

June 7, 2007

Honorable Antonio Villaraigosa, Mayor
City of Los Angeles
200 North Spring Street, Room 303
Los Angeles, CA 90012

Honorable Bob Foster, Mayor
City of Long Beach
333 West Ocean Boulevard, 14th Floor
Long Beach, CA 90802

Subject: San Pedro Bay Ports Clean Air Action Plan – Clean Trucks Program

Dear Mayor Villaraigosa and Mayor Foster:

As recyclers of paper, glass, plastic and metals throughout the State of California, we, the members of the Association of the California Recycling Industry (ACRI), understand the importance of taking action to reduce pollution, protect natural resources and improve our environment. We work everyday to recover commodities that can be recycled and reused in order to divert material from our landfills and reduce dependence on our natural resources.

We are proud to support efforts by government and agencies with regulatory authority to develop fair and equitable operating standards for the protection of our environment. However, we are deeply concerned that the impacts of the San Pedro Bay Ports Clean Air Action Plan (CAAP) – Clean Trucks Program will negatively impact our members and will place an insupportable burden on shippers across the State.

While we support the initiative the Ports have taken to lead the way in protecting the environment we believe that the environmental concerns should and can be addressed without the fundamental changes to the basic structure of shipping to the Ports that is included in the proposed program.

Program Impacts

As proposed, the Clean Truck Program forces independent owner/operators to become employees of approved Port concessionaires in order to access the port. This proposed requirement will not improve air quality or protect the environment but it will reduce the competition to ship to the Port as it will reduce the number of trucks allowed at the Port. The laws of supply and demand tell us that this will increase the cost of reaching the Port. Private industry analysts are projecting that this increase will be between \$250 to \$500 per container.

These costs will be compounded by the various increases in fees, estimated at \$250 per container, that are being proposed by the State of California and the Port Authority. As recyclers, we ship paper scrap and recovered materials to the Far East for use in

their manufacturing processes. The average value of our commodity over the last five years has been \$2,500 per container. We cannot easily sustain a \$50 per container increase in costs much less a \$500 increase in costs.

Recommended Alternative

As stated, ACRI favors the implementation of regulations to limit the air pollution generated by truck travel to and from the Port. We support the development of a rule establishing the standard for diesel engines allowed at the Port with a final date when all truckers will be required to comply with this.

We understand that the cost of a new truck or a truck retrofit can be prohibitive for the independent driver and therefore we support a grant program to provide assistance for the purchase of a truck or payment for a retrofit. Limitations can be placed on the use of the truck and those uses can be monitored through the modern technology available to track vehicle travel. Violators can be fined when they again try to access the Port.

While we realize that impacts will be felt from the development of any rule, we feel that the Clean Truck Program in its current state, places an unfair burden on California's importers and exporters and we know that the increased shipping costs will be devastating to our members. We ask that you reconsider the structural changes that are proposed for the Port and limit the Clean Truck Program to addressing air quality and pollution standards.

Sincerely,

Neil Kay
Executive Director

C: Los Angeles

Helmi Hisserich, Deputy Mayor, City of Los Angeles
Robin Kramer, Chief of Staff, City of Los Angeles
David Libatique, Office of International Trade, City of Los Angeles
Bob Henry, Port of Los Angeles Harbor Commission
Geraldine Knatz, Executive Director, Port of Los Angeles

Long Beach

Gus Hein, Secretary to the Port of Long Beach
Dick Steinke, Executive Director, Port of Long Beach

Bob Curry, CALCART