

Testimony of James Jack, Executive Director
Coalition for Responsible Transportation
Before the Assembly Select Committee on Ports
Hearing on Clean Air Goals and the Port of Oakland
California State Capitol
May 27, 2009

Madam Chairwoman and Members:

Let me first thank you, Madam Chair, and the members of the Committee for inviting the Coalition for Responsible Transportation to testify before you this afternoon.

The environmental needs facing our Ports have reached a critical stage that requires immediate action from all goods movement stakeholders, including the private sector. I am pleased to be here today to report to the Committee that the private sector members of CRT are answering that challenge, and are investing millions of dollars in the deployment of new, clean equipment in partnership with the state and our local Ports.

CRT was formed in 2007 to facilitate the implementation of practical and sustainable solutions to reduce port truck pollution at our nation's blue water ports in a manner that balances the environmental needs of Port communities with the efficient flow of commerce. CRT member companies are committed to responsible stewardship of the environment and to taking leadership roles within their respective industries in the development of transportation related environmental initiatives.

While CRT does not represent the entire universe of Port users, we represent the largest and most progressive customers and service providers at the Port, and are using our market power to drive change that will result in significant improvements in air quality.

CRT initially came together to look at ways to address truck related emissions issues in Southern California, and have produced tremendous air quality results in the process. Since 2007, CRT member companies have deployed nearly 1,500 clean diesel and LNG trucks at the Ports of LA and Long Beach, all of which are years ahead of the Ports' 2012 deadline for 2007 emissions compliance, and the vast majority of which have been privately financed.

When the Port of Oakland announced plans to develop its Maritime Air Quality Improvement Program (MAQIP), CRT began its involvement in Oakland with the same goals in mind.

It is important to note that the MAQIP was developed in coordination with both industry and community, and recognizes the urgent need to take aggressive steps towards improving the air quality from maritime activities at the Port.

Just as importantly, the MAQIP also recognizes the need for Oakland to remain an economically attractive gateway for maritime trade in order to attract the needed private sector investment to deploy the clean equipment that will be needed to reach the MAQIP's goals.

As a coalition of major importers, exporters, trucking companies and ocean carriers, that utilize the Port of Oakland, we are here today to express to the committee our full commitment to meeting the air quality goals that have been adopted by the Port through the MAQIP.

We recognize that, as members of the Oakland Port community, it is imperative that we work collaboratively with the Port and our community in order to minimize health risks from diesel pollution.

We support the Port's adoption of hard targets for emission reduction goals through implementation of an aggressive timeline for the phase-out of high polluting diesel trucks servicing the Port. This timeline will ensure that quantifiable air quality benefits are met while allowing private industry a reasonable amount of time to procure compliant equipment.

We also support the direction of achieving the goals without imposition of container fees that could result in the diversion of cargo away from Oakland and deprive the port of critical private sector investment in new technology.

It is important to note that the expected private sector contribution from the trucking industry towards meeting the Ports clean air goals has been estimated at \$185 million. This translates into a very significant amount of new private capital that individual trucking companies will be required to find in order to deploy the clean equipment that will meet those goals.

This will be a significant challenge for many local companies who are already feeling financial pain from the overall reduction in cargo volumes due to the current economic downturn, and the reduction of credit available in the financial markets.

Our commitment to the Port's clean air goals is strong, but we must to stress the need to work with the Port through the MAQIP to create and implement best practices to deploy clean drayage equipment and to identify financing solutions to support the retirement of older equipment.

From the perspective of port customers, one of the keys to our mutual success with the Port will depend on facilitating continuous and meaningful communication between all stakeholders and the Port. This communication will ensure that individual companies are on record with a quantifiable commitment to the deployment of clean equipment and are accountable to upholding that commitment.

We are pleased to advise the committee that many CRT members have already begun to publicly commit to the Port of Oakland that the port trucks they use will be in full compliance with MAQIP emission requirements for all containers that they control by January 1, 2010 deadline.

This commitment will provide the Port real-time information on how individual members of the drayage community are progressing toward overall Port goals, and will allow the Port to develop collective numbers on to measure the progress the industry as a whole is making towards meeting clean air goals.

In summary, our organization supports the noteworthy environmental goals that the Port of Oakland has outlined in the MAQIP, and looks forward to continuing our partnership with the Port to reach those goals.