September 21, 2009

Mary Nichols, Chairwoman
California Air Resources Board
1001 "I" Street
Sacramento, CA 95812

Re: Agenda Item 09-8-5: Public Meeting to present ARB's Draft Recommendations to Implement Further Locomotive and Rail Yard Emission Reductions

Dear Chair Nichols:

The California Hispanic Chambers of Commerce (CHCC) has a network of over 65 Hispanic chambers and business associations throughout the State of California. Through its network of Hispanic chambers and business association, the CHCC represents the interest of over 720,000 Hispanic business owners in California. The CHCC is the premier and largest regional ethnic business organization in the nation that promotes the economic growth and development of Hispanic entrepreneurs and California's Emerging Businesses.

CHCC appreciates this opportunity to comment on the ARB staff's *Draft Recommendations to Implement Further Locomotive and Rail Yard Emission Reductions* being presented to the Board Members at the September board meeting. CHCC believes CARB's preferred approach should be pursuing an incentive program to maximize the emissions efficiency benefits of rail transportation.

Transporting goods by rail yields criteria pollutant emission benefits, reduces GHGs, and reduces freeway congestion. Rail is the most environmentally sound way to move goods over land and is a key component of the goods movement system in California and across the nation. Any action by CARB should preserve the efficiency of the system as a whole, and should continue to reduce emissions within that context.

Many of our members, their employees and family members are a part of the logistics industry, providing transportation services and other supply chain services around the state, particularly in the Los Angeles basin. Our members live and work in the communities surrounding all types of goods-movement facilities such as rail yards around California. We are concerned about the air we breathe and our health, however, we have also become increasingly concerned about the diversion of freight away from the ports of Los Angeles and Long Beach, in part due to ill-conceived emission reduction programs proposed at the state and local level. CARB should take care not to further complicate this situation by advancing measures, which could send the wrong signals in the market place and harm small Hispanic-owned businesses, while failing to achieve significant emission reductions.

CARB has had significant success with past incentive programs and enforceable agreements with the Railroads and other international trade emissions sources. On Page 5 of the Recommendations

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document, *"staff estimates that diesel PM emissions from all sources at rail yards will be reduced by about one-third by 2010, about half by 2015, and about two-thirds by 2020, even with a strong projected growth in rail operations."* These reductions result from federal standards and state regulations of other rail yard sources (such as cargo handling equipment), as well other agreements with the railroads.

Additionally, ARB states existing projections may overestimate growth in the next 5-10 years given the current recession, resulting in dramatically lowered emissions for the foreseeable future.

Pursuing the incentive program will allow CARB to achieve their goal of reducing DPM from goods movement sources 85% by 2020. Full implementation of the proposed locomotive measures in the staff's Recommendations *"translates to a 65 percent reduction in potential cancer risks in communities surrounding rail yards by 2015 and 85 percent reduction by 2020"* (Page ES-3).
International trade is a vital economic engine in California, particularly for Hispanic-owned and run businesses doing business with Latin America, and must be allowed to thrive, especially in tough economic times. An incentive program preserves competitiveness and efficiency of the goods movement system, while driving down emissions to protect the health of employees and residents in California.

Sincerely,

Joel Ayala
President & CEO

cc: California Air Resources Board Members
Mr. James Goldestene

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