

Gavin Newsom, Governor Yana Garcia, CalEPA Secretary Liane M. Randolph, Chair

October 21, 2022

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

Dear Mr. Lovenburg,

The California Air Resources Board (CARB) received Burlington Northern Santa Fe Railroad (BNSF) Railway's 2021 Fleet Average Agreement Annual Compliance Report (Compliance Report) pursuant to Section IV.B. of the 1998 Memorandum of Mutual Understanding (MOU) 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 2021.

Although BNSF's reported activity met the fleet average emissions standard in the South Coast Air Basin, CARB continues to be concerned about the harmful diesel emissions from locomotives. The continued reliance on older technology for locomotive operations compared to other emissions sources has been the driving force of the In-Use Locomotive Regulation (Proposed Regulation) CARB has presented over the last two years. The Proposed Regulation will address the impact of harmful emissions from locomotives and environmental justice concerns for communities. As a reminder, the Proposed Regulation includes a statewide reporting requirement, similar to the data submitted under this MOU Agreement, that is key to implementation. The reported information would be used to provide CARB and impacted communities with an accurate representation of locomotive activity and the diesel emissions associated with the operation of locomotives throughout California. We would be happy to continue the conversation to help BNSF prepare for compliance with the reporting and recordkeeping requirement anticipated to begin in the 2023 timeframe.

## **Compliance Agreement Under the 1998 MOU**

The 1998 Agreement requires that the annual locomotive final fleet average be under 5.5 grams per brake horsepower-hour (g/bhp-hr) for oxides of nitrogen (NOx) for locomotive operations in the South Coast Air Basin, to meet the final fleet average standard.

## **Compliance Evaluation: Calendar Year 2021**

BNSF's Compliance Report included the following:

- 1. BNSF's letter of certification: This letter is signed by BNSF 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 BNSF to comply with the 1998 Agreement (Form F-S).

Mr. John Lovenburg October 21, 2022 Page 2

> 3. BNSF's fleet average calculation: This information includes individual locomotive megawatthours and emission levels, as well as calculations and any necessary adjustments (Form F-A-1 through F-A-6).

Staff reviewed BNSF's submittal of its Compliance Report, which included activity information (in megawatt-hours) and emission levels for over 5,000 locomotives in 2021. CARB staff determined that for calendar year 2021, BNSF's final fleet average was 4.8 g/bhp-hr, which meets the NOx compliance level set forth in the 1998 Agreement.

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.

If you have any questions or comments, please contact Ajay Mangat, Manager, Freight Systems Section at <u>ajay.mangat@arb.ca.gov</u> or Jaskamal Kaur, Air Pollution Specialist, Freight Systems Section at <u>jaskamal.kaur@arb.ca.gov</u>.

Sincerely,

Winderso

Cari Anderson, Chief, Freight Transport Branch, Transportation and Toxics Division

cc: Allen Doyel, Senior General Attorney, BNSF Railway Allen.doyel@bnsf.com

> Ajay Mangat, Air Resources Supervisor, Freight Transport Branch *Ajay.mangat@arb.ca.gov*

Jaskamal Kaur, Air Pollution Specialist, Freight Transport Branch Jaskamal.kaur@arb.ca.gov