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Susan Nakamura
Deputy Executive Officer, Planning, Rule Development and Area Sources
South Coast Air Quality Management District
21865 Copley Dr
Diamond Bar CA 91765
Via email - SNakamura@aqmd.gov

Re: SCAQMD Working Group Presentation on Rule 2306

Dear Ms. Nakamura:

Thank you for hosting the Proposed Rule 2306 – Indirect Source Rule for New Intermodal Facilities – Working Group discussion on July 30, 2021. BNSF reviewed the presentation and provided feedback before the meeting to clarify the discussion of the Southern California International Gateway (SCIG) and Colton Intermodal Facility (Colton). Although South Coast Air Quality Management District (SCAQMD) did make some changes to the deck prior to the public presentation, we were disappointed that several mischaracterizations were not corrected. Taken as a whole, SCAQMD’s presentation leads the public to believe that SCIG and Colton would increase emissions in the South Coast Air Basin (Basin); as discussed below, this is not accurate. Although there would be incremental increases in emissions at portions of the facilities, there would be a substantial decrease in regional particulate matter (PM), nitrogen oxides (NOx), and greenhouse gas (GHG) emissions. We note SCAQMD has made similar arguments about the urgency of making short-term progress with environmental stakeholders; in its recent letter titled, “Partners in Environmental Justice and Environmental Health,” SCAQMD explicitly noted its “obligation to take all reasonable and feasible steps to reduce emissions.”¹ We agree with SCAQMD in the dual need for investment in zero-emissions (ZE) technology and investment in projects that can reduce emissions in the near-term. SCAQMD goes on to say that “it would be irresponsible for [SCAQMD] to effectively throw up our hands and not explore all options for reducing emissions now.”

Reducing Emissions in the South Coast Air Basin:

As initial background, moving freight by rail is three to four times more fuel-efficient than moving freight by truck, making rail the most fuel-efficient way to move freight over land. This efficiency reduces GHG emissions by up to 75%.² In addition, BNSF has made significant efforts to further reduce emissions associated with rail transport, particularly in California. In 1998, BNSF voluntarily agreed to a Memorandum of Understanding (98 MOU) with the California Air Resources Board (CARB) that has succeeded in significantly reducing emissions statewide. As of the end of 2020, 67% of BNSF’s locomotive

¹ Nasti, Wayne. Letter to Partners in Environmental Justice and Environmental Health. August 3, 2021. Available at: <https://opalfuels.com/wp-content/uploads/2021/08/Response-EJ-NZE-letter-08-03-2021.pdf>

² More information available at: <https://www.aar.org/wp-content/uploads/2021/02/AAR-Climate-Change-Report.pdf>

fleet in the South Coast Basin was Tier 2 or cleaner, resulting in reductions of PM and NOx by 56% and 15%, respectively, since 2010.

BNSF has invested (and continues to invest) significantly in the “next generation” of zero and near-zero emission technologies to help accelerate their commercial viability; however, in many cases, the technology simply isn’t ready for commercial deployment. We value the opportunity to partner with CARB and SCAQMD to test and iterate these technologies so we can identify and solve the barriers to large-scale commercial deployment. As an example of our commitment to these technologies, we have deployed zero-emission and near-zero emission cargo-handling equipment at several facilities in California. We have successfully piloted a battery-electric locomotive in revenue service between Barstow and Stockton. And we are working to test and integrate low-carbon renewable fuels into some of our operations in California.

Colton Intermodal Facility:

BNSF is a long-time supportive partner of passenger rail and has worked with passenger rail service operators including Metrolink and Amtrak to facilitate operation of passenger service on BNSF rights-of-way throughout Southern California. To allow for the introduction of high-speed rail service and the increase of other passenger rail operations on BNSF rights-of way, BNSF has worked collaboratively with the High Speed Rail Authority (HSRA) on the development and environmental review of HSRA’s proposed Los Angeles-to-Anaheim Project Section, which would require relocation of a portion of BNSF’s future freight rail service on the Los Angeles to Anaheim corridor to accommodate additional passenger rail service on BNSF’s right-of-way between Redondo Junction and Fullerton Junction. The proposed Colton facility is an essential component necessary to bring high speed rail to Southern California.

The proposed Colton facility would use zero-emission electric cargo-handling equipment and allow local destination freight to move more efficiently. Specifically, the proposed Colton facility would remove truck traffic between Inland Empire warehouses and the Hobart/Commerce rail facility. Similarly, because that freight would now be processed at Colton, there would be an average of 10 fewer trains per day operating between Colton and the Hobart/Commerce rail facility. As a result, Colton will not add 3,650 train trips and 1.4 million truck trips annually, but rather, it will remove the 3,650 train trips and 1.4 million truck trips between the Inland Empire and Los Angeles that would otherwise occur. Therefore, although the environmental analysis of the Los-Angeles-to-Anaheim Project Section is still in the administrative draft stage, initial indications are that Colton would result in reduced truck traffic in the Basin and between Los Angeles and the Inland Empire, with commensurate reductions in emissions.³

³ Revised Notice of Preparation (NOP) for an Environmental Impact Report / Environmental Impact Statement (EIR/EIS) for the Los Angeles-to-Anaheim Project Section of the California High-Speed Rail (HSR) System (2020). https://hsr.ca.gov/wp-content/uploads/docs/programs/statewide_rail/proj_sections/los_angeles_anaheim/CHSRA - LA-A-Revised-Notice-of-Preparation_English.pdf

Southern California International Gateway:

BNSF has been working for more than 15 years to build a state-of-the-art near-dock intermodal facility which would connect to the existing Alameda Corridor through Los Angeles and onward. SCIG would significantly shorten the distance of the truck trip required to move freight destined to, or originating from, the Ports. Specifically, by loading freight onto BNSF trains just 4 miles from the Ports (rather than being trucked more than 20 miles to BNSF's existing Hobart/Commerce yards), millions of truck trips would be removed from the I-710 freeway.⁴ Because moving freight by rail (wherever possible) is more fuel-efficient than moving freight by truck, SCIG would result in reduced emissions in the Basin. In fact, had SCIG been built as scheduled, it would have already removed more than 15 million truck trips from the I-710 freeway, resulting in significant regional air quality improvements.

Proposed Rule 2306 - Working Group Presentation:

On July 30, 2021, SCAQMD hosted the first Working Group to discuss Proposed Rule 2306 – Indirect Source Rule for New Intermodal Facilities. SCAQMD's presentation states that "Proposed Rule 2306 is designed to partially implement MOB-02" and identifies the need for the proposed rule in the context of two proposed BNSF intermodal facilities (which, as discussed above, would have the effect of reducing net emissions in the Basin). In so doing, SCAQMD has a responsibility to stakeholders and the general public to accurately characterize those facilities, and their impacts, based on factual evidence. However, in reviewing the presentation, we identified a significant number of incomplete, inaccurate, unsupported, and misleading statements and conclusions about Colton and SCIG and their associated environmental reviews under the California Environmental Quality Act (CEQA). We have provided some of our specific comments below organized by slide.

Slide 9 contains incomplete and inaccurate information about the proposed Colton facility.

- Colton will not "add" ten trains per day – in fact, *Colton will not add any trains at all*. Rather, Colton will remove ten trains per day that operate between the Inland Empire and Los Angeles, creating track capacity for passenger trains. Specifically, trains that currently operate today would stop at Colton instead of continuing to travel to Hobart/Commerce in Los Angeles.
- Similarly, Colton will not add 1.4 million miles of truck trips. By processing freight destined to, or originating from, the Inland Empire at Colton -- rather than processing them at Hobart/Commerce and trucking 50 miles to and from the Inland Empire -- Colton will reduce truck trips, average truck trip distance, and net vehicle miles traveled, achieving commensurate regional air emissions reductions.
- As an integral component of the Los Angeles-to-Anaheim Project Section of the California High-Speed Rail (HSR) System, Colton will enable substantial increases in passenger train levels on BNSF's

⁴ Revised Draft Environmental Impact Report (EIR) for Southern California International Gateway (SCIG) Project (2021). <https://kentico.portoflosangeles.org/getmedia/0aadeb20-a89a-4a7f-b954-7ed6a1730699/SCIG-Revised-Draft-EIR-Final-May-2021>

right of way through the Los Angeles Basin. These increases, and associated environmental benefits, are not possible without Colton.

Slide 11 contains incomplete and inaccurate information about SCIG.

- SCIG is not located on a greenfield site, but rather, will replace existing higher-polluting industrial activities on a brownfield site. As a result, the health risk assessment presented in the SCIG FEIR shows that *health risks are decreased at every residential receptor* when the mitigated project is compared to the “No Project” alternative⁵. Furthermore, as shown in Revised Draft EIR, both peak ground-level concentrations of NO₂ and PM, as well as the geographic extent of significant ground-level concentration impacts for NO₂ and PM, will be reduced under the mitigated SCIG Project scenario when compared to not building the SCIG Project.⁶ Moreover, under the mitigated SCIG Project scenario, the SCIG Project will not result in significant PM impacts at any residential area or at any sensitive receptor. Together, these analyses show that the communities around SCIG and along the I-710 freeway, including environmental justice communities, will benefit more from building SCIG than if the project is not built. Additional details about these findings are included in our comments to slide 13.
- 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. Additional details about these findings are included in our comments to slide 13.
- Train trips will not increase under SCIG. Rather, the only change will be that trains will originate at SCIG, rather than Hobart/Commerce, and traverse the Los Angeles Basin via the Alameda Corridor (which was the subject of its own environmental review under CEQA), rather than via the I-710 freeway (i.e., SCIG allows a modal shift from truck to rail, resulting in reduced emissions in the Basin).
- Truck trips will not increase under SCIG. As discussed above and shown in Table 1 of the Technical Appendix to the Revised Draft EIR⁷, millions of truck trips will be *removed* from the I-710 freeway. In addition, the vehicles miles traveled (VMT) from trucks will decrease significantly, since trucks will travel from the Ports to SCIG (which is much closer to the Ports) instead of from the Ports to Hobart/Commerce.

Slide 13 contains incomplete and inaccurate information about SCIG.

- Slide 13 misleadingly states that “[t]he South Coast AQMD and others challenged the SCIG’s EIR and prevailed” and that “the Revised Draft EIR identified [that] the proposed SCIG project would cause significant localized air quality impacts related to NO₂, PM₁₀, and PM_{2.5} during operation.” The Court of Appeal’s ruling in *City of Long Beach v. City of Los Angeles* (19 Cal.App.5th 465) rejected

⁵ See **Appendix C3 – Health Risk Assessment** in the Final EIR for the SCIG Project (2013).

https://kentico.portoflosangeles.org/getmedia/ea2e0409-6668-4067-a781-eda3c9b2036f/App_C3_SCIG_FEIR

⁶ See **Table 3-4** - Revised Draft EIR for SCIG Project (2021).

⁷ See **Table 1** – Technical Appendix to the Revised Draft EIR for SCIG Project (2021).

<https://kentico.portoflosangeles.org/getmedia/c5fff466-479b-4f7c-8ecf-86297fcb0d91/SCIG-Revised-Draft-EIR-Technical-Appendix>

nearly every claim asserted by SCAQMD and agreed with SCAQMD only that the FEIR had provided insufficient disclosure of project and cumulative ambient air impacts from NO₂ and PM concentrations. Furthermore, the Court found that the FEIR properly concluded that SCIG would remove millions of trucks from the I-710 freeway.

- In fact, the Revised Draft EIR, which the Port of Los Angeles prepared to provide the additional disclosure required by the court, shows that the communities around SCIG and along the I-710 freeway, including environmental justice communities, will benefit more from building SCIG than if the project is not built. Specifically, the Revised Draft EIR includes analyses for “benchmark years” throughout the lifespan of the SCIG project. The Revised Draft EIR shows that the geographic extent of significant NO₂⁸ and PM⁹ impacts is *limited almost entirely to industrialized areas*, and that SCIG’s impacts would be, in all benchmark years, less widespread than they would be if SCIG were not built.
- Furthermore, the Revised Draft EIR found almost no overlap between SCIG’s impacts and those of the ICTF expansion project. The Revised Draft EIR identified a small overlap of 1-hour NO₂ impacts, *which would not occur in any benchmark year before 2046*, and even then, would affect only a few sensitive or residential receptors on the west side of Webster Avenue in West Long Beach.
- Finally, slide 13 incorrectly states that “[t]he only mitigation for PM is street sweeping, which is not sufficient to reduce the significant localized PM emissions.” *This is incorrect.* Street sweeping does not eliminate all significant PM impacts, but it does reduce them below significance thresholds at all sensitive receptors and in all residential neighborhoods. *Thus, after mitigation is considered, there are no significant PM impacts to any sensitive receptor or to any residential area in any benchmark year.*¹⁰

Slide 14 contains incomplete and inaccurate information about CEQA.

- Slide 14 incorrectly states that “CEQA analyzes a project’s incremental (‘net new’) impacts from a baseline, but does not consider impacts already existing on the ground (‘existing conditions’) as project’s impacts” and that “[a] project located in an Environmental Justice area with a high-pollution baseline has the potential to obscure the project’s incremental impacts.” However, *these statements are not true for NO₂ ambient air concentrations, and therefore, are misleading about the value of the SCIG environmental review and the impacts to communities around the project.* The FEIR and Revised Draft EIR model the NO₂ ambient air concentrations that would result from emissions of not only SCIG (and existing uses displaced by SCIG), but SCIG *plus a monitored background value* that represents other existing facilities (some of which would be eliminated by SCIG). Contrary to SCAQMD’s presentation, this is not an “incremental” or “net new” analysis; rather, the FEIR and Revised Draft EIR identify, and determine impact significance based on, the NO₂ concentrations that would result from SCIG *plus* all existing non-SCIG emissions sources in the vicinity of the project site. The Revised Draft EIR shows that, if SCIG were built,

⁸ See **Table 3-4** - Revised Draft EIR for SCIG Project (2021).

⁹ See **Table 3-6** - Revised Draft EIR for SCIG Project (2021).

¹⁰ See **Section 3.5.3.3** - Revised Draft EIR for SCIG Project (2021).

significant NO₂ concentration impacts would, in every future “benchmark” year, cover a smaller area of the surrounding community than they would if SCIG were not built. In other words, SCIG would provide a future environmental benefit to the community.

Slide 28 contains incomplete and inaccurate information about SCIG.

- Slide 28 states that “2035 NO_x emissions for the Proposed SCIG project are 245 tons per year.” This number is misleading, particularly in the context of localized impacts to communities around SCIG. In fact, *SCIG will achieve a net decrease of 153 tons of NO_x emissions per year*, compared to the CEQA baseline. First, NO_x emissions include all locomotive emissions extending out to the edge of the Basin. 60% (145 of the 245 tons per year cited by SCAQMD) are attributable to off-site locomotives traveling all the way to the edge of the Basin.¹¹ Locomotive emissions from Hobart to the edge of the Basin would occur regardless of whether SCIG is built, and therefore, are not properly attributable to SCIG. Furthermore, offsite locomotive emissions generally will not result in localized impacts to communities near the site. Finally, the “245 tons per year” number also includes all the emissions of existing tenants at the SCIG project site (including those that would be completely displaced from the site).
- Additionally, slide 28 states that intermodal facilities operate various emission sources that are generally fueled by diesel. However, SCAQMD did not clarify that that SCIG would use electric cranes and LNG hostlers, thus eliminating most diesel emission sources at the facility.

Slide 29 contains incomplete and inaccurate information about SCIG.

- Slide 29 includes the unsupported and incorrect statement that SCIG “on its own could potentially put [the] Basin into nonattainment” with NAAQS. There is no evidence to support this conjecture. In fact, the graph SCAQMD included in its revised presentation (which is based on Table 3-4 in the Revised Draft EIR) 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.
- Moreover, SCAQMD 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).

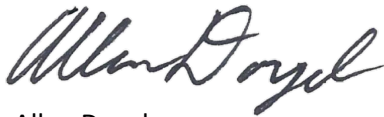
BNSF appreciated the opportunity to provide feedback prior to the presentation; however, as mentioned above, we were disappointed to see that many items were not corrected. When SCAQMD presents information in a public forum, the public perceives the information as “true” and it shuts down further dialogue. This is especially challenging when the information being presented has not been adequately verified. We welcome the opportunity to meet with staff at SCAQMD to more fully explain the details of

¹¹ See **Table 3.2-25** – Section 3.2 Air Quality - Recirculated Draft EIR (2012).

https://kentico.portoflosangeles.org/getmedia/b9dd79fe-0ba7-42ad-9969-b75a69d2532d/03-02_SCIG_RDEIR_AirQuality

both SCIG and Colton and answer any questions you may have regarding the projects. We believe it is crucially important, both for BNSF and SCAQMD, to accurately characterize these projects in future Working Group presentations. We look forward to an ongoing, productive dialogue throughout this process.

Sincerely,

A handwritten signature in black ink, appearing to read "Allen Doyel". The signature is written in a cursive, flowing style.

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