

Goods Movement Program Ships-at-berth Projects Fact Sheet

When will funding be available?

The Bay Area Air Quality Management District (District) will be accepting applications for ships-at-berth (shore power) projects and cargo handling equipment projects **between February 1, 2011 and March 15, 2011**. The District anticipates contracting for projects selected for funding in summer 2011.

How much funding is available for shore-power projects?

The District has \$20 million in California Goods Movement Bond funding available for ships-at-berth (shore power) projects and cargo handling equipment projects. The funding amounts for grid-based projects are available on a per berth basis, based on the completion date of the project, and are listed in Table 1. Table 1 also shows how the funding amounts will be adjusted if a project is not completed by the deadline in the contract.

Table 1 – Program Funding Amounts and Completion Dates per Berth for Grid-based shore power projects		
Completion Date in Application	Maximum Funding for On Time Completion	Maximum Funding for Completion Delayed to Next Year
By December 31, 2011	Lower of \$3.5 million or 50% of eligible costs	Lower of \$3.0 million or 50% of eligible costs
By December 31, 2012	Lower of \$3.0 million or 50% of eligible costs	Lower of \$2.5 million or 50% of eligible costs
By December 31, 2013	Lower of \$2.5 million or 50% of eligible costs	Funding Forfeited

How will projects be selected?

Project applications will be evaluated by District staff and then competitively ranked by the District and then the ranked list will be approved by the California Air Resources Board (ARB). Grid-based shore power projects will be ranked by individual berth, so individual berths at a facility will compete against each other, against non-grid based projects, ship emissions capture and control system projects, and cargo handling equipment projects for funding.

How can I apply?

Project applications for grid and non-grid based projects are available on the District's website at www.baaqmd.gov/goods. Applicants interested in applying for ship emissions capture and control system projects should contact the District for an application. Applications should be printed out, completed and mailed to the staff contact/ address below. Applications and all supporting documentation **must be received by the District by 3:00 pm on March 15, 2011.**

Bay Area Air Quality Management District
Attn: Stacy Shull
Strategic Incentives Division
939 Ellis Street
San Francisco, CA 94109

What are the requirements for grid-based shore-power projects?

See Table 2 for a summary of the program requirements.

Where can I find more information?

If you have any questions regarding this program or the application process, please contact Stacy Shull by phone at (415) 749-4955 or by e-mail at: sshull@baaqmd.gov

Useful Resources:

- BAAQMD Goods Movement Program website: www.baaqmd.gov/goods
- ARB Shore Power regulation: <http://www.arb.ca.gov/ports/shorepower/shorepower.htm>

Table 2 – Grid-based shore power project requirements *	
Eligible equipment	<p>Existing cargo ship berth or existing cargo ship terminal at a seaport located in a trade corridor.</p> <ul style="list-style-type: none"> • For the purposes of this Program, a berth is a mooring designed to accommodate loading or unloading of one ship at a time. • Each project will compete with other ships at berth and cargo handling equipment projects under the competitive ranking and selection process outlined in the Guidelines. • Any ships at berth or cargo handling equipment project that is listed as a mitigation measure as part of a final, certified California Environmental Quality Act (CEQA) or National Environmental Policy Act (NEPA) document is not eligible for funding.
General requirements	<p>The equipment owner shall:</p> <ul style="list-style-type: none"> • Commit to the project life specified with the applicable equipment project option. • Adhere to all Program Requirements during the project life. • Comply with record-keeping, reporting, and audit requirements. • Sign a legally binding contract with the local agency and the port (if not the same entity) including project milestone and completion deadlines. • If the equipment owner is also the local agency administering the grant, the local agency must sign a legally binding contract with ARB including project milestone and completion deadlines. • Properly maintain all equipment in good operating condition and according to manufacturer’s recommendations. • Demonstrate proof of equipment warranty and insurance on new equipment. • Comply with local permitting requirements.
Program requirements	<p>In addition to the General Requirements listed previously, equipment owner shall:</p> <p>- Commit to a project life of 10 years for the use of grid-based shore power at the berth at the following levels or greater:</p> <ul style="list-style-type: none"> • 50% of the ship visits in 2012-2013 (if applicable). • 60% of the ship visits in 2014-2016. • 80% of the ship visits in 2017-2019. • 90% of the ship visits in 2020 and beyond. <p>The equipment owner shall owe a non-performance penalty to the local agency if the percentage of ship visits connected to grid-based shore power at the funded berth starting in 2014 does not meet the Required Usage levels identified above.</p> <p>Demonstrate operability with a cargo ship fully powered by shore-based electrical power supplied by the grid-based equipment.</p>
Performance options	<p>Applicants proposing a grid-based shore power project must select one of two performance options (either all ships or only regulated ships) for calculating the berth’s total annual visits. If the applicant’s project is funded, the performance option will be reflected in the grant agreement for the project, and the selection will be used to evaluate the applicant’s compliance with the vessel visit requirements (defined above as part of the “Program Requirements”).</p> <ul style="list-style-type: none"> • Performance Option 1: Total Ship Visits equals the number of visits to the berth by <u>all U.S. or foreign-flagged container vessels, passenger vessels, and refrigerated cargo vessels</u>. Any project competing for funding under this option shall also meet or exceed a Program cost-effectiveness of 0.15 pounds per State dollar, as determined using the Project Benefits Calculator. The total ship visits shall exclude the number of ship visits from vessels that did not

	<p>plug into grid-based power AND met one the following criteria:</p> <ul style="list-style-type: none"> ○ The vessel was part of a fleet complying with CCR Title 17, Section 93118.3 under the “Equivalent Emissions Reduction Option.” ○ The vessel was prevented from plugging into grid-based power for the duration of the visit due to a qualifying “emergency event” as defined in CCR Title 17, Section 93118.3. <ul style="list-style-type: none"> ● Performance Option 2: Total Ship Visits equals the number of visits to the berth by <u>all U.S. or foreign-flagged vessels, regardless of vessel type</u>. The total ship visits shall exclude the number of ship visits from vessels that did not plug into grid-based power AND met one the following criteria: <ul style="list-style-type: none"> ○ The vessel was part of a fleet complying with CCR Title 17, Section 93118.3 under the “Equivalent Emissions Reduction Option.” ○ The vessel was prevented from plugging into grid-based power for the duration of the visit due to a qualifying “emergency event” as defined in CCR Title 17, Section 93118.3. <p>Please see ARB GMP supplemental Procedures for ships at berth and cargo handling equipment projects for more details on the performance options.</p>
Eligible Shore Power Costs	<ul style="list-style-type: none"> ● Design ● Engineering ● Electrical service connection ● Power upgrade project (prorated by berth if applicable) ● Breakers and secondary breakers ● High-voltage cables ● Step down transformer ● Switchgear ● Power control equipment ● Power connection vaults ● Cable reels, cables, and connectors to connect at the vessel ● Control cable and equipment ● Other costs (as applicable)
Ineligible Shore Power Costs	<ul style="list-style-type: none"> ● Ship-side modifications ● Consulting ● Environmental review ● Legal fees ● Permits ● Licenses and associated fees ● Taxes ● Insurance ● Energy costs ● Routine maintenance ● Operation (Labor costs or connection and disconnection of shore power)
Inspections	The District will conduct pre-project and post-project inspections of all funded projects.
Payments	Program funds will be disbursed to the equipment owner only after the project is demonstrated to the District inspector to be fully operational and powering a ship docked at the berth prior to the project completion date. Program funds will not be provided for financing or progress payments.

** This is a summary of the program requirement and not a complete list of requirements.*