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August 29, 2011

## Re: Cargo Handling Equipment Amendments

Dear Sir: Madam

I am submitting the following comments on behalf of SSA Marine, a marine terminal operator. SSA Marine is a family business owned, operated, and controlled by U.S. citizens. The company has more marine facilities in California than anybody else in our industry and therefore we are an integral part of the supply chain and goods movement industry.

We appreciate the opportunity to offer the following comments concerning amendments to regulations effecting cargo handling equipment at ports and intermodal rails yards.

### Additional time for equipment with no VDECS available

Allowing an additional two year compliance extension where there are no VDECS available makes perfect sense. To the extent VDECS fail to materialize and are not available within this window, we encourage you to consider language that makes additional extensions automatic. This suggestion in no way changes the requirement that equipment be brought into compliance within six months of when a VDECS is available.

### Low Use Compliance Extension

We are not sure how CARB determined the baseline that 200 hours of operation quantifies "low use equipment". We try to look at this from a practical standpoint and would <u>recommend 400 hours</u>. We routinely change oil in the equipment every 500 hours, so a standard of 400 hours would not even equal one oil change per-year. In comparison, actively used equipment will receive approximately six oil changes per year or more.

### Exempt equipment at rural low-throughput ports.

The exempted equipment would become subject to the Off-Road Equipment Regulation. We see no real effect for SSA.

# **Required CHE opacity testing and set maximum allowable levels**

CARB is considering requiring annual testing and recording of exhaust gas opacity levels of all non-yard cargo handling equipment. We would suggest that language be added that provides for an equivalent standard. In opacity testing an individual can affect the outcome of the test by how fast and how hard the throttle is used. We would suggest that back pressure testing be consider as an equivalent to opacity testing. In our opinion, back pressure testing is a better way to achieve CARB's objective where computer assisted technology can provide a more accurate reading and eliminate variables. Back pressure testing is already wide spread in the industry, can be easily documented and much more cost effective.

### Allow demonstration of emissions equivalency.

Staff is considering allowing owners/operators to use power systems that they can demonstrate achieve the applicable new or in-use emissions limits. We fully endorse more options to reach our common goals.

## Non-yard truck equipment transfers.

Equipment would be required to be brought into compliance with the in-use requirements prior to operation at the new location. ARB would approve transfer requests, on a case-by-case basis, for equipment under the same ownership. We would hope to keep the current compliance as the cost to move one Top Pick is \$35,000:00 dollars. To add another 25 to 35K to each equipment makes the cost of moving difficult.

# Add a safety provision for VDECS.

Staff is considering adding language specific to safety considerations to the current "No VDECS Available" extension. This language would specifically address visibility and space constraints in retrofitting equipment. This can be a problem typically on the Break Bulk equipment where there are one of a kind specialty non yard equipment.

## Manufactures delays for new equipment

We are not sure what users can be expected to do when manufacturers are unable to provide equipment to meet CARB standards, so it makes perfect sense for CARB to allow for rental equipment to be used for six months just as long as it is one tier lower than the required engines standard. Typically, however, certain assets are rarely rented in our business (like an RTG or Top Pick), they are owned, and therefore we cannot see why owned equipment does not also qualify for a six month extension assuming it too meets the same proposed criteria as rental equipment, i.e., the equipment could only be one tier lower than the required engine standard. This suggestion seems logical, especially since once Tier 4 engines are manufactured, there would be a lag between supply and demand.

## Warranty engine replacement.

Staff is considering allowing the replacement of an engine under warranty with the same engine type in cases of premature engine failure, even when newer engine standards are in place. This is very important as very costly modifications may be necessary for a Yard Truck. As well as the 2011 Top Pick engines (Taylor) will not fit in a 2010 or older frame. The 2011 frame is wider than the older machines.

# Treat Tier 4 Engines Certified to Alt PM Emissions Standards as Tier 3 Engines.

Staff is considering requiring Tier 4 engines certified to meet Alt PM Standards to be retrofitted with highest level VDECS within one year of acquisition. The Alt PM emissions standards are essentially the same as Tier 3 PM emission standards and do not require the use of original engine manufacturer diesel particulate filters to meet them. Higher cost to the industry but may be difficult to find VDECS for some time.

#### <u>Allow extensions for experimental diesel PM emissions control strategies for verification data</u> <u>generation.</u>

Staff is considering allowing extensions for use of experimental strategies for non-yard truck equipment when needed to generate information for verification regardless of whether or not there are VDECS available. This is important as all the problems with ISB 6.7 engines prove were still on a learning curve.

# Allow compliance schedule modification to bring older engines into compliance first.

Staff is considering an amendment to allow CHE owner/operators to modify their non-yard truck compliance schedules such that older model year engines (that happen to have later compliance dates) are brought into compliance in place of newer model year engines (that are required to comply earlier). The number of engines required to comply each year would remain the same. This is a welcome change and would come under the common cense rule so rarely used in this state.

#### **<u>Clarifying Regulatory Language</u>**

**Definition of port**—CARB's staff has proposed that diesel-fueled equipment within the boundaries of the port or intermodal rail yard, including those at non-port or non-intermodal rail yard related businesses, be subject to the regulation. This is a significant change and NOT a clarifying statement. We have our reservations over the basis for such a change, but from a purely practical standpoint, I wonder how CARB intends to notify and enforce these requirements on all small and/or small disadvantaged businesses?

**Regulation does not apply to Non-Compression Ignition Engines**—Staff is proposing to clarify that engines certified to cycles other than the diesel cycle are not subject to the regulation. We feel it is prudent that this matter is reflected in the regulation.

**Equipment for Construction or Unexpected Repairs**—Staff is proposing to clarify that equipment brought in for construction or unexpected repairs are not subject to the regulation. We agree.

**Clarify and Add Definitions**. Staff is proposing to clarify definitions, including those for "cargo handling equipment," "compression ignition," "intermodal rail yard," "newly purchased, leased, or rented," "owner or operator," "retirement or retire", and "rubber-tired gantry crane", and add definitions, including those for "cargo," "Class I Railroad," "construction activities," "two-year average annual cargo throughput", "low throughput ort", Family Emissions Limits FEL)", "Alternate PM Standard", "opacity", "safe", "urban area", "warranty period," and "water-borne commerce". We are still studying all the changes as they affect our company.

Respectfully submitted,

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