



L. Andrews

The California Trade Coalition

A Coalition Working to Keep California Competitive in a Global Economy



American Chemistry Council

September 25, 2007

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Shipping Association

Retail Industry Leaders
Association

Society of the
Plastics Industry

SSA Marine

Western Home
Furnishings Association

Western States
Petroleum Association

Tom Cackette, Acting Executive Officer
California Air Resources Board
1001 I Street
Sacramento, CA 95812

September 27, 2007 Agenda Item # 07-9-4 (Public Meeting to Consider Approval of the 2007 Ozone and PM2.5 Air Quality Plan for the South Coast Basin): COMMENTS ON PROPOSED INCLUSION OF CLEAN AIR ACTION PLAN MEASURES IN STATE IMPLEMENTATION PLAN (SIP)

Dear Mr. Cackette:

We are writing today on behalf of the California Trade Coalition to encourage your Board to accept the recommendation in the September 21, 2007, Staff Report on the Proposed SIP for the South Coast Air Basin (p. 20) and not adopt into the SIP the Proposed Backstop Measures for Indirect Sources from Ports and Port-Related Facilities that are part of the South Coast Air Quality Management District's (SCAQMD) 2007 AQMP.

The California Trade Coalition (CalTrade) is comprised of major trade-related businesses and organizations dedicated to keeping California competitive in the global economy. CalTrade believes that the dual propositions of growth and environmental impact reduction are achievable goals, and this dual prospect, in fact, is a focus of our Coalition. Given the dynamic economics and competitive business environment of international and interstate trade, the number of complex legal and regulatory restrictions and jurisdictions involved, and the diversity of environmental and public health challenges facing California, we believe that there is a right way and a wrong way to approach emission reductions from goods movement in the State.

The proposed 2007 AQMP contains ill-defined, factually unsupported and legally problematic sections incorporating the San Pedro Ports' Clean Air Action Plan (CAAP) measures. The 2007 AQMP also proposes extremely ill-defined and legally inadequate place-holder Backstop Measures for these sections. The California Air Resources Board (CARB) should not approve either the CAAP measures or the Backstop Measures as part of the current AQMP for the following reasons:

First, as Table 6-13 (formerly Table 6-12 in earlier versions of the AQMP) clearly demonstrates, the drafters of the 2007 AQMP have no sense of what reductions are possible (or necessary) to meet an un-quantified shortfall in meeting the emissions targets proposed in the CAAP. While the shortfall is yet to be documented or reviewed, the remedies in the Backstop Measures are chilling and overreaching. On both counts, the 2007 AQMP measures should be set aside in the current approval proceeding.

Second, the CAAP on its face is a voluntary emissions reductions program adopted by the San Pedro Ports and targeted at several sources. And yet, were the 2007 AQMP measures and Backstop Measures on the CAAP to be incorporated into the SIP, these voluntary measures could then become non-voluntary and legally enforceable under federal as well as state law.

Third, some, if not most, of the sources covered by the CAAP have expressed their concerns either about the focus, the timing, the feasibility or a combination of all three issues pertaining to proposed measures in the CAAP. Conversations are ongoing between the parties to sort these concerns out; as such, the Ports have described the CAAP as a "living document." It would be poor public policy and clearly override the ongoing local process were CARB to adopt the 2007 AQMP measures in this matter and, even if inadvertently, freeze the CAAP requirements at a point in time or content that might not reflect their ultimate form.

Fourth and finally, the Port of Long Beach itself urged the Executive Officer of the SCAQMD Board not to adopt these measures as part of the plan at this time. In their March 30th, 2007, letter to the District's Governing Board, the Port raised clear and specific concerns that, among other things: (1) they urged that Chapter 6 – Port Emissions – be struck from the draft AQMP in its entirety; (2) Control Measure MOB #3 be struck, also entirely; and (3) noted that no precedent exists for one local agency to set an emissions target for another agency in the South Coast.

For these policy reasons and many others, the California Trade Coalition urges the Board to accept the Staff recommendation and not adopt the measures in the 2007 AQMP that pertain to the CAAP. This process is evolving locally; where it should.

Sincerely,

The California Trade Coalition