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Sent via email

Katrina Slayton:

Thank you for providing the California Air Resources Board (CARB) with the opportunity to comment on the Malibu Vineyards Industrial Parkway Project (Project) Draft Environmental Impact Report (DEIR), State Clearinghouse No. 2022080056. The Project proposes the construction and operation of 24 office and warehouse buildings totaling 8,907,446 square feet. The Project would be built out in two phases. Under Phase 1, 14 office and warehouse buildings would be constructed and be fully operational in 2050. Under Phases 2, 10 office and warehouse buildings would be constructed in and fully operational in 2031. Approximately 2,196,684 square feet of the development would be used as cold storage. Once fully built out, the proposed Project would result in up to 13,575 daily vehicle trips along local roadways, including 3,313 daily truck trips. The Project is proposed within Kern County (County), California, which is the lead agency for California Environmental Quality Act (CEQA) purposes.

CARB is concerned that the Project will expose nearby residential communities to elevated levels of air pollution beyond the existing baseline emissions at the Project site. Residences are located to the east and south of the Project site, with the closest residence located within 1,100 feet south of the Project site. These residences are located near existing toxic diesel particulate matter (diesel PM) emission sources, which include existing industrial facilities, aircraft traffic from the Meadows Field Airport, rail traffic along existing rail lines, and vehicular traffic along State Route 99.

The State of California has placed additional emphasis on protecting local communities from the harmful effects of air pollution through the passage of Assembly Bill 617 (AB 617) (Garcia, Chapter 136, Statutes of 2017). AB 617 is a significant piece of air quality legislation that highlights the need for further emission reductions in communities with high exposure

¹ Kern County. Malibu Vineyards Industrial Parkway Project Draft Environmental Impact Report. Appendix L. Page 14. Table 1. Page 4.3-32. Accessible at https://files.ceqanet.opr.ca.gov/280550-

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burdens, like those in which the Project is located. Diesel PM emissions generated during the construction and operation of the Project would negatively impact neighboring communities.

Through its authority under Health and Safety Code section 39711, the California Environmental Protection Agency (CalEPA) is charged with the duty to identify disadvantaged communities. CalEPA bases its identification of these communities on geographic, socioeconomic, public health, and environmental hazard criteria (Health and Safety Code, section 39711, subsection (a)); In this capacity, CalEPA currently defines a disadvantaged community, from an environmental hazard and socioeconomic standpoint, as a community that scores within the top 25% of the census tracts as analyzed by the California Communities Environmental Health Screening Tool Version 4.0 (CalEnviroScreen). CalEnviroScreen uses a screening methodology to help identify California communities currently disproportionately burdened by multiple sources of pollution. The census tract containing the Project is within the top 13% for Pollution Burden and is considered a disadvantaged community. The County must ensure that the Project does not adversely impact neighboring disadvantaged communities.

Industrial facilities, like the facilities described in the Project, can result in high volumes of heavy-duty diesel truck traffic, and operation of on-site equipment (e.g., forklifts and yard tractors) that emit toxic diesel emissions, and contribute to regional air pollution and global climate change.² To better address regional air pollution and global climate change, Governor Gavin Newsom signed Executive Order N-79-20 on September 23, 2020. The Executive Order states: "It shall be a goal of the State that 100% of in-state sales of new passenger cars and trucks will be zero-emission by 2035. It shall be a further goal of the State that 100% of medium and heavy-duty vehicles in the State be zero-emission by 2045 for all operations where feasible and by 2035 for drayage trucks. It shall be further a goal of the State to transition to 100% zero-emission off-road vehicles and equipment by 2035 where feasible." The Executive Order further directs the development of regulations to help meet these goals. To ensure that lead agencies, like the County, stay in step with evolving scientific knowledge to protect public health from adverse air quality and greenhouse gas impacts from the transportation sector, which serves as the basis of the Governor's Executive Order N-79-20, CARB staff urges the County to plan for the use of zero-emission technologies within the Project area as described in this letter.

² With regard to greenhouse gas emissions from this project, CARB has been clear that local governments and project proponents have a responsibility to properly mitigate these impacts. CARB's guidance, set out in detail in the Scoping Plan issued in 2022, explains that in CARB's expert view, local mitigation is critical to achieving climate goals and reducing greenhouse gases below levels of significance. CARB's 2022 Scoping Plan for Achieving Carbon Neutrality, published November 16, 2022, is available at https://www2.arb.ca.gov/sites/default/files/2022-12/2022-sp_1.pdf

The DEIR Does Not Analyze Potential Air Quality Impacts from the Project's Transport Refrigeration Units

Section 3.7 (Project Characteristics) of the DEIR states that up to 25% of the proposed 8,907,446 square foot warehouse development would be used for cold storage.³ Since the County would allow cold storage uses within the Project site, trucks and trailers visiting the Project site would be equipped with Transport Refrigeration units (TRU).⁴ TRUs on trucks and trailers can emit large quantities of diesel exhaust while operating within the Project site. Residences and other sensitive receptors (e.g., daycare facilities, senior care facilities, and schools) located near where these TRUs could be operating, would be exposed to diesel emissions that would result in a significant air quality impact. However, based on CARB's review of Appendix D (Air Quality Impact Analysis), the County did not model and report air pollutant emissions from TRUs in the DEIR. The air pollutant emission estimates presented in the DEIR were modeled using the California Emissions Estimator Model (CalEEMod). Although CalEEMod can estimate air pollutant emissions from area, energy, and mobile sources, the current version of CalEEMod does not account for air pollutant emissions from TRUs. Since a portion of the Project could be used for cold storage, CARB urges the County to model and report the Project's air pollution emissions from the operation of on and off site TRUs using CARB's latest emission factors. The County should assume that a percentage of the Project's truck fleet is equipped with TRUs and should estimate the idling duration for each TRU; assumptions should be supported by substantial evidence and estimates of TRU percentage and idling time should be conservative from a health protection standpoint.

The DEIR Used Incorrect Trip Lengths When Modeling the Project's Air Quality Impacts from Mobile Sources

The County underestimated the Project's mobile source air pollutant emissions in the DEIR by relying on unrealistic truck trip lengths. According to the air quality analysis presented in Appendix D (Air Quality Impact Analysis) of the DEIR, the Project's mobile air quality impacts were modeled assuming heavy-duty trucks would travel a distance of 50 miles under Phases 1 and 2.5 However, based on CARB's review of the CalEEMod input files, used to model the

³ Kern County. Malibu Vineyards Industrial Parkway Project Draft Environmental Impact Report. Page 3-22. Accessible at https://files.ceqanet.opr.ca.gov/280550-2/attachment/MBq4c5ltYUVTH7zJAl7vXkCeQZmVbRtR-7Jf7eXQsC3l_WlJScxacGZdixn0PGY04QLiTFCmH8L-Znfn0

⁴ TRUs are refrigeration systems, these systems may be powered by integral diesel engines; TRUs protect perishable goods during transport in an insulated truck and trailer vans, rail cars, and domestic shipping containers.

⁵ Kern County. Malibu Vineyards Industrial Parkway Project Draft Environmental Impact Report. Appendix D. Page 4.4. Accessible at https://files.ceqanet.opr.ca.gov/280550-2/attachment/Y7fkMs10vTzJpcVDOsUqXuAkfijcQGnsxozf4QyCAZZTZW4Nmf9obia_qQr9kl5hJth_mJqtKCNN-GtA0

Project's air quality it impacts, the trip distance for heavy-duty trucks under Phase 2 was entered as zero; this was likely due to a user input error. Due to this error, the mobile air quality impacts associated with the operation of Phase 2 were substantially underestimated in the DEIR. The County must remodel the Project's Phase 2 operational air quality impacts using the assumed 50 mile trip distance and report the results in the Final Environmental Impact Report (FEIR).

The DEIR Did Not Fully Account for Air Pollutant Emissions from Heavy Duty Trucks During On Site Grading

Section 3.7 (Project Characteristics) of the DEIR indicates the construction of the Project would require onsite grading, and the cut and fill quantities for the grading of the Project site would be specified in a future grading plan.⁶ Based on CARB's review of the CalEEMod input files provided in Appendix D (Air Quality Analysis) of the DEIR, the County did not model heavy-duty truck trips associated with the import and export of soil during onsite grading. To fully understand the Project's potential air quality impacts associated with its construction, the County must remodel the Project's construction air pollutant emissions using onsite grading assuming heavy-duty truck trips and trip distances supported by substantial evidence and report the findings in the FEIR.

The County Used Inappropriate Assumptions When Modeling the Project's Health Risk Impacts

The Health Risk Analysis (HRA) prepared for the Project and presented in Section 4.3 (Air Quality) of the DEIR concluded that residences near the Project site would be exposed to diesel PM emissions that would result in cancer risks of 0.01 chances per million during Project operations. Since the Project's cancer risks were below the San Juaquin Valley Air Pollution Control District's (SJVAPCD) significance threshold of 20 chances per million, the DEIR concluded that the Project would have a less than significant impact on public health.

The County may have underestimated the Project's health risk impacts by assuming an idling duration for onsite heavy-duty trucks that is not supported by substantial evidence. The County assumed an idling duration of 15 minutes for onsite heavy-duty trucks when evaluating the Project's health risk impacts. CARB's Airborne Toxic Control Measure to Limit Diesel-Fueled Commercial Motor Vehicle Idling (ATCM) restricts trucks from idling

⁶ Kern County. Malibu Vineyards Industrial Parkway Project Draft Environmental Impact Report Page 3-55. Accessible at https://files.ceqanet.opr.ca.gov/280550-

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⁷ Kern County. Malibu Vineyards Industrial Parkway Project Draft Environmental Impact Report. Appendix D. Accessible at https://files.ceqanet.opr.ca.gov/280550-

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longer than five minutes. However, the ATCM has an exemption for trucks equipped with a diesel engine meeting the optional nitrogen oxides (NOx) idling emissions standard when operating outside of 100 feet of a restricted area (e.g., residences, schools).⁸ Because trucks starting with model year 2008+, are clean-idle certified, many of the trucks operating within the Project site could idle longer than five minutes. According to Table 4.4.2-5 of the EMFAC2021 Volume III Technical Document, heavy-duty trucks can idle for as long as approximately five hours in any one location.⁹ To fully evaluate the Project's potential health risk impacts, the County must either add a project design feature in the DEIR restricting heavy-duty truck idling within the Project site to less than 15 minutes or revise the Project's HRA to assume a heavy-duty truck idling duration supported by substantial evidence.

The HRA assumed 5% of the trucks and trailers with TRUs idling within the Project site would be equipped with TRUs, which is inconsistent with the Project's description. ¹⁰ According to Section 3.7 (Project Characteristics) of the DEIR, up to 25% of the proposed 8,907,446 square foot warehouse development would be used for cold storage. ¹¹ Since 25% of the proposed industrial development would be used for cold storage, the County should either remodel the Project's health risk impacts assuming 25% of the trucks and trailers serving the Project site would be equipped with TRUs or provide substantial evidence in the FEIR supporting the County's assumption that only 5% of the trucks and trailers would be equipped with TRUs.

It is unclear in the HRA whether the County modeled cancer risks from TRUs. The HRA provides assumptions used to model the Project's health risk impacts from the operation of heavy-duty trucks serving the Project; however, the HRA does not provide any assumptions used to model health risk impacts from TRUs operating within the Project site and traveling along local roadways. The HRA does not provide the assumed idling time or exhaust emissions factors for TRUs, the number of TRU trips traveling along local roadways, and other assumptions required to model health risks from TRUs. To this end, the FEIR should include all assumptions used to model health risk impacts from TRUs. Furthermore, the HRA must provide a figure showing the truck routes used to model the Project's health risk impacts.

⁸ CARB. Airborne Toxic Control Measure to Limit Diesel-Fueled Commercial Motor Vehicle Idling. Accessible at https://ww2.arb.ca.gov/sites/default/files/2022-06/13_CCR_2485_OAL_06222022-2_ADA_06272022_0.pdf

⁹ CARB. EMFAC2021 Volume III Technical Document. Page 161. Table 4.4.2-5. Accessible at https://ww2.arb.ca.gov/sites/default/files/2021-03/emfac2021_volume_3_technical_document.pdf

¹⁰ Kern County. Malibu Vineyards Industrial Parkway Project Draft Environmental Impact Report. Appendix D. Accessible at https://files.ceganet.opr.ca.gov/280550-

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¹¹ Kern County. Malibu Vineyards Industrial Parkway Project Draft Environmental Impact Report. Page 3-22. Accessible at https://files.ceqanet.opr.ca.gov/280550-2/attachment/MBq4c5ltYUVTH7zJAl7vXkCeQZmVbRtR-7Jf7eXQsC3l_WlJScxacGZdixn0PGY04QLiTFCmH8L-Znfn0

The County generated the heavy-duty truck emission factors using CARB's EMFAC model, which was used to estimate the Project health risk impacts from heavy-duty trucks serving the Project. The County did not include the EMFAC outputs in the HRA. Consequently, CARB staff could not confirm the mobile emission factors used to estimate the Project's health risk impacts. When generating the Project's mobile emission factors, the County assumed the Project would be fully operational in the year 2050. However, according to the Project's description, the Project would be built out in two phases. Phase 1 would be operational in 2050, and Phase 2 would be operational in 2031. Due to many of CARB's regulations, such as the Advanced Clean Trucks Regulation, the mobile emission factors for heavy-duty trucks will be much higher in the year 2031 than in the year 2050. Since the operation of Phase 2 would be built earlier than 2050, the County should remodel the health risk impacts associated with the operation of the warehouse developments using the emission factors for the specific periods modelled, therefore, under Phase 1 using a heavy-duty truck emission factors extending from the year 2050 and Phase 2 using a heavyduty truck emission factor for the years modelled extending from the year 2031. Furthermore, since Phase 2 would be operational while Phase 1 is still under construction, the HRA should also account for health risk impacts associated with the overlap of construction and operation of the Project.

The County Must Provide More Meaningful Mitigation Measures to Reduce the Project's Impact on Air Quality

The County concluded in Section 4.3 (Air Quality) of the DEIR that the operation of the Project would result in a significant impact on air quality. According to Table 4.3-5 (Post Project Operational Emissions), the operation of the full buildout of the Project would emit as much as 11 pounds per day of volatile organic compounds (VOC), 59 pounds per day of nitrogen oxides (NOx), and 40 pounds per day of particulate matter less than 10 micrometers (PM10), which was found to exceed the SJVAPCD's significance threshold and would result in a significant impact on air quality. To mitigate the Project's operational air quality impacts, the DEIR included 10 mitigation measures (MM 4.3-1 through MM 4.3-10). These mitigation measures would require all equipment to be powered by Tier 3 engines when available. Specifically, MM 4.3-4 would require Owners/Operators of industrial buildings to enter into a Developer Mitigation Measure (DMA), similar to the SJVAPCD's Voluntary Emissions Reduction Agreement (VERA), with the SJVAPCD. The DMA would require the Owners/Operators to pay fees to fully mitigate the Project's construction and operational air quality impacts. After the implementation of these mitigation measures, the County concluded in the DEIR that the Project's air quality impact would be reduced to less than significant after mitigation under CEQA.

The Project could be used for cold storage, which would result in trucks and trailers with TRUs serving the proposed warehouse development. As previously discussed, trucks and trailers with TRUs would expose the nearby community to a substantial amount of diesel PM that would lead to potential cancer risk impacts. To fully mitigate these potential health risk

impacts, CARB urges the County to include one of the following design measures in the DEIR:

- A Project design measure requiring contractual language in tenant lease agreements that prohibits tenants from operating diesel-powered TRUs within the Project site; or
- A condition requiring a restrictive covenant over the parcel that prohibits the applicant's use of diesel-powered TRUs on the property unless the applicant seeks and receives an amendment to its conditional use permit allowing such use.

MM 4.3-3 would require all equipment used during the construction of the Project to be powered by Tier 3 engines, when available. To mitigate the Project's potential air quality impacts associated with project construction, CARB urges the County to include a project design feature or mitigation measure in the FEIR that would require all off-road equipment used during project construction be equipped with Tier 4 Final engines and reduce the idling time for all heavy-duty trucks and off-road equipment to five minutes.

MM 4.3-4 would require Owners/Operators of industrial buildings within the Project site to enter into a DMA with the SJVAPCD. The DMA would require the Owners/Operators to pay fees to avoid any net increase in the emissions of NOx, ROG, PM10, and particulate matter less than 2.5 micrometers (PM2.5). Due to this mitigation measure, the County concluded that the operation of the Project would result in a net zero emission rate for these criteria pollutants. The County should not solely rely on offsite mitigation fees to reduce the Project's impact on air quality. To fully mitigate the Project's air quality and health risk impacts, CARB urges the County to include a Project design feature or mitigation measure in the FEIR that would require all heavy-duty trucks serving the Project during its operation to be zero-emission. As presented below, CARB has many regulations that promote and eventually require the use of zero-emission trucks at freight facilities, such as the proposed Project. Specifically, the Advanced Clean Fleet Regulation would require all drayage trucks in California to be zero-emission by 2035. To support trucks serving the Project, that are already complying with the Advanced Clean Fleets regulation, CARB urges the County to require the infrastructure to support on-site zero-emission trucks at the start of Project operations.

A list of commercially-available zero-emission trucks can be obtained from the Hybrid and Zero-emission Truck and Bus Voucher Incentive Project (HVIP). ¹² The HVIP is a part of California Climate Investments to incentivize the purchase of zero-emission trucks. Based on CARB's review of the zero-emission trucks listed in the HVIP, there are commercially available electric trucks that can meet the cargo transportation needs of individual industrial uses proposed in the County today. CARB has implemented or is developing regulations that will require the use of zero-emission trucks.

¹² Zero-Emission Truck and Bus Voucher Incentive Project. Accessible at: https://californiahvip.org/

The list below details the CARB regulations that will result in the reduction of diesel PM and NOx emissions from trucks within California:

- **Drayage Truck Regulation:** The existing Drayage Truck Regulation requires all drayage trucks to operate with an engine that is a 2007 model year or newer.
- **Truck and Bus Regulation:** The Truck and Bus Regulation requires all trucks, including drayage, to have 2010 or newer model year engines by January 1, 2023.
- **Heavy-Duty Low-NOx Omnibus Rule:** The Heavy-Duty Low-NOx Omnibus Rule requires truck emission standards to be reduced from 0.20 to 0.05 grams per brake horsepower-hour (g/bhp-hr) from 2024 to 2026, and to 0.02 g/bhp-hr in 2027.
- Advanced Clean Trucks Regulation: The Advanced Clean Trucks Regulation, approved by CARB on June 25, 2020, requires manufacturers to start the transition from diesel trucks and vans to zero-emission trucks beginning in 2024. The rule is expected to result in about 100,000 zero-emission trucks in California by the end of 2030 and about 300,000 by 2035. The Advanced Clean Trucks regulation is part of CARB's overall approach to accelerate a large-scale transition to zero-emission medium-and heavy-duty vehicles. CARB approved amendments to the Advanced Clean Trucks regulation in March 2021; the amendments help ensure that more zero-emission vehicles are brought to market. CARB directed staff to ensure that fleets, businesses, and public entities that own or direct the operation of medium- and heavy-duty vehicles in California purchase and operate ZEVs to achieve a smooth transition to ZEV fleets by 2045 everywhere feasible, and specifically to reach:
 - 100% zero-emission drayage trucks, last mile delivery, and government fleets by 2035
 - o 100% zero-emission refuse trucks and local buses by 2040
 - o 100% zero-emission capable utility fleets by 2040
- Advanced Clean Fleets Regulation: The Advanced Clean Fleets Regulation is part of CARB's overall strategy to accelerate a large-scale transition to zero-emission medium- and heavy-duty vehicles. This regulation works in conjunction with the Advanced Clean Trucks regulation. The regulation applies to trucks performing drayage operations at seaports and railyards, fleets owned by State, local, and federal government agencies, and high priority fleets. High priority fleets are those entities that own, operate, or direct at least one vehicle in California, and that have either \$50 million or more in gross annual revenue, or that own, operate, or have common ownership or control of a total of 50 or more vehicles. The regulation affects medium- and heavy-duty on-road vehicles with a gross vehicle weight rating greater than 8,500 pounds, off-road yard tractors, and light-duty mail and package delivery vehicles. All drayage trucks entering seaports and intermodal railyards would be required to be zero-emission by 2035.

With the implementation of the regulations listed above, specifically the Advanced Clean Trucks Regulation, tenants at the proposed industrial/warehouse development must begin the transition from diesel trucks and vans to zero-emission trucks. To help mitigate the Project's impact on air quality and public health, CARB urges the County to include contractual language in tenant lease agreements requiring future tenants to use zero-emission trucks during their operation in the FEIR.

Conclusion

CARB is concerned about the Project's air quality and public health impacts. To fully assess the Project's impact on neighboring communities, the County must evaluate the potential air quality and health risk impacts associated with trucks and trailers with TRUs visiting the Project site. When modeling the Project's air quality impacts, the County should assume consistent heavy-duty truck trip distances for the Project's Phase 1 and 2 operations and account for potential impacts associated with onsite grading. The assumed 15-minute idling duration used to estimate the Project's health risk impacts in the HRA should be supported by substantial evidence. The County must account for health risks associated with the overlap of construction and operation of the Project. Lastly, the County should include a mitigation measure requiring all TRUs and heavy-duty trucks serving the Project to be zero emission, and offroad equipment to be equipped with Tier 4 Final engines and not idle longer than five minutes.

CARB appreciates the opportunity to comment on the DEIR for the Project. Given the breadth and scope of projects subject to CEQA review throughout California that have air quality and greenhouse gas impacts, coupled with CARB's limited staff resources to substantively respond to all issues associated with a project, CARB must prioritize its substantive comments here based on staff time, resources, and its assessment of impacts. CARB's deliberate decision to substantively comment on some issues does not constitute an admission or concession that it substantively agrees with the lead agency's findings and conclusions on any issues on which CARB does not substantively submit comments.

CARB staff can provide assistance with zero-emission technologies and emission reduction strategies, as needed. Please include CARB on your list of selected State agencies that will receive the FEIR. If you have questions, please contact Stanley Armstrong, Air Pollution Specialist via email at *stanley.armstrong@arb.ca.gov*.

Sincerely,

Matthew O'Donnell, Chief, Risk Reduction Branch

cc: see next page.

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