

DRAFT**RESOLUTION 20xx-xxx****RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A MEMORANDUM OF UNDERSTANDING WITH DOLE FRESH FRUIT COMPANY, REGARDING LOW CARBON FUEL STANDARD (LCFS) CREDITS GENERATED FROM THE SHORE POWER PLUG LOCATED AT THE TENTH AVENUE MARINE TERMINAL FOR USAGE COVERING THE PERIOD FROM JULY 1, 2020 THROUGH DECEMBER 31, 2020**

WHEREAS, the San Diego Unified Port District (District) is a public corporation created by the Legislature in 1962 pursuant to Harbors and Navigation Code Appendix I (Port Act); and

WHEREAS, Dole Fresh Fruit company is a current District tenant that leases approximately 954,864 square feet of land area and the improvements thereon at the Tenth Avenue Marine Terminal (TAMT), and pursuant to Tariff No. 1-G, Dole utilizes additional space outside of its leasehold for their maritime cargo operations; and

WHEREAS, the Port District installed and owns a 7.5 MV Amp substation, duct bank system, and two shore-to-ship power receptacles in vaults at berths 10-2 and 10-3 at the northern section of TAMT ("Shore Power Plug") which is operated by Dole when its vessels are berthed at the TAMT; and

WHEREAS, the electric meter for the TAMT Shore Power Plug is under Dole's name and account with San Diego Gas & Electric (SDG&E) and Dole pays SDG&E directly for the electric power used by its vessels from the Shore Power Plug; and

WHEREAS, the State of California has codified the California Low Carbon Fuel Standard Regulation at 17 CCR § 95480 et seq., as may be amended from time to time ("LCFS Regulation"); and

WHEREAS, LCFS Regulation provides for the generation of credits ("LCFS Credits") based on the provision of power to Ocean-Going Vessels, which LCFS Credits can then be monetized; and

WHEREAS, the Parties are interested in memorializing their agreement and mutual understanding regarding the LCFS Credits for the TAMT Shore Power Plug for the period beginning on July 1, 2020 and ending on December 31, 2020 only ("Q3 and Q4 of 2020"); and

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WHEREAS, the proposed Memorandum of Understanding would result in revenue in the approximate amount of \$290,908; and

WHEREAS, additionally, the MOU would provide half of those funds, approximately \$145,453 to Dole to further their electrification needs and to assist the District in meeting its TAMT EIR mitigation measures as consideration for the Shore Power Plug data associated with the 3rd and 4th quarter of 2020; and

WHEREAS, staff is in the process of negotiating a longer-term agreement with Dole but this MOU would enable the District and Dole to continue monetizing generation credits until a final agreement is reached.

NOW, THEREFORE, BE IT RESOLVED by the Board of Port Commissioners (BPC) of the San Diego Unified Port District, as follows:

The Executive Director or her designee is authorized to execute a memorandum of understanding with Dole Fresh Fruit Company, regarding Low Carbon Fuel Standard (LCFS) credits generated from the Shore Power Plug located at the Tenth Avenue Marine Terminal through December 31, 2020.

APPROVED AS TO FORM AND LEGALITY:
GENERAL COUNSEL

By: Assistant/Deputy

PASSED AND ADOPTED by the Board of Port Commissioners of the San Diego Unified Port District, this 10th day of September 2020, by the following vote: