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The California Trucking Association herein offers its comments on the CARB staff's proposal to reduce greenhouse gas emissions from long-haul tractors and trailers.

Proposed Mileage and Territory Exemption Standards Should be Less Restrictive
CTA appreciates that CARB staff has changed the proposed regulation to exempting trucks on the basis of mileage or territory. However, the mileage and territory limitations are still too restrictive. In addition, trailers should have their own mileage and territory exemption standards

The mileage restrictions appear to be based upon an assumption that trucks and trailers work five, ten hour days. In fact, trucks and trailers typically work seven-day weeks with service hours reaching up to 20 hours per day, when multiple drivers are used. For example, grocery trucks regularly total 150,000 miles per year within a 150 mile radius.

An extremely common truck trip is between Los Angeles and Bakersfield, a 115 mile trip that features only 25 miles at freeway speeds since trucks can only go 35 mph over the Grapevine before descending into or emerging from congested Los Angeles traffic. A 100 mile radius would close off Bakersfield to all but sideskirt-equipped trucks despite the fact that only a small proportion of travel would occur at freeway speeds. For example, a truck making a round trip to Bakersfield only once each day of the year would accrue over 80,000 annual miles, but spend less than 25 percent of its mileage at freeway speeds.

Trailers should have their own exemption standards because a trailer may be used only for short haul purposes but may be pulled by a tractor that must be compliant because of mileage or territorial radius standards. For example, owner-operators may regularly shift vocations during the course of the year, moving from away from their home base to take jobs outside their territory. A compliant tractor should be able to pull an exempted, short haul trailer without being fined for being non-compliant. (Draft short-haul trailer exemption language for 2800 HD GHG is attached.)

CTA recommends that CARB set the exemption standard for tractors at 100,000 miles per year or a 150 mile radius and use the same criteria for a parallel, explicit short-haul trailer exemption standard.

Current CARB Cost-Effectiveness Analysis Is Not Credible
CARB staff's cost-effectiveness calculations have not reflected the reality of the costs that regulated entities are likely to face. Staff has offered an oversimplified analysis that distorts the economics of its proposal. The staff analysis posits that the average regulatee is a tractor and trailer that will travel 100,000 miles per year, achieve 8% to 11% in fuel savings and recover costs in less than two years. This analysis, however, ignores important facts.

- The ratio of trailers to tractors is, according to CARB, at least 2.5 to 1. Thus, a tractor that travels 100,000 miles will average only 40,000 miles per trailer per year. However, ARB data developed for the private fleet rule shows that the average California registered

Class 8 tractor travels less than 40,000 miles per year. This means that the typical California registered trailer will travel no more than 16,000 miles per year.

- The rule will put California registered trucking companies at a competitive disadvantage vis-à-vis out-of-state trucking companies because it will take the lower mileage California companies significantly longer to recover their costs. The cost-effectiveness analysis must include an estimate of the number of California registered companies that will be forced out of business by the rule as well as the impact of that loss to the state.
- Companies that own trailers but no or few tractors will have no way of recovering their costs since any savings will only accrue to the tractor owner. Moreover, the actual presence and amount of savings will depend upon factors, such as speed at which a trailer is hauled, that are beyond a trailer owner's ability to use to base charges for the use of their equipment.
- The certified savings associated with SmartWay aerodynamic technologies assume a speed of 62.5 mph. However, Caltrans data for I-5, the main North-South truck route, show that the average speed for four and five axle truck and trailer combinations is less than 60 mph and the median speed is about 55 mph. Moreover, many tractors are governed to go no more than 55 mph, the posted speed limit for trucks. There is nothing in CARB's calculations that takes these facts into consideration. Instead, CARB staff dismisses trucking companies' claims that they observe the posted limits.
- There is no test evidence from SmartWay that the individual aerodynamic benefits of SmartWay technologies can be simply added together. Thus, there is no scientific basis for CARB staff's projected savings percentages.
- SmartWay does not test for or certify durability. The technologies are so new that there is no good data on maintenance costs from damage to sideskirts.
- There is no analysis of the economy-wide legal and administrative costs that will be imposed by CARB staff's ill- conceived "joint liability" enforcement approach that will affect all parties, not just those responsible for upgrading the trailers. These costs will affect every party that takes delivery from a 53-foot or longer trailer. Thus, restaurants, small grocery stores and virtually any retail outlet will be subject to CARB fines, whose legitimacy or costs they will have no ability to assess or recover.
- There is no analysis of the costs and loss of efficiencies that will be borne by companies who would have to create and dispatch a separate fleet of compliant trailers for their California business.
- SmartWay does not test for or certify safety. CARB staff has not signaled any recognition of the potential safety problem from side skirts that can fall off a truck and pose a significant danger to highway traffic and life and limb. The insurance costs associated with having to install equipment that has no safety certification need to be taken into account. CARB must also factor in the public safety consequences of requiring the mounting of equipment whose safety has not been certified.
- Despite a pledge to assess the cumulative impacts of other CARB programs that are or will affect the trucking industry, CARB staff has not included the cost impacts that will be attributable to the low-carbon fuel standard rule or including transportation under the proposed cap-and-trade program. The costs of these other ARB programs and regulations must be included in any cumulative impact analysis.

CTA recommends that CARB staff revise its cost-effectiveness analysis to ensure that it reflects a realistic appraisal of the costs of the program versus any claimed benefits.

Aerodynamic Trailer Technologies are Not Mature Enough for a Mandatory Program
Aerodynamic trailer technologies have not been developed to a point of maturity where they can be made mandatory upgrades. Such technologies may, however, be adequate for a voluntary program, such as EPA SmartWay, because truck owners can decide what elements make business sense for them and can choose those that do.

EPA SmartWay certification is not adequate for establishing mandatory upgrade requirements. SmartWay certification tests only examine aerodynamic benefits. Durability, safety and vocational requirements are not included in SmartWay certification criteria. Equipment installed as part of a mandatory CARB upgrade should meet durability, performance and safety criteria and be certified as meeting vocational requirements. Aerodynamic upgrades for trailers do not currently meet such standards.

CARB staff has failed to understand the difference between the certification standards that are adequate for a voluntary program and the standards that are required for a mandatory program. Mandated technologies must meet a standard whereby those who must invest in upgrades will have confidence in their safety, effectiveness, durability, maintenance cost and ability to handle the rigors of their transportation businesses. This is especially true if the regulated parties are subsequently vulnerable to citations and insurance claims if the upgrades are too easily damaged, lead to highway accidents causing injury or death or otherwise prove unworkable.

CARB's staff's knowledge base is not adequate to make judgments about what mandatory combinations of aerodynamic options make sense for all the 53 foot or longer trailers that serve California. For example, CARB staff cannot simply add the potential benefits of different aerodynamic technologies together and assume that their joint benefit will be the sum of individual benefits. There has been no testing that examines the joint impact of using several aerodynamic technologies and there is, therefore, no basis to support such a simplistic approach.

CARB should not create a mandatory upgrade program based upon the faith that appropriate aerodynamic technologies will be developed in the future. The small, poorly capitalized companies that manufacture aerodynamic technologies are not capable of providing the assurance necessary to support a mandatory program, especially where there is significant question about the ability of the technology to provide benefits in the applications that CARB is proposing. These companies are vulnerable to being easily overwhelmed by the costs of warranty and liability claims that would be the inevitable result of forcing mandatory upgrades using their equipment regardless of their lack of appropriateness to specific vocations.

There have been significant operational problems reported with the aerodynamic technologies that are currently available. Some of these issues concern specific transportation vocations; others are related to freight movement infrastructure.

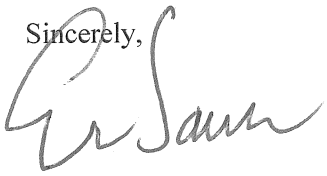
- Trailers with sideskirts cannot be loaded onto railcars without the sideskirts being damaged. All trailer loaders at railyards are bottom lifts which will damage trailer fairings. According to the Intermodal Association of North America (IANA), in 2007, a total of 335,880, 53-foot trailers went either into or out of the Southwest region, via intermodal service. IANA estimates that 95-98 percent of this total was California traffic.
- Trailers with side skirts cannot use tapered or steeply ramped loading docks without sustaining damage. This affects a large number of shipping and receiving facilities in the state that were originally constructed to handle 40-foot trailers.

- Sideskirts have been found to be too easily damaged in normal usage such as crossing roadways and railroad tracks. This damage can result in significant maintenance, replacement and loss of service costs that will undermine the cost effectiveness the upgrade might have.
- Sideskirts block access to equipment such as tool boxes, conveyor boxes, spare tire racks and other specialized equipment that is commonly stored under the trailer body.

CTA recommends that CARB defer aerodynamic trailer upgrade requirements and grandfather the current trailer fleet under the proposed rule. In the interim, ARB should work with EPA SmartWay to develop certification criteria that meet the performance, vocational and safety requirements needed to support a mandatory upgrade program.

CTA appreciates the opportunity to comment on this proposed regulation and thanks you in advance for your positive consideration of our suggestions. Please feel free to contact me with any questions or comments. CTA looks forward to a continued dialogue with CARB in addressing emissions issues in California. Thank you.

Sincerely,



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