

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:

The California Short Line Railroad Association (CSLRA) appreciates this 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. CSLRA believes CARB's preferred approach should be pursuing an incentive program to maximize the emissions efficiency benefits of rail transportation.

Transporting goods by rail yields criteria pollutant emission benefits, reduces GHGs, and improves freeway congestion. Rail is the most environmentally sound way to move goods over land and is a key component of the goods movement system in California and across the nation. Any action by CARB should preserve the efficiency of the system as a whole, and should continue to reduce emissions within that context.

Many of our members, their employees and family members are a part of the logistics industry, providing transportation services and other supply chain services around the state. Our members live and work in the communities surrounding all types of goods-movement facilities such as rail yards around California. We are concerned about the air we breathe and our health, however, we have also become increasingly concerned about the diversion of freight away from California's ports, in part due to ill-conceived emission reduction programs proposed at the state and local level. CARB should take care not to further complicate this situation by advancing measures which could send the wrong signals in the market place and harm small businesses, while failing to achieve significant emission reductions.

CARB has had significant success with past incentive programs and enforceable agreements with the Railroads and other international trade emissions sources. On Page 5 of the Recommendations document, "staff estimates that diesel PM emissions from all sources at railyards will be reduced by about one-third by 2010, about half by 2015, and about two-thirds by 2020, even with a strong

341 Industrial Way, Woodland, CA 95776 Tel: 530-668-8480 • Fax: 530-666-2919 projected growth in rail operations." These reductions result from federal standards and state regulations of other rail yard sources (such as cargo handling equipment), as well other agreements with the railroads. Additionally, ARB states existing projections may overestimate growth in the next 5-10 years given the current recession, resulting in dramatically lowered emissions for the foreseeable future.

Pursuing the incentive program will allow CARB to achieve their goal of reducing DPM from goods movement sources 85% by 2020. 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, particularly for small businesses such short line railroads, 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.

Sincerely,

cc:

Members of the Board

Mr. James Goldestene