

November 1, 2013

Richard Corey, Executive Officer
California Air Resources Board
1001 I St.
Sacramento, CA 95814



RE: October 1, 2013 Climate Change Scoping Plan First Update: Discussion Draft for Public Review and Comment (Scoping Plan Discussion Draft)

Dear Mr. Corey,

Thank you for the opportunity to comment on the Scoping Plan Discussion Draft.

ARB Should Remain Technology Neutral

The CTA would like to voice our opposition to the inclusion of the statement on natural gas on page 88, paragraph 3 of the Scoping Plan Discussion Draft and would like to voice our strong concern for the Air Resources Board's (ARB) apparent move towards technology biased, rather than technology neutral, policies. We request the following edits to the statement on natural gas or the removal of this section altogether:

"Natural gas has an important ~~niche~~ role to play in contributing to California's air quality and GHG emissions goals in the transportation sector. Heavy-duty natural gas vehicles may offer significantly lower NOx emissions than current heavy-duty vehicles, and ~~slight~~ improvements in GHG emissions. Increasing penetration of natural gas in the heavy-duty truck sector could help to meet midterm air quality targets, ~~but natural gas use will have to be mostly phased out to meet 2050 climate targets and provides many options for the generation of clean power and fuels, now and in the future.~~"

Traditionally, ARB has set technology neutral performance standards. We believe that a performance-based, outcomes-oriented policy should continue as it is much too early to rule out any particular emission control approach.

Heavy-duty natural gas vehicles provide many benefits for both the environment and the economy such as:

- Potential to reduce NOx by up to 90% compared to the 2010 Environmental Protection Agency (EPA) truck engine standards,
- A cost-effective fuel for trucking fleets due to the low cost of natural gas,
- Domestically produced fuel with an increasing renewables sector, and
- Potential to dramatically reduce greenhouse gas emissions.

In fact ARB has identified bio-methane from landfills available today as one of the lowest carbon intensity (CI) fuels with a CI of just 11.26.

Importantly, mandating a particular energy type or source undermines the very technology investments needed to meet short- and mid-term goals that are acknowledged in the Plan.

For the above reasons, we ask that ARB modify or remove the above paragraph in the Scoping Plan Discussion Draft and continue use of technology neutral, performance standards-based policies and regulations.

Discussion of New Drayage Truck Regulations Premature

CTA would also like to highlight several issues with the following statement on page 24 of the discussion draft:

“ARB will be considering measures intended to require or further promote the use of zero emission trucks or other zero emission technologies to transport intermodal containers from marine ports to near-dock railyards by 2020 in the South Coast and Bay Area. The mechanism to implement the measures could be a combination of ARB regulations, local air district indirect source rules, lease conditions, port tariffs, incentive contracts, and/or other means.”

CTA has actively tracked zero emission freight technologies for some time now and would suggest that CARB staff should explore providing the following background information:

- The specific zero emission intermodal freight transport technologies CARB believes are ready for commercial deployment by 2020 and the number of manufacturers offering these technologies.
- A cost-effectiveness analysis for avoided CO₂, especially in comparison to broader federal rulemakings on heavy-duty commercial vehicle fuel efficiency and greenhouse gas emissions.
- A comprehensive analysis of specific public incentive funds (including dollar amounts) which ARB staff recommends allocating towards this project.

Also, regulations requiring the purchase and in-use operation of zero emission trucks would likely constitute new engine standards and would, therefore, require waiver from Clean Air Act (CAA) preemption. A requirement to purchase vehicles does not escape CAA section 209(a) preemption because they address the purchase of vehicles rather than their manufacture or sale.¹ Given that the EPA is currently promulgating new greenhouse gas standards, staff will need to ensure consistency with Section 202(a) of the CAA.

In addition, we believe there is a dubious connection between measures to promote the use of zero emission trucks or other zero emission technologies to transport intermodal containers to near-dock railyards and the greenhouse gas reduction goals of AB32. The South Coast Air Quality Management District (AQMD) has estimated that such a

¹ *EMA v. South Coast Air Quality Management District* (2004) 541 U.S. 246

measure would apply to only 1000 trucks of the close to 11,000 currently serving the Ports of Los Angeles and Long Beach and the estimated 175,000 diesel trucks which are expected to service the South Coast Air Basin by 2020. We would encourage the ARB to rationally consider how any proposed technology for near-dock railyards would scale to contribute meaningful greenhouse gas reductions. According to EMFAC2011, these trucks would consume less than 00.4% of all diesel fuel in California by 2020.

Finally, we believe it is highly premature to discuss imposing new regulations on the drayage truck industry. Fleets subject to the Statewide Drayage Truck Rule are required to meet the most stringent in-use requirements imposed on the commercial trucking fleet and will have entirely met those requirements by 1/1/2014. The ARB just recently announced it will consider providing additional flexibility to other trucking fleets in the Statewide Truck and Bus Rule in April of 2014. Costs imposed on the intermodal trucking industry have similar impacts on small business trucking firms. We would ask the ARB policy remain consistent when considering cost impacts to intermodal trucking fleets.

If you have any questions, please contact Chris Shimoda, Manager of Environmental Policy at cshimoda@caltrux.org or (916)373-3504.

Thank You,

A handwritten signature in cursive script, reading "Eric Sauer".

Eric Sauer, Vice President of Policy and Regulatory Affairs
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