

February 13, 2008

Mary Nichols, Chair
Air Resources Board
California Air Resources Board
1001 "I" Street
P.O. Box 2815
Sacramento, CA 95812

Re: Proposition 1B Goods Movement Emission Reduction Program

Dear Ms. Nichols:

I was pleased when the Governor declared his unhappiness last year with the proposed 2024 attainment date for the 24-hour ozone standard in the San Joaquin Valley. I was pleased when you and your colleagues on the board declared last November that, while 2024 may be the legally approvable date, you believed 2017 to be the proper target date for attainment and that CARB would commit its weight to the achievement of that goal. Unfortunately, the CARB staff recommendations for target corridor allocations under the Goods Movement Emission Reduction Program (GMERP) show no evidence of this commitment.

As you know, mobile sources are by far the largest contributor to the Valley's Ozone problems, representing about 85% of ozone emissions, with goods movement emissions being the largest single source. The September 19 Staff Draft Concepts for Implementation states that "...trucks are the dominant source of health risk from goods movement in most impacted communities." The staff recommendations on funding targets by source category accordingly allocate 76% of the bond monies to truck retrofits and replacements. CARB EMFAC data shows there is more truck VMT in the San Joaquin Valley than in any of the other major trade corridors. Indeed, 45% of the truck VMT occurs in the Valley, while the next highest number is 35% in the South Coast. Yet your staff recommends that 55% of the funding be allocated to the South Coast, while only 25% is allocated to the Central Valley, to be shared between the San Joaquin Valley and the Sacramento non-attainment zone.

I recognize the complexity of coming up with a fair and equitable allocation method, but the staff recommendations are so far from being remotely fair as to require your personal intervention. I am not proposing different allocation criteria than those selected by your staff, but I am respectfully requesting that they be applied and weighted properly.

- The emissions reductions needed to bring the Valley into attainment of the 24-hour ozone standard by 2017 must be included in the calculation under the "SIP Needs" criteria. The San Joaquin Valley is the only trade corridor that has a target date for 24-hr ozone attainment within the time horizon of the bond measure. It

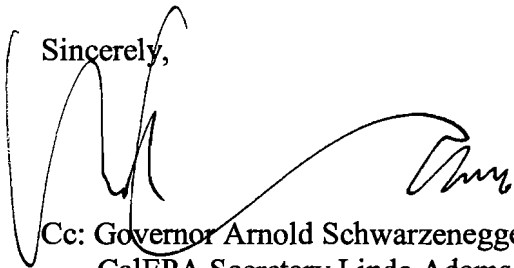
may not be a legally binding commitment, but it is our hope that the CARB board was sincere in stating its intention to lend its weight to the 2017 target date.

- The "Goods Movement Emissions" criterion should be applied based on the latest official inventory numbers – those that CARB has asked the air districts to use for their SIP plans – not some new inventory numbers that have been subjected to no public vetting process and that appear, at first glance, to be seriously flawed.
- Population figures should be normalized using *per capita exposure to goods movement emissions*. There is nothing in the bond measure nor in the implementing statute that suggests that raw population numbers are a fair basis for this allocation. Chapter 3.2, Section (b) (1) states that that CARB should give "...priority to emission reduction projects that achieve the earliest possible reduction of *health risk in communities with the highest health risks from goods movement facilities*." Certainly the port areas meet this criterion, but so do the residents of the Valley, 71% of whom reside within five miles of Highway 99 or Interstate 5, with those in the lowest socio-economic groups living in closest proximity to these heavily trafficked good movement corridors.

Calculations made by the San Joaquin Valley Air Pollution Control District show that when these considerations are applied to the allocation criteria chosen by the CARB staff, the Valley is deserving of a minimum allocation of 37% of the bond funds. While CARB staff has indicated that "the San Joaquin Valley with high through-truck and rail traffic will benefit from projects administered by agencies in other corridors," there is no guarantee of that in the guidelines proposed by staff. I respectfully request that the target allocations be adjusted to assure the Central Valley a minimum allocation of 37% of the bond funds.

Thank you for your consideration of our concerns.

Sincerely,



Cc: Governor Arnold Schwarzenegger
CalEPA Secretary Linda Adams
CARB Board Members
Mr. James Goldstene, CARB
Mr. Seyed Sadredin, San Joaquin Valley Air District