



Electronic Submittal Via: <http://www.arb.ca.gov/lispub/comm/bclist.php>

March 20, 2017

Clerk of the Board
California Air Resources Board
1001 I Street
Sacramento, CA 95814

Re: Comments on 2016 Air Quality Management Plan for Ozone and PM2.5 for the South Coast Air Basin and the Coachella Valley and 2016 State Strategy for the State Implementation Plan

Federal Express Corporation ("FedEx Express") welcomes this opportunity to provide the California Air Resources Board ("CARB") with its comments on the 2016 Air Quality Management Plan for Ozone and PM2.5 for the South Coast Air Basin ("Final AQMP") and the 2016 State Strategy for the State Implementation Plan ("SIP Strategy"). FedEx Express is a member of Airlines for America® ("A4A"), and FedEx Express supports and incorporates by reference A4A's comments on the Final AQMP and SIP Strategy.

FedEx Express is the largest express transportation company in the world, serving all 50 States and the District of Columbia, as well as more than 220 countries and territories. In service to its worldwide customers, FedEx Express operates flights in and out of the following five (5) airports within the South Coast Air Basin: Burbank Bob Hope Airport (BUR); John Wayne Airport, Orange County (SNA); Los Angeles International Airport (LAX); Long Beach Airport (LGB); and Ontario International Airport (ONT). As a member of the South Coast Air Basin community, FedEx Express objects to the South Coast Air Quality Management District Governing Board's ("District Board's") decision to amend measure MOB-04 – Emissions Reductions at Commercial Airports ("MOB-04") by adding a sentence directing District Staff to develop an Indirect Source Rule ("ISR") for commercial airports without providing interested stakeholders – like FedEx Express – with proper notice and a reasonable opportunity to participate in the decision-making process.

We respectfully request that the State Board decline to endorse the District Board's improper action and strike the final sentence of MOB-04 as amended. At a minimum, the State Board should clarify that MOB-04 is not intended to preclude consideration of other, alternative mechanisms to the ISR in the MOB-04 stakeholder process or to preclude District Staff from presenting such alternatives to the District Board for its consideration.

The District Board's Decision To Amend MOB-04 Is Inconsistent With The Applicable Public Participation Requirements In The California Health And Safety Code.

FedEx Express views the change to MOB-04 to be substantive and it should therefore be subject to the full requirements of public notice and comment. Affected stakeholders were not provided with a meaningful opportunity to evaluate and provide comments on the decision to amend measure MOB-04. As detailed in the comment letter submitted by A4A,

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the District Board's actions were inconsistent with California Health and Safety Code § 40466(b), which requires notice for public hearings in connection with AQMP revisions to "include materials relevant to the plan revision." The motion to amend MOB-04, which was not made until March 3, 2017, the date that the Final AQMP was approved, does not meet this statutory notice requirement.

The proposal to amend MOB-04 to require the development of an ISR came after a multiyear public process. As a result of this process, District Staff developed and proposed MOB-04, which – prior to March 3, 2017 – called for District Staff, with input from a public stakeholder workgroup, to quantify actions already undertaken at airports, identify other actions that may be taken and "develop mechanisms to implement this measure." The amended language that was approved by the District Board on March 3, 2017, materially changes the measure that had resulted from this multiyear public process. It is axiomatic that those interested stakeholders that took part in that process now should be afforded the opportunity to fully assess and comment on this "new" measure.

In addition, the 30-day public hearing notice required for the State Board to adopt a SIP must include "each proposed plan or revision." See 40 CFR § 51.102(d). Nonetheless, the Final AQMP containing amended MOB-04 was published only a few days ago. Therefore, notice is inadequate for the State Board to approve amended MOB-04.

The District Board's Decision Is Detrimental To Stakeholder Cooperation And Confidence

FedEx Express has been, and continues to be an active participant in the SIP development process. We have devoted significant resources as members of stakeholder groups, in an effort to support the development of solutions that will allow California to meet Federal and State air quality standards and to meet State goals for Freight Efficiency and business competitiveness.

Prior to the District Board's decision to amend measure MOB-04 and require an ISR for commercial airports, District Staff had discussed – for many months – establishing a stakeholder group to evaluate options for airport emission mitigation measures. Despite these discussions, the District Board amended MOB-04 without any meaningful discussion, effectively eliminating the opportunity for discussion of potential options to ISR.

FedEx Express and other airline stakeholders can provide extensive and practical insight to the SIP process. It is the desire of FedEx Express to work with the District in a cooperative manner going forward. This arbitrary and unilateral action by the Board undermines confidence as to the value of investing in future stakeholder initiatives, including the one directed by MOB-04.

FedEx Express appreciates the substantial responsibility CARB and the District undertake in developing and implementing clean air regulatory measures. As a stakeholder, FedEx Express seeks to share that burden. To that end, FedEx Express respectfully urges CARB to direct the District to work cooperatively with affected stakeholders and to allow the stakeholder group to engage in an open and meaningful review of options for airport emission mitigation measures.

In providing these comments, FedEx Express does not waive any of its rights to challenge, contest, or participate in the development of future District or CARB rulemakings affecting its operations within the South Coast Air Basin or elsewhere in California. FedEx Express

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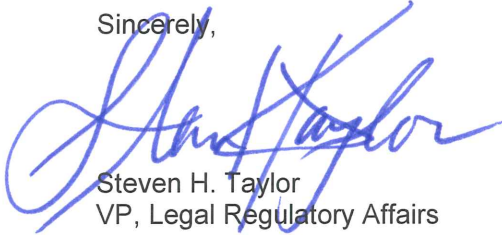
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further reserves the right to supplement or revise these comments as this rulemaking process moves forward.

FedEx Express appreciates your consideration of its comments to the Final AQMP and SIP Strategy. If you have any questions or require additional information concerning the issues raised herein, please feel free to contact Dustin Pickens at (901)434-5097.

Sincerely,



Steven H. Taylor
VP, Legal Regulatory Affairs
Federal Express Corporation