



California Council for Environmental and Economic Balance

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September 21, 2009

Mary Nichols
Chair
California Air Resources Board
1001 "I" Street
Sacramento, CA 95812

Re: Agenda Item 09-8-5 (September 25, 2009): Public Meeting to Consider Staff Recommendations to Provide Further Locomotive and Railyard Emissions Reductions

Dear Chair Nichols:

The California Council for Environmental and Economic Balance (CCEEB) is a coalition of business, labor and public leaders, which strives to advance collaborative strategies for a strong economy and healthy environment. We appreciate the opportunity to comment on the ARB staff's *Draft Recommendations to Implement Further Locomotive and Railyard Emission Reductions* that is being presented to the Air Resources Board on September 25th. We understand that the CARB staff's preferred approach is to pursue an incentive funding program that will maximize the emissions efficiency benefits of rail transportation. CCEEB supports such an approach.

The CARB has had significant success with past incentive programs and enforceable agreements with the Railroads and other international trade emissions sources. Based on measures already adopted, your 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 projected growth in rail operations*" (Page 5). These real reductions are significant. They came about through a carefully balanced combination of federal locomotive standards, state regulations of other rail yard sources (such as cargo handling equipment), as well enforceable agreements with the railroads, over a decade or more.

While the CARB may or may not be correct that it has regulatory authority over a narrow range of existing locomotives, CCEEB believes it is correct for the CARB not to exercise that authority, as doing so would only force the railroads to install the old emissions control technology (Tier 0), instead of encouraging them to install the most stringent emissions controls available (Tier 2 or better).

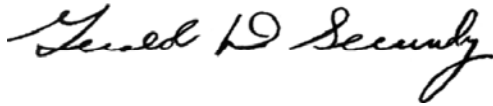
Transporting goods by rail yields criteria pollutant emission benefits, reduces GHGs, and improves freeway congestion. Rail is the most environmentally sound way to move goods over land and is a key component of the goods movement system in California and across the nation. International trade is a vital economic engine in California and must be allowed to thrive, especially in tough economic times where railroads and other industries have experienced a 20-30% reduction in California business activities. A well-targeted and realistic incentive program, such as the one preferred by your staff, will preserve competitiveness and efficiency of the goods

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movement system, while driving down emissions to protect employees' and residents' health throughout California.

CCEEB believes the Railroad-Air Resources Board partnership is on the right track. Targeted incentive funding will help continue such a program into the future.

Sincerely,

A handwritten signature in black ink, reading "Gerald D. Secundy". The signature is written in a cursive style with a large, stylized "G" and "S".

GERALD D. SECUNDY
President

cc: Members of the Board
 Mr. James Goldstene
 Mr. Mike Jaczola
 Mr. Harold Holmes
 Mr. Kirk Marckwald
 Ms. Sarah Weldon
 Mr. Michael Barr
 Mr. William Quinn
 Mr. Jackson R. Gualco
 Mr. Allan Lind