Scott Carpenter 09-8-5

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September 23, 2009

Mary Nichols
Chair
California Air Resources Board
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

Dear Chair Nichols:

R. J. Corman Railpower appreciates the opportunity to comment on the ARB staff's *Draft Recommendations to Implement Further Locomotive and Railyard Emission Reductions* being presented to the Board Members at the September board meeting. R. J. Corman Railpower agrees with CARB's preferred approach of pursuing an incentive program to quickly maximize the near-term emissions efficiency benefits of rail transportation.

As you may know, the R.J. Corman Railpower Hybrid Green Goat and the Multi-Engine GenSet locomotives have been recognized by CARB as Ultra Low Emitting Locomotives for multiple years. R. J. Corman Railpower demonstrates its commitment to high performance clean energy locomotives with our acquisition of the bankrupt Railpower Hybrid Technologies Corp. Through the growth and development of the acquisition organization and its associated technology, we continue efforts to bring advanced technology to the rail industry. We are committed to keeping the R. J. Corman Railpower locomotives in California, which is demonstrated by our co-operative work with the SJVAQD on the five units for Modesto & Empire Traction Company. Additionally, we continue to plan for the advancement of our technology and the expansion of our current product lines.

Since 2005, the R. J. Corman Railpower Green Goat Hybrid locomotives have been instrumental in reducing emissions for major Class I Railroad switching operations located in Los Angeles and in Central California. Today, in those locations, future railroad operating engineers are being trained to utilize the rail industry's only production Hybrid locomotive. Soon, another Class I Railroad will unveil its Fuel Cell-powered switcher, which was born from a cooperative effort modifying an R. J. Corman Railpower Green Goat with other advanced technologies. Once it is put in service, this unit will first operate in the Los Angeles area.

R. J. Corman Railpower's commitment to the rail industry allowed us to enter the Multi-GenSet locomotive market in 2006, where we currently have 155 ultra-clean locomotives operating in multiple states and in various operations. Our 6-axle locomotives operating in Roseville and our 4-axle locomotives in the San Joaquin Valley are the cornerstone of our second generation of Multi-GenSet locomotives. The Roseville units are 2000 hp units with unrivaled performance, exceeding locomotive Tier III emissions standards. Designed a generation ahead, the modularity of our 6-axle GenSet locomotive allows customers to transform the unit into a medium horsepower locomotive with the simple swap of a ballast block for an additional forth genset. Utilizing our technology for medium horsepower applications is a small jump from our 2,000 hp 6-axle design, and would allow us to replace the older, high polluting medium horsepower locomotives; thus significantly continuing to reduce rail industry emissions.

We will further reduce emissions with the introduction of the Off-Road Tier IVi engines to our GenSets in the second half of 2010. These Off-Road Tier IVi engine-equipped multi-GenSet locomotives will meet EPA Tier IV Locomotive emissions standards approximately 4 years ahead of the EPA mandate. To this end, R. J. Corman Railpower firmly supports the continuation of the CARB incentive programs, as this allows wider-spread application of emissions-reducing technology. By continuing the CARB incentive programs, regions are able to target areas of the greatest need with the most advanced technologies. It is R. J. Corman Railpower's opinion that CARB continuation is also the most effective manner for enabling growth of clean technology locomotive applications in today's slow economy.

To-date, CARB has had tremendous success reducing emissions with incentive programs and enforceable agreements with the Railroads and other international trade emissions sources. The CARB report points out that further reductions from the rail industry are needed even after considering the new EPA locomotive regulations that were enacted just last year. The rail industry has shown a real willingness to cooperate and use current available clean technologies when the use of these technologies is supported by incentive funding rather than forced to battle regulatory applicability of states to impose such laws and regulations. It goes without saying that the rail industry is a vital part of the California economy.

Pursuing the incentive program will allow CARB to achieve the goal of reducing DPM and other harmful pollutants from goods movement in the near-term. Full implementation of the proposed locomotive measures in the staff's recommendations "*translates to a 65 percent reduction in potential cancer risks in communities surrounding railyards by 2015 and 85 percent reduction by 2020*" (Page ES-3).

International trade is a vital economic engine in California and must be allowed to thrive, especially in these 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. R.J. Corman is poised to be an integral part of the answer to the State of California and the rail industry's needs.

Sincerely,

Scott Carpenter
General Manager - Emissions
R.J. Corman Railpower

cc: Members of the Board