Air Resources Board

Mary D. Nichols, Chairman
1001 I Street • P.O. Box 2815
Sacramento, California 95812 • www.arb.ca.gov

Matthew Rodriquez
Secretary for
Environmental Protection

Edmund G. Brown Jr.
Governor

December 4, 2013

Mr. Carl R. Ice
President and Chief Operating Officer
BNSF Railway
2650 Lou Menk Drive, 2nd Floor
Fort Worth, Texas 76131-2830

Mr. Lance Fritz
Executive Vice President, Operations
Union Pacific Railroad
1400 Douglas Street
Omaha, Nebraska 68179

Dear Mr. Ice and Mr. Fritz:

Over the past three years, BNSF Railway and Union Pacific Railroad (the Railroads) and the Air Resources Board (ARB or Board) have worked together to develop proposed agreements, known as the Railyard Commitments, to reduce diesel particulate matter emissions at four high priority railyards in Southern California. The Board held a public hearing on the draft Commitments in June 2010 and delegated authority to the Executive Officer to conduct the required environmental analysis and make a determination, based on that analysis, on the Commitments.

I have decided not to approve the Commitments, but rather initiate a public process that can lead to a more holistic path for reducing emissions from rail and other freight operations. The decision is driven by my belief that we need to explore more comprehensive vehicles for achieving long-term emission reductions from the freight sector, including rail operations. For example, the Scoping Plan Update provides a public platform to describe the need for a sustainable freight strategy to transition to a cleaner, more efficient freight system in California and a process to get there.

Over the past fifteen years, the Railroads have in good faith continued to meet or exceed obligations and responsibilities under the 1998 and 2005 Railroad/ARB Agreements. Our collective efforts have yielded significant emission reductions and environmental benefits, especially in Southern California.

I believe we can tap into this effective collaboration as we look to the future. There is much more to do to meet all of California's environmental objectives. ARB is seeking to continue working closely with the Railroads, together with other interested stakeholders, to explore all options for achieving the greatest emission reductions possible from the freight system in California and to develop the most effective strategies for moving forward.

The energy challenge facing California is real. Every Californian needs to take immediate action to reduce energy consumption. For a list of simple ways you can reduce demand and cut your energy costs, see our website: http://www.arb.ca.gov.

California Environmental Protection Agency

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I thank you and your staff for the time, resources, and energy invested in both developing the draft Commitments and successfully implementing the existing agreements. If you have any questions, please contact me at (916) 445-4383.

Sincerely,

Richard W. Corey
Executive Officer

cc: Mary D. Nichols, Chairman

Honorable Board Members