Western States
TRUCKING ASSOCIATION
Since 1941

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August 31, 2018

Ms. Khamly Chuop, Port Associate Environmental Planner/Scientist
Port of Oakland
530 Water Street
Oakland, CA 94607

RE: Draft Seaport Air Quality 2020 and Beyond Plan

Dear Ms. Khamly Chuop,

The Western States Trucking Association (WSTA) submits these comments regarding the Draft Seaport Air Quality 2020 and Beyond Plan.

ABOUT WSTA

The WSTA is the oldest, independent nonprofit trucking association in the U.S. founded in 1941. We are headquartered in Upland, CA. Our nearly 6,000 member and affiliated motor carriers are engaged in virtually every mode of trucking including construction, port drayage, cross-border, general freight, heavy-haul and agricultural operations. The majority of our members are classified as small-businesses and 45 percent are single-truck owner-operators. The WSTA has a port drayage conference, West State Alliance which is comprised of motor carriers and owner-operators serving the Port of Oakland. Our members work both "inside the gates" and "outside the gates" helping the port build its infrastructure.

COMMENTS

The Draft Seaport Air Quality 2020 and Beyond Plan ("Draft") accurately describes the significant reductions already achieved by the drayage fleet serving the port. While the WSTA disagrees in principle that transitioning to a zero-emissions fleet of drayage trucks will ever be financially feasible and cost effective, we recognize the port faces pressure to achieve that goal.

The draft does describe that additional studies should be completed regarding the financial feasibility of converting the drayage fleet to meet a zero emissions mandate. However, existing zero-emissions truck technology is no-where close to being ready for "prime-time" for regional dray operations from the port. From a financial perspective current zero emissions trucks being tested may not be ready in any market ready capacity until at least the middle of the next decade. The WSTA supports additional studies to determine the cost-effectiveness of any mandate.

SOCIAL ENGINEERING

Unlike the southern California ports where labor and environmentalist along with politicians have made a target of owner-operated trucks serving the San Pedro port complex, Oakland should avoid falling in lockstep with those ports by instituting environmental policies designed to push owner-operators (independent contractors) from the port and risk unnecessarily increasing transportation costs thus encouraging cargo diversion to other west coast ports.

INTEGRITY ◊ PROFESSIONALISM ◊ EDUCATION ◊ SAFETY

Many owner-operators serving the Port of Oakland have made a business choice to focus on drayage for a wide variety of reasons such as improved home time versus operating in a long-haul environment. Many of the motor carriers serving the Port of Oakland have avoided the misstep of engaging in "lease-purchasing" of trucks – the key issue and focus of labor, regulators, lawmakers and others in southern California. Indeed, the WSTA doesn't know of a single member who serves the Port of Oakland that engages in "lease purchasing" of trucks.

The upcoming change to the Clean Trucks Program in southern California banning trucks older than four years is nothing less than a backhanded attempt to eliminate owner-operators from the marketplace under completely specious air quality improvement goals. Labor and their allies have long championed the elimination of owner-operators in trucking, especially port drayage. Owner-operators (and small-businesses) generally "repurpose" larger trucking fleets equipment. Larger fleets tend to replace their trucks in four year cycles. A properly maintained truck is capable of meeting emissions standards. The California Air Resources Board currently has a proposal that will reduce the existing opacity limits during mandatory smoke testing that would further insure on-road trucks are being properly maintained thus making any air quality improvements merely hypothetical and likely unachievable by this change.

The cost difference between purchasing a brand new truck and one that is four years old is more than enough to insure that a transition will occur at southern California ports away from owner-operated trucks to an employee only model, the goal of organized labor. That is pure social engineering designed to favor large employee dominated companies under the "hope" that labor will organize them. Motor carriers that already have instituted an employee only business model as a result of their own legal problems with misclassification would be the "winners." Some of those carriers have been very public in endorsing a change in the marketplace since they want everyone to share in their own self-created misery of increased operational costs.

GRANTS AND INCENTIVES

As the port considers various pathways towards a zero-emission drayage fleet the *WSTA* believes incentive programs should be developed and targeted to help maintain the owner-operator/independent contractor model that has successfully served the Port of Oakland.

It will take a lot of creative thinking to develop a targeted program since the cost of zero-emission trucks new will be in the multiples of hundreds of thousands of dollars – frankly, beyond the ability of most owner-operators or small-business to afford or even get financing.

The port could consider some type of tiered implementation program based on fleet size that would necessarily span a number of years to allow larger fleets the ability to turn-over their zero-emissions trucks where owner-operators and smaller fleets may be able to purchase them. Some of the promises being made today concerning the longevity of zero-emissions trucks could mean fleets will hold onto them longer than is the currently industry average. Financial assistance may well still be needed by owner-operators and smaller fleets in order to purchase these trucks as "used."

Sincerely,

Director of Governmental Affairs & Communications
Western States Trucking Association

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