



Dr. Robert Sawyer, Chair  
California Air Resources Board  
1001 "I" St.  
Sacramento, CA 95812

Re: Comments on the draft report *Evaluation of Port Trucks and Possible Mitigation Strategies*

Dear Dr. Sawyer: *bab*

The California Trucking Association (CTA) supports statewide policies to improve the emission performance of trucks involved in California's goods movement sector. The legacy fleet of older higher polluting vehicles must be addressed with input from the trucking industry. Without the knowledge of where and how the legacy fleet operates, CARB will adopt rules that fail to reduce pollution by extending the useful life of higher polluting vehicles.

As an industry, we are extremely disappointed in the quality of recommendations and analysis in the draft report, *Evaluation of Port Trucks and Possible Mitigation Strategies*. The poor quality is a direct consequence of ARB staff's failure to seek any input from the trucking industry before publishing its recommendations for public discussion. The plan, such as it is, is both impractical and unenforceable and reflects an embarrassing ignorance regarding a key state industry that employs one out of every 12 working Californians. In particular:

- The ARB staff plan mistakenly focuses only on California-registered trucks. California ports and the goods movement industry are served by both California-registered and interstate-registered trucks. Interstate-registered Class 8 trucks operating in California outnumber California-registered Class 8 trucks by 15 to 1. Any interstate truck has the right under Federal law to transport cargo to or from any port. When Mexican trucks gain the ability to move beyond the border area to which they are currently restricted, they also will be able to service California ports at will.
- Efforts by ARB to enforce its regulations only on California-registered trucks would lead California owner-operators to register as interstate carriers in neighboring states under the interstate operating authority of the motor carriers to whom they currently provide drayage services. This would be a natural business response to ARB regulations that would require only California owner-operators to use expensive retrofitted trucks while their interstate and international competitors could use trucks of any vintage to serve the ports. Apart from not cleaning the air, such a mass registration exodus would further decimate California's native trucking industry and have a significant impact on state registration and weight fee revenues deposited in the State Highway Account.

- Emission requirements cannot be imposed on interstate trucks by ARB via regulatory fiat. Such emission standards can only be enforced at registration. This would require state legislation to establish emission standards applicable to all trucks that use California highways. California registration requirements would then be enforceable via the International Registration Program through which interstate trucks, including Mexican and Canadian trucks, gain the right to drive on California highways. A statewide emission requirement would place upward pressure on the rates charged for all goods movement activities in the state reflecting the higher capital costs of emission compliant equipment
- Any statewide truck emission requirements must provide adequate lead time for truck owners to upgrade their equipment. The amount of time provided must take into account national truck manufacturing capacity and not create short-term demand for equipment that causes supply shortages or otherwise distorts the price of new equipment. Necessary lead time would have to reflect the fact that approximately half of all the Class 8 interstate trucks registered in the United States provide goods movement services in California.
- Neither Class 8 trucks nor owner-operators are classified by vocation. A long-term driver shortage and high driver turnover rates means that owner-operators move their trucks into and out of various activities, including port service, seeking the best return on their labor and capital investment.
- ARB's limited authority to implement or enforce its plan receives virtually no discussion in the draft plan. Although the ARB, ports, and cities of Long Beach and Los Angeles do not have the authority to limit access to international cargo by duly licensed trucks, this inconvenient fact is simply ignored. ARB's recent history of acting under questionable authority has resulted in a number of lawsuits that have delayed program implementation. Apart from the emission consequences associated with such delays, it is important that this and related rulemakings not suffer the same fate.
- The ARB staff plan inappropriately suggests the use of public money from the state budget or infrastructure bonds to perpetuate the meager rates paid for drayage services by beneficial owners of cargo. Port-transiting cargo is the fundamental reason for transportation-related port emissions. Drayage rates charged to beneficial owners and shared by motor carriers with owner-operators must be sufficient for owner-operators to purchase emission compliant equipment. The public should not be asked to pay to mitigate the emissions associated with goods movement undertaken for private purposes.

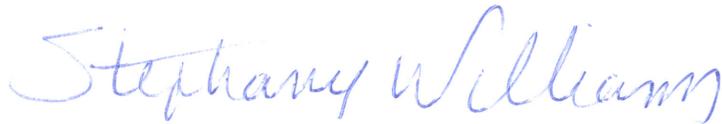
- Any plan should also exclude truck welfare in the form of subsidized truck purchases. Trucks should not be provided either free or at discounted rates to drivers or companies for service in any particular vocation. Free or discounted trucks impact the rate structure for the entire trucking industry and discourage fleet modernization. Fleet modernization associated with statewide emission standards must be sustainable and uniform across the industry.
- ARB staff's convoluted engineering plan to require owners of trucks as new as the 2006 model year to install expensive retrofit equipment to bring them up to 2007 emission standards defies common sense. The notion that a \$20,000 surcharge, applied only to used trucks that are driven in California, will not disturb the national truck market and the availability of trucks in California is naïve. The prices of used trucks are determined primarily by the prices of new trucks offset by the reduced life, diminished reliability and increased maintenance costs of used trucks. Requiring purchasers of used trucks to install \$20,000 of emissions control equipment before they can use their trucks in California will either require sellers to offer such trucks to California purchasers at a \$20,000 discount, an unlikely prospect, or distort the price of all new trucks upward to reflect the higher effective prices of used trucks.
- The calculations of costs and emissions associated with port activities used to justify policy recommendations by ARB staff have not been documented in a sufficiently transparent manner to allow an independent assessment of conclusions. Apparently extensive appendices that discuss inputs to the analysis do not provide the details of actual calculations. Calls to ARB staff for clarifications may not be returned for days. ARB must provide all spreadsheets of calculations as well as documentation and justifications for assumptions that are included in calculations to allow interested parties to fully evaluate the ARB staff analysis. By not including such information and poorly documenting its analyses, the ARB inappropriately denies potential regulatees the tools to critique its analyses.
- ARB staff must conduct and document sufficient sensitivity analyses to demonstrate that its program conclusions are robust. Although there are some references to uncertainty in connection with the impacts of emissions, the implications of the uncertainties are not adequately discussed and there are no corresponding sensitivity analyses or acknowledgements regarding uncertainty in the sections on program costs or emissions.

In conclusion, ARB staff's proposed plan is impractical and unenforceable. If implemented, the plan would have a serious negative impact on the state's goods movement industry and the state budget, all without reducing emissions and likely increasing the useful life of the legacy fleet.

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Dr. Sawyer

The California Trucking Association hereby requests that the Board direct ARB staff to withdraw its port trucking proposal and commence a meaningful dialogue with trucking companies and their association to develop a realistic plan for improving the emissions performance of trucks involved in the goods movement sector in general and the port drayage sector in particular.

Sincerely,



Stephanie Williams  
Senior Vice President

CC: Members, California Air Resources Board  
Honorable Jenny Oropeza, Chair, Assembly Transportation Committee  
Members, Assembly Transportation Committee  
Honorable Alan Lowenthal, Senate Transportation and Housing Committee  
Members, Senate Transportation and Housing Committee  
Maira Topp, Governor's Office  
Sunne Wright McPeak, Secretary, Business, Transportation and Housing