

Office of the Executive Officer Barry R. Wallerstein, D.Env. 909.396.2100, fax 909.396.3340

September 20, 2011

Mr. James Goldstene Executive Officer California Air Resources Board 1001 I Street Sacramento, CA 95812

Dear Mr. Goldstene:

SCAQMD Staff Comments on the Proposed Amendments to the <u>Regulation for Mobile Cargo Handling Equipment at Ports and Intermodal Rail Yards</u>

The South Coast Air Quality Management District (AQMD) staff appreciates the opportunity to provide comments on the California Air Resources Board (CARB) staff proposed amendments to the Mobile Cargo Handling Equipment at Ports and Intermodal Rail Yards. Mobile cargo handling equipment (CHE) activities can be significant contributors to the nitrogen oxide (NOx) and particulate matter (PM) emissions from marine ports and railyards. In addition, depending on the activities within the marine port or rail yard complex, diesel emissions associated with CHE activities contribute to the air toxic exposure to the communities surround marine ports and railyards. As such, there is a need to expeditiously reduce CHE emissions.

Relative to the CARB staff proposed amendments, we agree that there is a need to provide compliance flexibility if a retrofit technology is not commercially available or if not safe to use. In addition, the AQMD staff supports having annual opacity-based monitoring programs on all CHE to ensure that the engines and retrofit devices are performing properly. Relative to the proposed provisions to exempt CHEs that operate less than 200 hours per year, AQMD staff believes that any such low-use compliance option must be limited to the degree feasible, carefully monitored, and phase-out at the earliest practicable date.

Cleaning the air that we breathe ...

While CARB staff's objective with the proposed amendments is to clarify implementation of the regulation, AQMD staff strongly believes that there is an opportunity to encourage and incentivize the use of zero-emission technologies for CHEs within the framework of the regulation. In addition, with appropriate amendments, the regulation can also serve as a backstop should the actions being taken to have the Class I railroads commit to additional PM emission reductions at the four rail yards in the South Coast Air Basin do not come to fruition or if the Class I railroads do not meet such commitments in the future.

AQMD staff has been working closely with the Ports of Los Angeles and Long Beach to demonstrate all electric and fuel cell yard trucks at this time. In addition, electric gantry cranes are being used or proposed to be used at railyards. AQMD staff believes that specific provisions that provide additional credits to zero-emissions CHEs as part of the compliance requirements will encourage and accelerate early introduction of zero-emissions CHEs. CARB has established similar provisions in the Truck and Bus Regulation and the In-Use Off-Road Diesel Fleet Regulation. Attached is draft resolution language for the Board's consideration to direct staff to develop such provisions as part of the 15-day process.

As CARB staff continues to craft and negotiate commitments from the Class I railroads to further reduce PM emissions at the four railyards with the highest levels of diesel exposure, CARB should begin development of provisions if the commitments are not realized. The provisions can serve as backstop to ensure diesel PM emission reductions will occur in a timely manner. CARB staff should take this opportunity to craft such backstop provisions that will be implemented only if there are no commitments from the railroads or if the railroads miss a commitment milestone. As such, the AQMD staff urges the CARB Board to direct their staff to initiate development of such backstop provisions for the Board's consideration.

Lastly, several stakeholders including the Ports of Los Angeles and Long Beach and environmental organizations are strongly encouraging the development of zero emission container movement systems operating at the Ports and intermodal railyards. To the extent that containers are moved by rail within the port complex and in railyards, we believe that the CHE regulation can play an important role to encourage the use of zero emission container systems that could potentially reduce the number of CHEs that are operating currently. We encourage CARB to support zero emission container movement system projects such as the linear synchronous motor. In addition, we seek CARB's commitment to provide technical and final resources to a successful zero emission container movement demonstration project. The Ports of Los Angeles and Long Beach and the AQMD staff will be bringing forward a funding proposal to their respective Boards for consideration. We would welcome additional financial support that will jump start a demonstration of the zero emission container movement system. In conclusion, we urge the CARB Board to consider the AQMD staff's recommendations to further encourage the use of zero-emission CHEs and begin development of provisions to backstop the commitments to further reduce diesel emissions at rail yards at the September 22, 2011 meeting. If you have any questions about these comments, please feel free to call me or Mr. Henry Hogo, Assistant Deputy Executive Officer – Mobile Source Division, Science and Technology Advancement, at 909-396-3184.

Sincerely,

Barry R. Wallerstein, D.Env. Executive Officer

CSL:HH

Attachment

Attachment

Proposed Resolution Language

Accelerate Early Use of Zero Emission Cargo Handling Equipment

WHEREAS, the California Air Resources Board encourages the use of zero- and nearzero emission cargo handling equipment as early as possible to reduce air toxic exposure to the communities surrounding marine ports and intermodal railyards;

BE IT FURTHER RESOLVED that the Board hereby directs staff to develop specific provisions that provide additional credits to zero-emissions cargo handling equipment as part of the compliance requirements that encourage and accelerate early introduction of zero-emissions cargo handling equipment as part of the two-year compliance extension. Such provisions shall be developed as part of the 15-day review process.