaboration-toolkit>

³ <https://www.epa.gov/ports-initiative/shore-power-technology-assessment-us-ports>

⁴ <https://www.epa.gov/ports-initiative/best-port-wide-planning-practices-improve-air-quality>

DERA awards for port projects since 2008 and uses it as a performance measure to assess the impact of EPA Ports Initiative outreach and technical resources. OAR tracks this information via the Ports Initiative website⁵. OAR also reports on DERA projects through Reports to Congress on the DERA program, which includes five reports dating back to 2009⁶.

OUTSTANDING TECHNICAL COMMENTS

OAR thanks the OIG for addressing several of our technical comments on the draft report, which we provided on August 17, 2023. However, there were some key technical comments that were not incorporated into the final report that we would like to reiterate here.

Although the final report suggests that EPA has not taken steps to address increases in air pollution from ocean-going vessels (OGVs) at U.S. maritime ports beyond working with communities through the Ports Initiative (At a Glance section; and on pg. 8), in fact, EPA has taken a number of effective regulatory efforts to reduce emissions from OGVs and works with a variety of stakeholders to advance emissions reductions above and beyond regulatory requirements. As we described in our technical comments submitted to the OIG on August 17:

- *For decades, EPA has been actively involved, as part of the U.S. delegation to the International Maritime Organization (IMO), in developing international emissions standards for ships. These standards include NOx limits for engines, sulfur limits for fuel, and efficiency/greenhouse gas (GHG) requirements for ships. We leveraged this process to establish the Emission Control Areas around most of the U.S. coastline where more stringent NOx and fuel sulfur standards apply. We are continuing to engage at IMO on addressing emissions from ships including efforts related to black carbon, achieving zero GHG emissions, and further reductions in NOx.*
- *We also work with a variety of stakeholders – including communities as well as private port operators and state and local agencies – as part of EPA’s Ports Initiative program to advance emissions reductions at ports above and beyond regulatory requirements. For example, we provide technical guidance on shore power to reduce OGV emissions and fund shore power projects through the DERA program; we also provide guidance and encourage ports to adopt vessel speed reduction and other operational strategies to reduce OGV emissions. We also encourage port stakeholders to conduct emissions inventories and we publish available emissions inventory data along with information on emissions reduction goals and mitigation strategies at the busiest ports in the U.S.*

The final report’s “At a Glance” section also states that “the EPA is not fully tracking changes in air emissions from oceangoing vessels” and that EPA’s lack of clearly-defined Ports Initiative performance measures means that “EPA cannot determine whether additional actions are needed to address emissions from OGVs to meet the clean air goal in the FY 2022-2026 EPA Strategic Plan” whereas EPA

⁵ <https://www.epa.gov/ports-initiative/overview-dera-grants-awarded-port-projects>

⁶ <https://www.epa.gov/dera/diesel-emissions-reduction-act-dera-reports-congress>

does have performance measures for EPA’s Ports Initiative, as described above, and we do track OGV emissions to inform whether additional actions are needed. As we described in our technical comments submitted to the OIG on August 17:

- *EPA tracks changes in OGV emissions through the National Emissions Inventory⁷ and Emissions Modeling Platforms⁸. These emissions inventories are used in a variety of ways to assess air quality impacts on communities, including through air quality modeling and Air Toxics Screening assessment⁹. Emissions Modeling Platforms serve as a basis for national, regional, and local modeling for regulatory analyses and State Implementation Plan development and are intended for use wholly or in part by air quality jurisdictions across the U.S. and by the EPA for National Ambient Air Quality Standards (NAAQS) and rulemaking evaluations.*
- *EPA is tracking emissions from OGVs so EPA, state and local partners, and others can model air quality impacts and assess additional measures to meet clean air goals.*

Additionally, the OIG accepted OAR’s corrective action for recommendation one with the planned completion date of quarter four of fiscal year 2025, but in the “Status of Recommendations” section on page 14, the planned completion date is listed as September 30, 2024. OAR requests that this date be corrected to September 30, 2025.

CONTACT INFORMATION

If you have any questions regarding this response, please contact Mike Moltzen, Deputy Director of the Transportation and Climate Division, Office of Transportation and Air Quality on 734-249-2869.

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⁷ <https://www.epa.gov/air-emissions-inventories/national-emissions-inventory-nei>

⁸ <https://www.epa.gov/air-emissions-modeling/emissions-modeling-platforms>

⁹ <https://www.epa.gov/AirToxScreen>