OMAR R. BENJAMIN Executive Director

September 22, 2009

Ms. Mary Nichols Chair California Air Resources Board (ARB) 1001 "I" Street Sacramento, CA 95812

Re: Agenda Item 09-8-5: Public Meeting to present ARB's Draft Recommendations to Implement Further Locomotive and Railyard Emission Reductions

PORT OF OAK

Dear Ms. Nichols:

The Port of Oakland (Port) appreciates this opportunity to comment on the ARB staff's *Draft Recommendations to Implement Further Locomotive and Railyard Emission Reductions* that is being presented to the ARB Board members at the September 2009 Board meeting.

The Port owns, manages and markets seaport facilities on San Francisco Bay and the Oakland Estuary. The seaport ranks among the top five in the nation and 20th in the world in terms of annual container traffic. In support of our tenants and customers, Port staff is keenly interested in the comprehensive maritime industry air quality emissions reduction efforts that have been initiated by ARB through their regulatory program. We particularly appreciate the consistent and clear program to reduce diesel emissions statewide, backed up by incentive funding to assist businesses in meeting or exceeding the schedule deadlines.

Therefore, the Port urges the California Air Resources Board to implement its staff recommendation to pursue an incentive program to maximize the emissions reductions from locomotives throughout the state. Rail is a key component of the goods movement system at the Port, in California, and across the nation, and is the most environmentally sound way to move goods over land. Any action by ARB should preserve the efficiency of the logistics system as a whole, and should continue to reduce emissions within that context.

In support of this approach, the Port is currently working with the railroads and the Bay Area Air Quality Management District to use incentive funds, paired with private investment, to bring two clean burning ULEL switch locomotives to the Port's intermodal rail yard currently operated by BNSF Railway. We anticipate these locomotives will be operating at the Port in 2010.

Pursuing an incentive program will allow ARB to achieve its goal of reducing DPM from goods movement sources by 85% by 2020. Full implementation of the proposed

530 Water Street ■ Jack London Square ■ P.O. Box 2064 ■ Oakland, California 94604-2064 Telephone: (510) 627-1100 ■ Facsimile: (510) 627-1826 ■ Web Page: www.portofoakland.com locomotive measures in the ARB staff's recommendations translates to a 65 percent reduction in potential cancer risks in communities surrounding railyards by 2015 and 85 percent reduction by 2020¹.

International trade is a vital economic engine in California and must be allowed to thrive, especially in tough economic times. An incentive program preserves competitiveness and efficiency of the goods movement system, while driving down emissions to protect employees' and residents' health in California.

Thank you for your consideration.

Sincerel Benjamin Executive Director

¹ Pg. ES-3 of the ARB's Draft Recommendations to Implement Further Locomotive and Railyard Emission Reductions