

January 22, 2013



James Goldstene, Executive Officer
California Air Resources Board
1001 I St.
P.O. Box 2815
Sacramento, CA 95812

Mr. Goldstene,

RE: Approval of the South Coast Air Basin 2012 PM2.5 and Ozone State Implementation Plans

The California Trucking Association (CTA) is a nonprofit trade association representing thousands of trucking companies operating in and out of California, including the many residing in the vital goods movement, manufacturing and trade hub contained in the South Coast Air Basin (SCAB). We thank you for the opportunity to offer comments on the SCAB PM2.5 and Ozone Implementation Plan.

AQMD Potentially Misinterpreted Authority Under Section 182(e)(5)

The Clean Air Act (CAA) gives local air districts like the South Coast Air Quality Management District (AQMD) limited authority to promulgate control measures for mobile sources. AQMD's control measure ONRD-05 calls on the California Air Resources Board (ARB) to promulgate a regulation by 2015, to be in effect by 2020, that would require commercial trucks servicing two near-dock intermodal facilities in the SCAB to be driven by zero or near-zero emission technologies.

We believe this creates a problematic procedural precedent. First, even the broadest reading of CAA Section 182(e)(5) does not suggest that authorization to demonstrate attainment in extreme areas based on anticipated developments of new control techniques or improvement of existing control technologies would somehow endow the AQMD with even the quasi-regulatory authority over mobile sources they have sought in this document.

For instance, it is not unreasonable to interpret this provision as allowing the AQMD to partially demonstrate attainment based on the anticipation of lower future emission levels from heavy duty diesel engines given that the many of the current year's certifications are significantly below the levels allowed by 2010 EPA Model Year Standards¹. However, there is nothing to suggest that AQMD would be able to demonstrate attainment based on a call

¹ <http://www.arb.ca.gov/msprog/onroad/cert/mdehdehdv/2013/2013.php>

to ARB or EPA to promulgate new heavy duty engine emission *regulations* as those powers are specifically reserved for the State and Federal government and are distinctly separate from the *anticipation* of new or improved control technologies.

Significantly More NOx Reductions Could Be Achieved by Retiring Remaining 2009 and Older Medium and Heavy Duty Engines by 2023

AQMD's current 2023 vehicle population forecast includes 8809 '09 and older Medium-Heavy and Heavy-Heavy Duty Diesel Engines.

These engines put out anywhere between six and thirty times the NOx of 2010 and newer EPA Model Years Engines. While the Statewide Truck and Bus Rule will require private truck and bus fleets to meet 2010 model year standards by 2023, other fleets subject to the public fleet and solid waste collection rule may continue to operate older equipment. By simply harmonizing requirements for all Medium-Heavy and Heavy-Heavy Duty Engines in the SCAB, ARB could achieve a significant reduction in NOx.

Thank you for the opportunity to comment on the 2012 SCAB PM2.5 and Ozone Attainment Plan. We have attached additional comments previously submitted to the AQMD as part of the record.

Sincerely,

A handwritten signature in cursive script, appearing to read "Eric Sauer".

Eric Sauer, Vice President of Policy and Regulatory Affairs
California Trucking Association
(916)373-3562

AQMD 2023 Projected SCAB Vehicle Population (2009-older)

	Medium Heavy Duty Trucks (14001-33000 lbs)	Heavy Heavy Duty Trucks (>33001 lbs)	
Model Year	Diesel	Diesel	Total Diesel
1979	8	41	49
1980	4	6	10
1981	3	6	9
1982	3	7	10
1983	3	7	10
1984	5	13	18
1985	6	20	26
1986	6	39	45
1987	10	68	78
1988	16	88	104
1989	20	119	139
1990	22	107	129
1991	22	97	119
1992	30	121	151
1993	41	159	200
1994	52	164	216
1995	66	194	260
1996	74	155	229
1997	90	184	274
1998	116	221	337
1999	158	300	458
2000	168	232	400
2001	150	192	342
2002	145	226	371
2003	177	244	421
2004	252	395	647
2005	293	525	818
2006	327	684	1011
2007	333	423	756
2008	303	387	690
2009	206	276	482

November 30, 2012



Members of the Governing Board
South Coast Air Quality Management District

Re: 2012 Air Quality Management Plan

The California Trucking Association (CTA) would like to express its strong support for a recent series of coalition letters signed by twenty six regional business groups requesting the South Coast Air Quality Management District (AQMD) to consider a "PM2.5-only" 2012 Air Quality Management Plan (AQMP). As discussed in these letters, the AQMD is considering a multitude of advanced measures for ozone attainment that are not legally required for inclusion in this AQMP.

The CTA is especially concerned about control measure ONRD-05, which would target truckers who provide transportation services to Southern California's ports. This control measure would create a federally enforceable requirement that trucks which service near-dock rail facilities in the area of the San Pedro Port Complex be driven by zero emission technologies - none of which are forecasted to be commercially available in the near term - by the year 2020.

The air quality achievements of Southern California's port trucking community are significant:

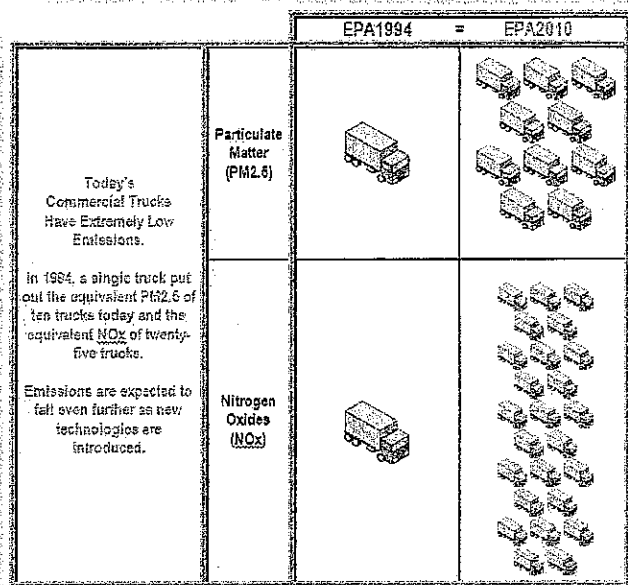
- A near \$1 billion investment in New Technology Diesel Engines at the San Pedro Ports that from 2005-2011 has reduced truck related PM2.5 emission by 92% and NOx emissions by 81%¹ and has delivered the cleanest port trucking fleet in the country to Southern California.
- The State's largest natural gas commercial trucking fleet.
- Pilot demonstrations of the Balqon E-30 Battery Electric Truck and Vision Tyrano Hydrogen Fuel Cell Vehicles.
- A commitment to purchase Vision's first 400 Hydrogen Fuel Cell Trucks produced.²
- Multiple environmental achievement award winners, including the 2010 Los Angeles Board of Supervisors "Green Leadership Award" and a 2012 Edison Award Gold Medal recipient in the category of Energy/Sustainability.³

¹ <http://www.polb.com/environment/air/emissions.asp>

² <http://www.lbpost.com/business/13039-port-of-long-beach-to-deploy-world-s-first-plug-in-electric-hydrogen-fuel-cell-class-8-truck-into-service>

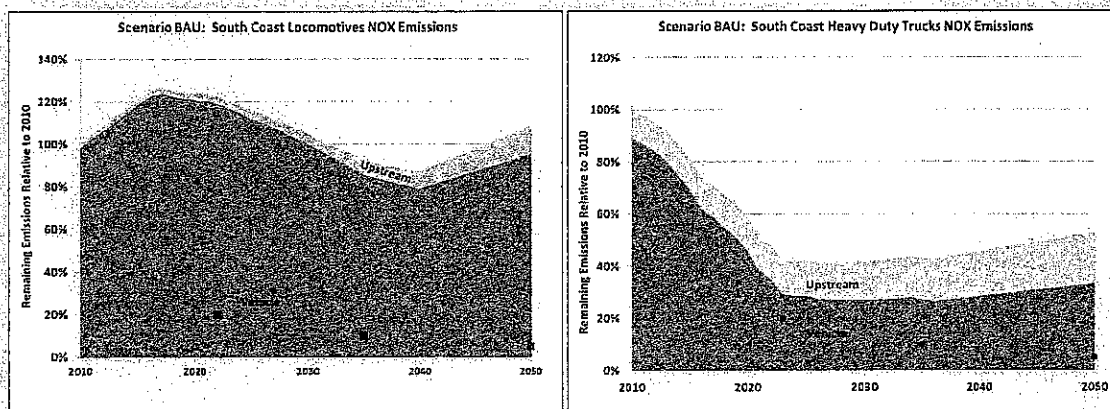
³ http://www.edisonawards.com/BestNewProduct_2012.php

Fig. 1 – 1994 vs. 2010 EPA Model Year New Technology Diesel Engine Emission Comparison



The Air Resources Board recently published a "business as usual" NO_x emissions estimate for the years 2010-2050 for the South Coast Air Basin. It established that no commercial freight mode will achieve more significant reductions in the region than commercial trucks, due in no small part to the incredible achievements and investments of the region's port truckers.

Fig. 2 – ARB Business-As-Usual NO_x Forecast for the South Coast Air Basin for Trucks vs. Locomotives⁴



⁴ http://www.arb.ca.gov/planning/vision/docs/draft_scenario_assumptions_and_results_appendix.pdf

For these reasons, among others, the CTA is supporting the business community's call to limit the 2012 AQMP to a "PM2.5-only" plan.

- A "PM2.5-only" plan would provide AQMD staff more time to assess and conduct outreach on proposed control measures like ONRD-05. To date, AQMD staff has not established a cost estimate for this measure and, accordingly, has not been able to conduct cost-effectiveness or socioeconomic impact analyses.
- According to a survey performed by Metrans⁵, over 80% of the drivers in the San Pedro Ports belong to ethnic minorities and nearly 70% own a high school education or less. These two demographics have suffered disproportionately large shares of unemployment and recessionary impact. Therefore, it would be highly inappropriate not to conduct a thorough socioeconomic impact analyses for measures targeting port trucks.
- Stakeholders, including the trucking industry, engine manufacturers, the ARB, the Ports and AQMD would be able to further the dialogue about the proper role of the AQMD in regulating mobile sources, where traditional authority has lied with ARB.
- Provide the time and proper environment to partner in developing an industry-agency plan to build on and advance the historic air-quality achievements of the region's trucking industry in an economically sustainable way.

We would like to reestablish our commitment to playing a positive role in the attainment of the region's air quality goals while also providing well paying jobs to those most impacted by our state's chronic unemployment problems. If you have any questions please feel free to contact Chris Shimoda, Manager of Environmental Policy at (916)373-3504 or cshimoda@caltrux.org.

Thank You,



Eric Sauer
Vice President of Policy and Regulatory Affairs
(916)373-3562
esauer@caltrux.org

⁵ http://www.metrans.org/research/posters/ar04-01_poster.pdf

August 30, 2012



Dr. William A. Burke, Chairman
Members of the SCAQMD Governing Board
South Coast Air Quality Management District
21865 Copley Dr.
Diamond Bar, CA 91765

RE: 2012 Draft Air Quality Management Plan

The California Trucking Association (CTA) is a nonprofit trade association representing thousands of trucking companies operating in and out of California, including the many residing in the vital goods movement, manufacturing and trade hub contained in the South Coast Air Basin (SCAB). We thank you for the opportunity to offer comments on the South Coast Air Quality Management District's ("the District") 2012 Draft Air Quality Management Plan (AQMP).

Demonstrating attainment of future ozone standards in the South Coast is a challenge that will require an open and ongoing dialogue between local business owners and the District.

CTA Recommends Additional Evaluation of On-Road Control Measures for NOx

We request that ONRD-03, ONRD-04, and ONRD-05 be subject to additional evaluation to review the following:

- i. Cost-effectiveness
- ii. Commercial availability and scope of Best Available Control Technology (BACT) to achieve goals of ONRD-05
- iii. Unprecedented nature of mobile source "black box" control measures, possible jurisdictional issue with ARB

Cost Effectiveness

We would like to specifically address ONRD-05 to express frustration, no doubt similar to other stakeholders, with regards to lack of time and available data to assess cost-effectiveness of proposed control measures as required by California Health and Safety Code 40922.

Given the entirely reasonable expectation that technology used to achieve the reductions targeted in ONRD-05 will be the first commercially available of their kind, the CTA recommends a robust economic analysis be conducted to ensure that the near-dock rail drayage market will support adoption of high incremental cost advanced technologies.

As previously expressed to staff at both the District and ARB, CTA has offered to help facilitate meetings with motor carriers who currently service the ICTF rail facility to open a dialogue over achieving emission reductions in this sector and realistic pathways and timelines forward to zero and near-zero emission technologies.

BACT Not Commercially Available; ONRD-05 Language Vague

The District specifically names “battery-electric trucks, fuel cell trucks, hybrid-electric trucks with all electric range (AER) and zero-emission hybrid or battery-electric trucks with —wayside power (such as electricity from overhead wires)...zero-emission fixed guideway systems such as electric, maglev or linear synchronous motor propulsion or any other technologies that result in zero-emission track miles” as possible technology pathways towards satisfying ONRD-05.

The District further states “such systems are not currently in use for full-scale port to railyard operations and, depending on the technology, may require different levels of additional development and optimization” and that measures such as ONRD-05 should “create a positive signal to technology developers by requiring the use of zero-emission technologies”.

CTA would like to ask that the District elaborate further on the expected performance standard called for by ONRD-05. For instance, it is unclear whether a traditional diesel engine retrofit with a hybrid electric system compatible with overhead catenary would meet the performance standard if that configuration resulted in “zero-emission track miles” only while receiving wayside power. In order to create a clear signal to technology developers, it is incumbent on the District to specify what parameters it expects these technologies to achieve.

Also, because none of the named technologies are commercially available, we question the utility of including this measure in the 2012 AQMP given that the District is committing the ARB to enforceable implementation deadlines. Forced advancement, for what the District acknowledges is about 1000 trucks, is unlikely to result in vendors producing reliable, stable technology for this important segment of port drayage operations, setting economics completely aside. Near-dock rail facilities are currently responsible for 10% of all throughput¹, a figure surely to increase once construction of the Southern California Intermodal Gateway is completed. Reliable near-dock drayage service is vital to the economy of the SCAB.

Unprecedented Nature of Mobile Source Control Measures

We would like to note that the nature of ONRD-05 (and, by extension, ADV-01) is unique in the recent history of the District’s AQMP adoption in that the District is calling for a control measure that would require ARB to adopt a mobile sources control measure prior to ARB initiating a rulemaking in conformance with California’s Administrative Procedures Act.

¹ http://www.portoflosangeles.org/DOC/REPORT_SPB_Rail_Study_ES.pdf

While we do not enter into the question of what authority is granted the District by 182(e)(5) of the Clean Air Act (CAA), we simply note the ARB's traditional role as the State's primary regulator of mobile source emissions.

Further discussion should be held regarding the role of local air districts in setting or suggesting mobile source emission reduction strategies as extreme non-attainment areas attempt to shrink the "black box". Mobile sources are, by their nature, more exposed to interstate and inter-district commerce and, thereby, must be able to maintain the operational flexibility to serve a vast and diverse set of economic interests and geographies. While the pursuit of local mobile source reduction goals are understandable in the scope of the AQMP, the State and Federal role in establishing mobile source emission reduction goals, including their unique ability to achieve economies of scale, cannot be overlooked.

CTA Supports the Southern California Business Coalition's Comments

CTA was a co-signatory to a letter representing the concerns of a diverse base of local business interests. Specifically, we support the call to focus the current AQMP on PM2.5 attainment, which would allow the District and impacted stakeholders additional time to assess proposed 182(e)(5) control measures. As noted in this letter, the vast majority of cost associated with the AQMP is derived from additional, early measures to address ozone to the extent that cost estimates have been provided by the District.

CTA Encourages the District to Engage in More Industry Outreach and Partnership

California's trucking industry has repeatedly shown a willingness to demonstrate heavy duty natural gas, hybrid, all-electric and fuel cell pilot vehicle projects. In 2012, CTA staff reviewed its current "technology and fuel neutral" policy to assess the developmental states of multiple advanced heavy duty alternative technology trucks and came to a similar conclusion as the District has in the AQMP with regards to zero and near-zero emission technologies; while multiple promising technologies are in developmental stages, the pathway to zero or near-zero emissions is still uncertain.

Little to no outreach was done to the trucking industry prior to the District's proposal of ONRD-05. We cannot envision how the District's goals of technology advancement can be achieved without a full and committed engagement with the actual end users of this technology. Through our initial conversations with District staff, we believe we have begun a dialogue on the technological, operational and economic challenges that ONRD-05 will encounter, but those discussions, to date, have barely scratched the surface of what is needed to make such a program successful.

We would encourage the District, if it chooses to act on the Southern California Business Coalition's recommendation to solely focus the 2012 AQMP on PM2.5 attainment, to use this

additional time to seek additional trucking industry input on ONRD-05 prior to adopting a new proposed control measure.

Thank you for the opportunity to comment on the 2012 Draft AQMP and we would like to reaffirm our commitment to continue work with the District on this project, and others, in the future.

Thank You,

A handwritten signature in cursive script, reading "Eric Sauer". The signature is written in dark ink and is positioned above the printed name and title.

Eric Sauer, Vice President of Policy and Regulatory Development
2012 AQMP Advisory Group Member
California Trucking Association
(916)373-3562