CITY OF COMMERCE

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November 16, 2008

Mary Nichols
Chair, California Air Resources Board
1001 I Street
P.O. Box 2815
Sacramento, CA 95814

RE: Comments on Air Resources Board Proposed Scoping Plan

Dear Chairwoman Nichols:

On behalf of the City of Commerce, thank you for the opportunity to comment on the California Air Resources Board's (ARB) Proposed Scoping Plan (Scoping Plan).

The City of Commerce is a unique community in that we are an industrial city (as evidenced by our name) situated in the Los Angeles metropolitan basin. We share common boundaries with the cities of Los Angeles, Vernon (another industrial city), and the unincorporated community of East Los Angeles. Our residential base is just under 14,000 people. Yet, our 6.6 square mile jurisdiction includes over 1,800 businesses of all sizes generating a daytime employment population in excess of 50,000. We have a healthy mix of small businesses (one to three employees) as well as a significant roster of international and domestic corporations. Japan Foods Company, Von's Supermarkets, Ashland Chemicals, Contessa Foods, and Dart Industries are but a few of the corporations doing business in our City. Also within the City's boundaries are two large rail yards which rank among the largest in California. These two facilities are operated by the Union Pacific and Burlington Northern Santa Fe. These railroad yards are integral to the operations of the ports of Long Beach and Los Angeles and the shipment of goods nationwide. Commerce also includes the freeway interchange of Interstate 5 and Interstate 710; two of the busiest freeways on the planet. There is no doubt as to the importance of our community to the regional and national economies. As such, Commerce is ground zero on the important public policy challenges facing California in the environmental arena. Reducing green house emissions and improving the air we l breathe are issues that truly matter to our community.

We are proud of the work we are doing in reducing our City's greenhouse gas emissions (GHG emissions). By the end of calendar year 2008, Commerce will be replacing the City's frontline municipal bus fleet to CNG buses. This fleet of seven buses has already been purchased and is now on the assembly line. Our local transportation system carries nearly a million riders annually. The new buses will replace 13 older diesel powered equipment and they will make a difference. Next year we are looking forward to the construction of a CNG facility in Commerce. This public fueling station is a $2.8 million dollar investment in the quality of life for our community. It will clean the air we breathe and reduce greenhouse emissions. In addition to the Commerce municipal fleet, the City of Los Angeles commuter bus fleet will fuel there as well as the City's commercial waste trash haulers and the ten "yard goats" (container handling tractors) of the BNSF rail yard. Next year we hope to award a $5.8 million dollar

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construction contract to renovate our Central Library. The Council is looking forward to a Leeds "silver" designation for the building, consistent with the Governor's executive order on Leeds certification for public buildings.

While the City of Commerce is generally supportive of a number of programs and policies outlined in the Scoping Plan, it is crucial for state policymakers to take into account the means that will be needed to achieve the goals. AB 32 requires that reductions in GHG emissions must achieve the maximum technologically feasible and cost effective reductions and for the ARB to "consider the cost-effectiveness of these regulations." (HSC §38560) In addition, we believe that the Scoping Plan appropriately allows the SB 375 process to develop regional transportation-related GHG targets. Implementation of the regional planning processes in SB 375 is new and largely untested. The 5 MMT figure, while a place holder, nevertheless sets an appropriate benchmark that helps assure that the state can achieve its overall 2020 goal."

Given the unique character of Commerce, we are an industrial community that is already intensely regulated by the ARB and the SCAQMD because of our rail yards, diesel truck traffic, and manufacturing processes. We would expect that the existing regulatory framework is taken into account and reconciled in the Scoping Plan so as to avoid confusion, duplicative and contradictory measures and needless expense. We would also expect that the emission reductions achieved by the existing regulatory framework in our community be given consideration in the attainment of emission reductions contemplated by the Scoping Plan.

As both the state and local governments are faced with critical budget shortages, additional costs to heavily invest in GHG emission technologies in the next 2 to 3 years will become more burdensome for local governments. While local governments can influence the design and operation of private projects to a certain extent, the reality is that the private sector will only invest in opportunities that make business sense and that are profitable. In order to effect the desired change, incentives must be provided to the business community and local agencies in order to encourage private capital investment in areas where the reductions in GHG emissions will be the greatest. The City of Commerce strongly encourages the ARB to consider these limitations as it moves forward with the Scoping Plan

Thank you again for the opportunity to comment. The City of Commerce looks forward to working with the ARB in the future.

Sincerely,

Tina Baca Del Rio
Mayor

Cc: League of California Cities
1400 K Street
Sacramento, CA 95864