



## ASSOCIATED CALIFORNIA LOGGERS

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December 4, 2008

Mary Nichols, Chair  
California Air Resources Board  
P.O. Box 2815  
Sacramento, CA 95812

**SUBJECT: Proposed In-Use, On-Road Diesel Engine Regulation**

Dear Chair Nichols:

The Associated California Loggers, representing contract loggers, log truckers, and log road builders, is writing to express our strong concerns about the Proposed In-Use, On-Road diesel regulations to be taken up at the meeting of the Air Resources Board on December 11 and 12, 2008.

The companies that Associated California Loggers represents in California are largely family-owned, and have been passed down from generation to generation. We represent some large companies with extensive fleets, but we also represent many small-business owner-operators with only several trucks. Our companies operate in rural counties which are overwhelmingly in attainment for NOx (78%) and PM(97%) – counties which themselves look to suffer disproportionately should this rule be adopted as currently written.

Our logging companies and their skilled workers provide the basic infrastructure for timber harvesting and for collection and transport of the woody biomass (cellulosic ethanol) materials that will be an increasingly important part of the effort to develop alternative energy sources. Loggers also contribute to the prevention of forest fires through thinning and harvesting practices. We fight the fires side by side with CALFIRE when they occur, and our trucks and equipment are required for use in the clean-up of fires after they occur.

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Our industry is committed to the achievement of proper air quality in California, and our individual companies have strived to comply with air quality requirements as they exist now. Some of our members have participated in the much-needed Carl Moyer program which provides funds for retrofits of diesel vehicles.

The new regulations under consideration by CARB are, at this time, unworkable in terms of compliance, unrealistic as to compliance deadlines, and unaffordable in terms of equipment and truck purchase requirements.

We request a delay in the vote on these regulations so that time may be taken to develop the filter technology necessary for compliance, to further develop funding to pay for these programs, for CARB staff to further review special circumstances requiring changes to the regulation, and for the state of California to survive the most dire economic collapse in decades.

We are strongly concerned about the impact of the proposed rule upon our members' ability to stay in business. The problems with the regulation as it stands today with regard to the specific operations of the timber harvesting industry are many:

**1. Unavailability of workable filters.** The rule offers diesel particulate filters (DPFs) as much-needed relief, but does so in a marketplace in which many filters have been de-verified on the basis of being unable to meet CARB requirements. Meanwhile, there is strong uncertainty about the availability of remaining filters for the massive number of trucks that will require them – and about the availability of enough technicians to service those filters when they break down, which happens with great frequency.

**We understand that the rule as drafted allows companies to obtain exemptions from the rule when filters are unavailable, or unsafe for use with their trucks. We strongly urge the Board to direct CARB staff to make these exemptions readily available for use by companies during the life of the rule. Staff must be ready to approve these exemptions on presentation of proof.**

**2. Costs of purchasing and financing diesel particulate filters, let alone new diesel trucks, are prohibitive.** Our logging season is short (six months or less) and the ability of our members to earn a living, make a small profit, or even break even is limited in the best of times. These are not the best of times. Our ability to earn the income to repay loans is limited.

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The rule contemplates our companies being able to set aside the money, or to secure the financing, to buy new logging trucks --- or to buy PM filters for existing older trucks. But our members cannot borrow money against their trucks as collateral (CARB has been presented with letters from the banking industry saying this.)

With regard to the purchase or financing of filters, no company with a truck valued at \$13,000 will make the bad business decision of seeking to finance a filter or filters that could cost more than the truck is worth -- we have shown that for certain logging trucks, a combination of two active filters at a cost of \$45,000 would be required.

CARB staff has told our membership that if the filters are not a cost-effective solution, "you might as well buy the new truck." Easier said than done. Our members are currently relying on older trucks, or fleets containing older trucks, in reliance on the long life of those trucks. The regulation will render those older trucks worthless for resale in California, while requiring our companies to buy new trucks. Thus, our members won't be able to use the sale of their older trucks to finance the purchase of new trucks, which can cost upwards of \$130,000. **And, as forestry competes in a world market, we cannot pass on these additional costs to consumers.**

**We urge CARB to explore and provide as much funding as is necessary to allow California companies to purchase DPF's, engines, and trucks. Funding mechanisms must be found, with an emphasis on grants rather than loans, as neither the general economy nor the timber harvesting economy make it feasible to repay loans in the amounts contemplated by this regulation.**

**3. Inequitable treatment of rural counties, especially attainment counties where timber harvesting takes place, and potential for economic collapse of those counties.** Our members are aware that they provide a significant amount of the employment in rural timber counties. This rule will thus doubly harm local counties, first by harming our industry, and then by harming our industry's support to counties. **Further, we understand that 60% of trucks in rural California are 1994 model year and older, and banks won't lend money on equipment over ten years old.** Given that these counties are largely in attainment for NOx and PM, they are being treated inequitably as against the more high-pollution counties in California, with little or no relief funding directed their way.

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**4. The specific characteristics of timber harvesting in California.** As noted above, the timber harvesting industry in California is in a fragile state, and yet skilled loggers will prove invaluable as part of the infrastructure necessary to deal with global warming/climate change in the future. Our trucks work in low-population attainment districts and on a very short season in which, nonetheless, a log truck must generally be driven 50,000 to 60,000 miles during that season to earn a living.

Forestry vehicles have already been given recognition in the rule as “unique vehicles” which cannot be readily replaced in the new or used-truck market, and which have specific use requirements – heavy duty frame rails, rear suspension, 18-speed transmission, rear differential axle set, and severe service cab. These unique vehicles are used at different altitudes, bearing different weight loads, often on steep or twisting roads. **We strongly urge the board to consider low mileage thresholds to recognize “unique forestry vehicles” as meriting an exemption from filter and new truck requirements until December 31, 2022.**

We believe that the concerns above could be comprehensively met with a suggested amendment that we have proposed to CARB staff, as follows:

**“For Particulate Matter Attainment Air Districts, existing MHD and HHD diesel trucks greater than 14,000 gross vehicle weight, that operate less than 60,000 miles per year shall have to be BACT compliant only when the cost is equal to our less than 50% of the fair market value of the vehicle. Compliance will be achieved through technological advances and government subsidies. Electronic tracking devices shall be installed on these vehicles to ensure compliance.”**

California is already experiencing a decline in the “logging infrastructure” necessary to manage our forestlands and assist in the prevention of massive fires and to assist in the fight against climate change. **We urge that the changes above be adopted by the board as amendments to the rule, or that the vote on the rule be delayed a year so as to accommodate review of those changes and the stabilization of the national and California economies.**

Sincerely,



Eric Carleson  
Executive Director  
Associated California Loggers