

September 3, 2020

Mr. John Lovenburg Vice President, Environmental BNSF Railway Company 2500 Lou Menk Drive Fort Worth, Texas 76131

Dear Mr. Lovenburg:

The California Air Resources Board (CARB) received BNSF Railway's (BNSF) 2019 Fleet Average Agreement Annual Compliance Report (Compliance Report) pursuant to Section IV.B. of the 1998 Memorandum of Mutual Understanding and Agreements, South Coast Locomotive Fleet Average Emissions Program (1998 Agreement). CARB staff determined that BNSF complied with provisions of the 1998 Agreement for its operations in 2019.

Although BNSF's 2019 activity shows a slight improvement in overall fleet average emissions in the South Coast Air Basin, CARB continues to be concerned about the health effects from locomotive emissions. In recent years, CARB has noted the slow uptake of Tier 4 locomotives, and the practice of using older locomotives to meet demand. In fact, Tier 4 locomotives have been added at a slower pace than any previous Tier. CARB is concerned about this persistent reliance on older, higher-polluting locomotives. This highlights the need for a new strategy to address line-haul locomotive emissions across the State.

As a reminder, CARB staff are developing a regulation to address the impact of harmful emissions from locomotives. This regulation will better address statewide pollution from locomotives and long-standing environmental justice concerns within communities near railyards.

Starting in calendar year 2010, the 1998 Agreement requires that BNSF have an annual locomotive final fleet average of 5.5 grams per brake horsepower-hour (g/bhp-hr) for oxides of nitrogen (NOx) for locomotive operations in the South Coast Air Basin. Additionally, the 1998 Agreement allows BNSF to use accumulated fleet average credits, including credits accrued from the use of ultra-low emitting locomotives in the South Coast Air Basin, in order to meet the locomotive final fleet average.

## **Compliance Evaluation**

BNSF's Compliance Report included the following:

- 1. BNSF's letter of certification: This letter is signed by the railroad and certifies that the information in this report is true, accurate and complete.
- 2. BNSF's fleet summary information: This is information regarding the methodology used by the railroad to comply with the 1998 Agreement (Form F-S).
- 3. BNSF's fleet average calculation: This information includes individual locomotive megawatt-hours and emission levels, as well as calculations and any necessary adjustments (Form F-A-1 through Form F-A-6).

Staff reviewed BNSF's submittal of its Compliance Report, which included activity information (in megawatt-hours) and emission levels for over 5,100 individual locomotives in 2019. CARB staff determined that, for calendar year 2019, BNSF's final fleet average of 5.1 g/bhp-hr meets the required NOx compliance level set forth in the 1998 Agreement without using any credit.

CARB will make the information publicly available except for individual locomotive activity levels, which are business confidential according to California Government Code Section 6254.7. The activity data will be aggregated by tier and emission level.

Should you have any questions or comments regarding BNSF's compliance with the 1998 Agreement, please contact Ajay Mangat, Manager, Freight Systems Section at ajay.mangat@arb.ca.gov or Jennifer Kozumplik, Air Pollution Specialist, Freight Systems Section at jennifer.kozumplik@arb.ca.gov.

Sincerely,

Cari Anderson, Chief Freight Transport Branch

Transportation and Toxics Division

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cc: See next page.

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