Proposed Rule 2306 - Indirect Source Rule for New Intermodal Facilities
Working Group Meeting #3

Meeting Agenda

- Summary of Previous Working Group
- Response to Comment Letter from BNSF
- Next Steps
- Staff Contacts

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Zoom Webinar ID: 979 5814 6672
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Summary of Working Group Meeting #2

- Staff highlighted Burlington Northern Santa Fe Railway (BNSF)'s comment letter in response to Working Group Meeting #1
  - Staff will respond to comments in today's Working Group Meeting
- Presented format for review of potential zero-emissions and near-zero emissions technologies
- Railroad representatives from BNSF and Union Pacific presented status and findings of their low- and zero-emission technology projects for locomotives and railyard equipment

Comment Letter from Burlington Northern Santa Fe Railway

- On September 15, 2021, BNSF submitted a comment letter providing feedback on topics covered during Working Group Meeting #1
  - Comment letter is made available on the South Coast AQMD website
- Comment letter covered the following topics:

Significant Efforts and Emissions Reductions Already Occurring in the South Coast Air Basin

### BNSF Comments
- BNSF voluntarily agreed to the 1998 Memorandum of Understanding with CARB that has succeeded in significant emissions reductions statewide.
- 67% of BNSF’s locomotives in the South Coast Air Basin (Basin) were Tier 2 or cleaner in 2020.

### Staff Response
- While there are statewide emissions reductions resulting from the 1998 MOU, siting the new intermodal facilities will cause new emissions and health impacts affecting the surrounding Environmental Justice communities.
- Tier 2 locomotives are far behind the U.S. EPA’s Tier 4 engine standards for line haul and switch locomotives.
  - Based on BNSF’s reported 2020 fleet activity data in the Basin, only 5.7% of locomotives were Tier 4 and nearly 33% were Tier 1 or older.

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1. CARB. 2020 Fleet Activity Data for the South Coast Air Basin. Available at: https://ww2.arb.ca.gov/resources/documents/rl-emission-reduction-agreements

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Significant Efforts and Emissions Reductions Already Occurring in the South Coast Air Basin

1998 Locomotive NOx Fleet Average Emissions Agreement in the South Coast Air Basin (1998 MOU)

- The 1998 MOU between UP, BNSF and CARB agreed to achieve a fleetwide average of Tier 2 NOx emission standard (5.5 g/bhp-hr) by 2010.
- 1998 MOU allowed railroads to use fleet average emission credits for early introduction of Ultra Low Emission Locomotives (ULEL).
- UPPR has achieved the Tier 2 NOx standard, with ULEL credits since 2010.
- BNSF has achieved the Tier 2 NOx standard without ULEL credits since 2010.
- Current federal standard for new locomotives is Tier 4 (1.3 g/bhp-hr).

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South Coast Locomotive Fleet Average Emissions (2010 to 2020)

- Tier 4 (1.3 g/bhp-hr)
- 5.5 g/bhp-hr
### Significant Efforts and Emissions Reductions Already Occurring in the South Coast Air Basin (continued)

#### BNSF Comments
- BNSF invests significantly in the “next generation” of zero and near-zero emission technologies to help accelerate their commercial viability
- In many cases, the technology is not ready for commercial deployment
- BNSF has deployed zero- and near-zero emission cargo handling equipment at several facilities in California
- BNSF has funded a battery-electric demonstration project and is working to integrate low-carbon renewable fuels

#### Staff Responses
- Staff acknowledges BNSF efforts and encourages BNSF to continue to deploy more near-zero and zero emission projects to help commercialize new technologies
- Lower emission technologies such as Tier 4 locomotives are already deployed into commercial operation
- During the rulemaking process, staff will explore how demonstration projects can be incorporated into new intermodal facilities
- It is critical as new technologies are commercialized that BNSF commits to implementing these technologies to minimize emissions and public health impacts

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### Colton Intermodal Facility Localized Impacts

#### BNSF Comments
- Proposed Colton facility is an essential component to bring high speed rail to Southern California
- Proposed Colton facility will use:
  - Zero-emission cargo handling equipment
  - Allow local destination freight to move more efficiently
  - Remove truck traffic between Inland Empire warehouses and the Hobart/Commerce rail facility
  - Average of 10 few trains per day operating between Colton and Hobart/Commerce rail facility
  - Will remove 3,650 train trips and 1.4 million truck trips between Inland Empire and Los Angeles

#### Staff Response
- Pleased that BNSF is committed to zero-emission cargo handling equipment
- Through the rulemaking will explore use of the cleanest technologies for all sources at the proposed railyard taking into consideration:
  - Operating practices
  - Readiness of technologies today
  - Technologies that will be achievable during the lifetime of the project and an appropriate implementation schedule
- Through the rulemaking process other considerations may be identified
Colton Intermodal Facility
BNSF Comments Regarding Removing Truck and Train Trips

- BNSF had commented that the proposed Colton facility would remove 3,650 train trips and 1.4 million truck trips between Inland Empire and Los Angeles, resulting in reduced truck traffic and regional air emissions
- Even if emissions are reduced regionally, it does not mean that local air quality impacts are reduced, especially when new intermodal facilities will be new sources of local emissions
- Staff understands the comment that the proposed Colton intermodal facility may potentially reduce capacity at existing railyards, however it is unclear if:
  - The existing railyards are already at capacity
  - The total capacity and activities of the BNSF’s freight network in Southern California will increase

Southern California International Gateway
BNSF Comments Regarding Removing Truck and Train Trips

BNSF Comment

- The proposed SCIG intermodal facility will remove truck trips from the I-710 between the ports and Hobart/Commerce facility, and reduce regional emissions and significant regional air quality improvements
- The Basin is more likely to be in nonattainment with the National Ambient Air Quality Standards (NAAQS) if SCIG is not built than if it is built

Staff Response

- Similar to Colton, staff understands the claim that the proposed SCIG intermodal facility may potentially reduce capacity at existing railyards, however it is unclear if:
  - The existing railyards are already at capacity
  - The total capacity and activities of the BNSF’s freight network in Southern California will increase
- Staff would like to understand how BNSF can guarantee freed capacity from existing railyards will not be backfilled
- While emissions are expected to decrease regionally for the build and the no-build scenarios, SCIG’s localized NO2 concentrations in 2023, 2030, 2035, and 2046 would remain significant and substantially above NAAQS during operation
BNSF Comments

- Proposed Colton facility will not add 10 trains per day – trains that currently operate today would stop at Colton instead of continuing to travel to Hobart/Commerce in Los Angeles
  - Resulting in removal of 3,650 train trips and 1.4 million truck trips between Inland Empire and Los Angeles
  - Reducing regional emissions

Staff Response

- See staff response on Slides 8 and 9 on concerns of localized impacts from new intermodal facilities
Information About SCIG
(Slide 11)

BNSF Comments
- SCIG is not located on a greenfield site, but rather, will replace existing higher-polluting industrial activities on a brownfield site
  - With SCIG health risks are reduced as compared to no SCIG
- The Revised Draft EIR also found that there was little potential for any air quality impacts of SCIG to overlap with those of the proposed expansion of the nearby ICTF facility operated by the Union Pacific Railroad
- SCIG will not result in a regional increase in train and truck trips

Staff Responses
- Staff acknowledges these comments and raised concerns over the information about SCIG in the Revised Draft EIR
  - See staff’s comment letter on the Revised Draft EIR
- See staff response on Slide 10 regarding local vs regional impacts

Information About SCIG
(Slide 13)

BNSF Comments
- SCIG FEIR concluded that SCIG will remove millions of truck trips off the I-710 freeway
- The Revised Draft EIR found almost no overlap between SCIG’s impacts and those of the ICTF expansion project
  - Small overlap of 1-hour NO2 impacts, which would not occur in any benchmark year before 2046
- After mitigation is considered for SCIG, there are no significant PM impacts to any sensitive receptor or to any residential area in any benchmark year

Staff Responses
- See staff response on Slide 10 regarding local vs regional impacts
- See staff comments on the Draft Revised EIR for SCIG on Slide 13
- The SCIG Revised DEIR did not include any diesel PM mitigation measures
- During the rulemaking staff will explore measures to minimize NOx and diesel PM from all sources (See Slide 8)
Information About CEQA (Slide 14)

BNSF Comments
- NO2 ambient concentrations include those from SCIG and existing non-SCIG emission sources in the project vicinity and is not an incremental or net new analysis.

Staff Responses
- Graph shows the net NO2 ambient concentrations from SCIG in 2023, 2030, 2035, and 2046 is significant and substantially above NAAQS during operation.
- Through the rulemaking staff will explore use of the cleanest technologies for all sources to address localized NO2 concentrations to better ensure compliance with the federal NO2 standards.

Information About SCIG (Slide 28)

BNSF Comments
- Per the Revised Draft EIR SCIG will achieve a net decrease of 153 tons of NOx emissions per year compared to the CEQA baseline.
- SCIG would use electric cranes and LNG hostlers, thus eliminating most diesel emission sources at the facility.

Staff Responses
- See staff comments on the Draft Revised EIR for SCIG on Slide 13.
- BNSF has stated that the proposed Colton intermodal facility will use electric cargo handling equipment.
  - SCIG should be subject to the same requirement for cargo handling equipment.
Information About SCIG (Slide 29)

BNSF Comments
- No evidence the Basin would potentially be put in nonattainment for NO2
- Graph shows that the Basin is more likely to be “put into nonattainment” with the NAAQS if SCIG is not built than if it is built
- South Coast AQMD misrepresents the information in the Revised Draft EIR as SCIG’s “own” emissions
  - In fact, the bar graphs on slide 29 show the peak impacts from all sources included in the “project” definition, including tenants and the monitored background
  - The monitored background alone is 142 μg/m3 of the NAAQS (189 μg/m3)

Staff Responses
- See staff response on Slide 14 regarding SCIG’s NO2 ambient concentrations in the graph
- Staff raised concerns over the information about SCIG regarding NO2 impacts in the Revised Draft EIR
  - See staff’s comment letter3 on the Revised Draft EIR

Next Steps
- Continue Working Group Meetings
- Provide draft rule concepts
## Staff Contacts

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