

October 21, 2009

RE: Second Notice of Public Availability of Modified Text and Availability of Additional Documents and Information

To Whom It May Concern:

The California Trucking Association (CTA) offers these comments in regard to the recent formal release of additional information on the Emission Inventory Database (database) used for justification of the regulation to reduce emissions from in-use on-road diesel vehicles (on-road).

Although this database was posted to CARB's website on November 7, 2008, CTA appreciates the opportunity to offer formal comments on this material during this second 15-day notice comment period.

CTA along with Jim Lyons from Sierra Research have taken a serious look at the data provided and have come away disappointed. Despite the availability of documents, based on the documentation provided, it is still impossible to determine exactly what data CARB analyzed and how, if at all, the data and analysis support the 2.66% per year VMT growth projection used by CARB staff.

The 2007 economic forecast document created by Caltrans and included in the database does not reflect current economic conditions. Even the most recent forecast from Caltrans for 2008, which was not included in the illegible documentation provided by CARB, does not reflect current economic conditions. From the material provided it is not clear how CARB staff used these forecasts. Yet they are provided as "documentation" and justification for the on-road regulation without any explanation into how they were used.

The pages from the California Department of Finance reflect November 2007 "Governor's Budget Forecast" for 2004 to 2010 that include transportation sector employment data and annual % change data which is far lower than the 2.66% increase in VMT used by CARB staff. These data are not mentioned in Appendix G and it is not clear why CARB staff choose to ignore them. A thorough explanation is needed to understand why the two differ or at least why staff chose to ignore the difference.

Additionally, within the June 2007 long term UCLA economic forecast, one of the variables included is transportation sector employment and forecasts are provided for 1991 to 2020 on a quarterly basis. There is no indication of exactly what variables were used in any analysis by CARB staff nor has any documentation regarding an analysis been provided. Staff should be expected to provide documentation on what variables were used along with an analysis of the findings in order to ensure sound public policy based upon factual data.

Finally, it should be noted that for the first six months of 2009, taxable Diesel fuel sales in CA are down by about 10% relative to the first six months of 2008 <u>http://www.boe.ca.gov/sptaxprog/reports/Diesel 10 Year Report.xls</u> and that 2008 Diesel fuel sales were about 8% lower than in 2007.

Assuming that trends for the first half of 2009 hold for the rest of the year, by January 1, 2010 Diesel fuel sales which should be directly correlated with Diesel VMT will be down 18% compared to January 1, 2008 while CARB predicts that they should have increased by 5.4%.

That translates to a 23.4% reduction in VMT relative to what CARB has assumed and a reduction of similar magnitude in Diesel truck emissions which translates into an approximately 175 ton per day reduction in statewide NOx emissions.

We would note that the 23.4% reduction in NOx emissions is similar to that CARB expects to result from the regulation during the period from 2014 to 2020 (See Table VII-1 of the ISOR) and that the absolute magnitude of the NOx reduction due to reduced truck operation is larger than the ton per day benefits claimed by CARB during any years for which they report values in Table VII-1 of the ISOR.

It is clear from our analysis of the data provided that there is not sufficient evidence contained in the database to justify the implementation of the on-road standards in the context of this current economy. The database should be reevaluated and updated to reflect the effect of the current economic conditions on annual VMT increases and subsequent emissions from heavy duty diesel vehicles. CARB staff should revisit their analysis prior to any presentation before the Board to ensure that all CARB staff findings are peer reviewed, reproduced or at a minimum reevaluated to investigate potential flaws or omissions in the analysis.

We respectfully request that you consider our comments and adjust current findings to address the concerns outlined above.

Should you have further questions or need additional assistance please feel free to contact Matt Schrap, Director, Environmental Affairs CTA at 916-717-7396 or by email at mschrap@caltrux.org. Thank you.

Sincerely,

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Eric Sauer VP Policy Development, CTA