Accelerating Zero-Emission Technology Deployment at Puget Sound Ports

US EPA FY 2024 Clean Ports Program
Grant Application

Letters of Commitment



Submitted by:

The Northwest Seaport Alliance

This application, including letters of support, will be available on the NWSA website: nwseaportalliance.com/2024CleanPorts

LETTERS OF COMMITMENT:

Northwest Seaport Alliance (NWSA)
Port of Seattle (PoS)
Port of Tacoma (PoT)
Arrow Launch Service, Inc. (Arrow)
Husky Terminal & Stevedoring, LLC (Husky)
Ports America
Washington United Terminals (WUT)

THE NORTHWEST
SEAPORT ALLIANCE

SEATTLE + TACOMA
nwseaportalliance.com

May 23, 2024

The Honorable Michael S. Regan, Administrator
US Environmental Protection Agency
1200 Pennsylvania Avenue, NW
Washington, D.C. 20460

Re: Letter of Commitment for Clean Ports - *Accelerating Zero-Emission Technology Deployment at Puget Sound Ports*

Dear Administrator Regan:

I am very pleased to submit this letter expressing our enthusiastic support for, and commitment to, the Northwest Seaport Alliance (NWSA)-led application to the Environmental Protection Agency's Clean Ports Program. The proposal, *Accelerating Zero-Emission Technology Deployment at Puget Sound Ports*, prioritizes the top three sources of seaport-related pollution in our region: vessels, cargo-handling equipment (CHE), and drayage trucks, as well as community engagement programming and organizational capacity. The projects support the Clean Ports Program goals of helping ports transition to zero-emission (ZE) operations.

As a joint venture between the Ports of Tacoma and Seattle, the NWSA provides funds from operations to the two ports. The two ports use the funds from the NWSA operations, along with cash on hand, cash from other home port operations, and, if necessary, cash from revenue or tax secured bonds, to fund the NWSA's capital commitments. **As a sign of our dedication to the success of the proposed $499,982,542 *Accelerating Zero-Emission Technology Deployment at Puget Sound Ports*, the NWSA, through its two Joint Venture partners, commits to a cost share of $19,756,562 (subject to NWSA board approval.)** The total proposed match is $140,287,318, the balance of which consists of $92,530,756 to be paid by sub-awardees and private partners, and $28,000,000 in state funding.

If this project is awarded Clean Ports funding, the NWSA also guarantees the availability of the staff and resources necessary to complete the activities described in the application. The NWSA is well qualified to lead the proposed activities. The NWSA team is capable not only of planning such an ambitious and important project, but also of executing it in a timely, cost-effective manner. For these reasons and more, I urge you to fund *Accelerating Zero-Emission Technology Deployment at Puget Sound Ports*. If you have any questions at all, please do not hesitate to contact me.

Respectfully,

John Wolfe (May 23, 2024 10:22 PDT)
John Wolfe, Chief Executive Officer
Northwest Seaport Alliance
1 Sitcum Way
Tacoma, Washington 98421

Port of Seattle

P.O. Box 1209
Seattle, WA 98111-1209
Tel: 787-3000

www.portseattle.org

May 24, 2024

The Honorable Michael S. Regan, Administrator
United States Environmental Protection Agency
1200 Pennsylvania Avenue, NW
Washington, D.C. 20460

re: Letter of Commitment for Clean Ports – *Accelerating Zero-Emission Technology Deployment at Puget Sound Ports*

Dear Administrator Regan:

I am very pleased to submit this letter expressing our enthusiastic support for, and commitment to, The Northwest Seaport Alliance-led application to the Environmental Protection Agency's Clean Ports Program. The proposal, *Accelerating Zero-Emission Technology Deployment at Puget Sound Ports*, prioritizes the top three sources of seaport-related pollution in our region: vessels, cargo-handling equipment (CHE), and drayage trucks, as well as community engagement programming and organizational capacity. The projects support the Clean Ports Program goals of helping ports transition to zero-emission (ZE) operations. If funding is awarded, the Port of Seattle will be a sub-recipient.

The Port of Seattle uses cash on hand, cash from other homeport operations, and, if necessary, cash from revenue or tax-secured bonds to fund capital commitments. As a sign of our dedication to the success of the proposed $499,982,542 *Accelerating Zero-Emission Technology Deployment at Puget Sound Ports* project, the Port commits to a cost share of $10,455,568 (subject to Commission approval) of the proposed $59,012,290 Port of Seattle subaward, the remaining $4,207,504 match will come from a committed private partner.

If this project is awarded Clean Ports funding, the Port of Seattle also guarantees the availability of the staff and resources necessary to complete the subrecipient activities described in the application. The team is capable not only of planning such an ambitious and important project, but also of executing it in a timely, cost-effective manner. For these reasons and more, I urge you to fund the *Accelerating Zero-Emission Technology Deployment at Puget Sound Ports* proposal. If you have any questions at all, please do not hesitate to contact me.

Sincerely,

Stephen P. Metruck
Executive Director

May 22, 2024

The Honorable Michael S. Regan, Administrator
US Environmental Protection Agency
1200 Pennsylvania Avenue, NW
Washington, D.C. 20460

RE: Letter of Commitment for Clean Ports - *Accelerating Zero-Emission Technology Deployment at Puget Sound Ports*:

Dear Administrator Regan,

I am very pleased to submit this letter expressing our enthusiastic support for, and commitment to, the Northwest Seaport Alliance-led application to the Environmental Protection Agency's Clean Ports Program. The proposal, *Accelerating Zero-Emission Technology Deployment at Puget Sound Ports*, prioritizes the top three sources of seaport-related pollution in our region: vessels, cargo-handling equipment (CHE), and drayage trucks, as well as community engagement programming and organizational capacity. The projects support the Clean Ports Program goals of helping ports transition to zero-emission (ZE) operations. If funding is awarded, the Port of Tacoma will be a sub-recipient.

The Port uses cash on hand, cash from other homeport operations, and, if necessary, cash from revenue or tax-secured bonds to fund capital commitments. As a sign of our dedication to the success of the proposed $499,982,542 Accelerating Zero-Emission Technology Deployment at Puget Sound Ports project, the Port commits, subject to Port of Tacoma Commission approval, to a cost share of $378,884—a figure representing 25% of the proposed $1,515,535 Port of Tacoma subaward.

If this project is awarded Clean Ports funding, the Port also guarantees the availability of the staff and resources necessary to complete the subrecipient activities described in the application. The Port team is capable not only of planning such an ambitious and important project, but also of executing it in a timely, cost-effective manner. For these reasons and more, I urge you to fund *Accelerating Zero-Emission Technology Deployment at Puget Sound Ports*. If you have any questions at all, please do not hesitate to contact me.

Sincerely,



Eric D. Johnson, Executive Director
Port of Tacoma
P.O. Box 1837
Tacoma, WA 98401

Port of Seattle
2711 Alaskan Way
Seattle, WA 98121

May 7, 2024

RE: Letter of Commitment for the EPA Clean Ports Program

To Whom it May Concern:

Arrow Launch Service, Inc. is fully committed to partnering with the Port and other organizations to build and operate Zero Emission harbor craft in Puget Sound.

Arrow Launch Service proposes to begin replacing its fleet of diesel-driven harbor craft by building new Zero Emission vessels. These new fully battery powered harbor craft will continue to facilitate providing passenger and freight to and from ships in the Port.

The Zero Emission harbor watercraft will directly foster EPA's Clean Ports Program goals by significantly reducing greenhouse gases, NOx, and other airborne particulates, particularly in the historically disadvantaged communities that surround the industrial maritime trades areas. Additionally, battery powered harbor craft and supporting charging infrastructure will expand and create opportunities for other vessels across the sector to transition from fossil fuels to clean energy platforms. In partnership with the Port, we will continue to collaborate on meaningful community engagement and emissions reduction planning by demonstrating the success of this historic opportunity.

Arrow Launch as a Collaborating Entity and its team bring significant depth of maritime vessel operations and design expertise.

We believe Arrow could be one of the prototypical participants in this ambitious program because we are plying our local port waters daily 24 hours a day, 365 days a year. Thus, replacement of older and increasingly obsolete diesel propulsion systems with new, state-of-the-art electric, battery-powered vessels would, in our view, showcase the goals the Clean Ports Program is seeking to accomplish. Our front-line workboats could therefore serve as "poster children" for the Program, by demonstrating that decarbonization projects have very real practical and visible results on the waterfront and for maritime commerce.

Arrow has invested significant time developing this type of vessel by collaborating with naval architects, the U. S. Coast Guard, Corvus Energy (battery manufacturers), Danfoss Editron (electric motor and switch gear manufacturers), shipyards which are experienced in these exact components, Arrow lenders and the Washington Utilities and Transportation Commission, to prepare this strategic plan to eventually replace our current fleet with modern, clean emission vessels.

As demonstrated in our proposed budget, Arrow is fully committed to its respective cost share of the overall financial obligation of $4,207,504 (at least a 20% match), including a 1 to 1 match for total scrapping of current diesel vessels in our existing fleet of harbor craft. State funds are being contemporaneously pursued and if materialized, will be leveraged.

If successful, Arrow is very willing to accept the award, has the administrative capability and is looking forward to expeditiously moving ahead with this program, and agrees to provide continuous support to the Port in performing its overall administrative duties required under the Clean Ports Program.

Thank you for the opportunity, we eagerly anticipate working with you on this project, and please feel free to contact me should you have further questions.

Yours truly,
ARROW LAUNCH SERVICE, INC.



Jack Harmon
President
jack@ArrowLaunch.com

May 24, 2024

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

Subject: Letter of Commitment, *Accelerating Zero-Emission Technology Deployment at Puget Sound Ports*

Dear Administrator Regan:

Husky Terminal & Stevedoring, LLC (Husky) is excited to participate in *Accelerating Zero-Emission Technology Deployment at Puget Sound Ports*. Through our partnership with The Northwest Seaport Alliance (NWSA), Husky is honored to join the Gateway's application to the EPA Clean Ports Program. ZE Technology proposed in the grant application is a vital step in transitioning the NWSA Gateway to zero-emission operations thus improving air quality across the Puget Sound Region.

Founded in 1983, Husky has a long and successful history in the Port of Tacoma. Over the past 40 years, Husky has invested hundreds of millions of dollars in equipment and infrastructure that serve both the state of Washington and the broader U.S. economy. Husky is proud to continue this tradition by investing in zero-emissions cargo handling equipment and infrastructure. In strong partnership with the NWSA, Husky Terminal commits to a cost share of $50 million, representing 20% of the $250 million total costs for the following project components:

- 75 battery electric yard tractors
- 26 battery electric top handlers
- 6 battery electric side handlers
- 1 battery electric reach stacker
- 14 battery electric / gird powered Rubber Tired Gantry cranes
- Associated battery storage and charging infrastructure

As operators of the NWSA's largest container terminal in the Tacoma harbor and vast experience in executing capital improvement projects and managing efficient marine terminal operations, Husky is poised to lead the expansion of ZE Technology in the NWSA gateway. I humbly implore you to fund the NWSA's *Accelerating ZE Technology Deployment at Puget Sound Ports*. If you have any questions, please do not hesitate to contact me directly.

Sincerely,

Dustin Stoker
President
Husky Terminal & Stevedoring

PORTS AMERICA

May 20,2024

Mr. Michael S. Regan
Environmental Protection Agency
1200 Pennsylvania Avenue, N.W.
Washington, DC 20460

Subject: Letter of Commitment, Accelerating Zero-Emission Technology Deployment at Puget Sound Ports

Dear Administrator Regan:

As the leading diversified port operator and supply chain logistics provider in the U.S., Ports America's ("Ports America") mission is to keep the world moving. Ports America is committed to actively participating in the Northwest Seaport Alliance (NWSA) ("Port") transformative initiative funded under the application to the Zero-Emission Technology Deployment Competition of the Clean Ports Program. Ports America has a long and successful relationship with the Port of Tacoma. The investments in zero-emission cargo-handling equipment proposed in this grant application is an important step toward transitioning the NWSA gateway to zero-emission operations, improving air quality across the Puget Sound Region. This project and Ports America's initiative to incorporate Environmental, Social, and Governance principles ("ESG") into our operating framework reflect our longstanding commitment to our stakeholders and the communities where we operate, as well as our longstanding commitment to promoting sustainable and environmentally responsible operations.

Our view on ESG is a continuous process of aligning our operations and controls with our values as an organization. At a number of our locations, we are accelerating our decarbonization efforts by converting from fossil fuels to energy-efficient fuels, transforming our existing equipment to an energy-efficient fleet, sourcing and utilizing renewable energy options, and evaluating other avenues to attain our goal of net zero by 2050 and create a circular approach to our sustainability objectives. The implementation of the EPA Clean Ports Program at the Port site will enable Ports America to undertake substantial measures towards enhancing the site's environmental sustainability.

As a partner of the Port, Ports America will contribute to the project by identifying and implementing zero emission cargo handling equipment for use in our cargo operations at the Port. Our involvement will focus on leveraging our expertise and resources to ensure the successful implementation of zero-emission technologies at the Port. This includes vetting equipment manufacturers to ensure operational reliability, implementation of a computerized maintenance management system to track and ensure compliance to manufacturers' required service & inspection intervals, coordination of technical training on new technology for the ILWU mechanics, and contribution match of share funds not covered by any grant award. Between the 2025 to 2028 deployment, Ports America will be committing $2,199,000 to this project. This funding has been confirmed and will be budgeted once the cost delta between the grant award and match share is officially identified.

Please see below for a more detailed description of Ports America's committed funding to this project:

- Ports America is committed to the transition of 16 units of equipment to electric battery equipment, including 16 charging stations, and associated infrastructure costs (total cost is $10,995,000. As part of the Tier B application, Ports America will provide the 20 percent match $2,199,000. Ports America is committed to providing the $2,199,000 during the 2025 to 2028 deployment phase.

We understand the importance of community engagement and will continue to work closely with the Northwest Seaport Alliance and other stakeholders to ensure that the project not only meets its environmental objectives, but also provides substantial benefits to the local community, including job creation and workforce development. Please feel free to contact me at (281) 830-9926 or David.eckles@portsamerica.com should you need further details about our specific commitments to this project.

Sincerely,

David Eckles
Vice President Pacific & Gulf
PO Box 1969
LaPorte, TX 77572-1969
(281) 830-9926
David.eckles@portsamerica.com

May 14, 2024

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

Subject: Letter of Commitment, *Accelerating Zero-Emission Technology Deployment at Puget Sound Ports*

Dear Administrator Regan:

Washington United Terminals (WUT) is excited to take part in *Accelerating Zero-Emission Technology Deployment at Puget Sound Ports*, a powerful public-private partnership with The Northwest Seaport Alliance (NWSA) in its application to the Zero-Emission Technology Deployment Competition of the Clean Ports Program. Washington United Terminals (WUT) is a wholly owned subsidiary of HMM America and opened in the spring of 1999. At that time the terminal was ⊒ 60 acres, 4 cranes, 2000 ⊨of berth and an exclusive use on dock rail capacity for 26 rail cars. Today WUT has expanded to103 acres, 8 cranes, 2600 ⊨of berth and capacity for 52 rail cars. As WUT looks to further improvements and increases in capacity, mitigating environmental impacts is a crucial consideration. The investments in zero-emission cargo-handling equipment proposed in this grant application is an important step toward transitioning the NWSA gateway to zero-emission operations, improving air quality across the Puget Sound Regin.

As a sign of strength of our public-private partnership with the NWSA and our commitment to the success of this project, WUT commits to a cost share of $5,956,200 representing 20% of the $29,781,000 total costs of these project components:

- Electric Terminal Tractors and charging infrastructure.
  - 30 charging stations
  - 60 electric terminal tractors

As operators of one of the NWSA's Tacoma harbor international terminals, we have vast experience executing capital improvement projects and managing efficient marine terminal operations. WUT is well-qualified to help lead the expansion of zero-emission cargo-handling technology in the NWSA gateway. For the above reasons and more, I urge you to fund the *Accelerating Zero-Emission Technology Deployment at Puget Sound Ports*. If you have any questions at all, please do not hesitate to contact me.

Sincerely,

zachary Thomas
zachary Thomas (May 24, 2024 10:42 PDT)

Zachary Thomas

COO – VP

Washington United Terminals


WASHINGTON UNITED TERMINALS