



January 11, 2010

Ms. Lucille Van Ommering
California Air Resources Board, Office of Climate Change
1001 I Street
Sacramento, CA 95814

RE: ARB Cap and Trade Workshop December 14, 2009

Dear Ms. Van Ommering:

The Western States Goods Movement Alliance (WSGMA) submits these comments on behalf of the undersigned concerning both the Workshop to Discuss the Preliminary Draft Regulation for a California Cap-and-Trade Program held on December 14, 2009 and the Preliminary Draft Regulation.

WSGMA represents a coalition of trade sensitive transportation entities and supply chain providers in California. The threats to in-state goods movement are serious as bordering states/countries attempt to capture services of competing ports of entry for large container ships. We oppose placing goods movement related transportation under a declining cap. The goods movement sector cannot survive a compilation of Scoping Plan regulations that attempt to:

- 1) Increase utility rates 30-45%
- 2) Assess utility providers with an \$82 million allowance liability
- 3) Increase in state diesel fuel prices 40-60 cents per gallon
- 4) Assess in state refining with a \$150 million allowance liability
- 5) Limit offsets to 4% thereby disallowing utility and diesel fuel providers reduction in compliance costs
- 6) Regulate trailers for aerodynamic efficiencies

During the workshop, you requested that we provide copies of comments submitted regarding our opposition to the Low Carbon Fuel Standard (LCFS). Three sets of comments reflect our position on trade sensitive goods movement filed 1) 12/10/08 – Scoping Plan comment log display #450, 2) 4/22/09 – Early Action AB 32 and Low Carbon Fuel Standard comment log display #225 and 3) 4/22/09 – IWLA Comments on LCFS – comment log display #210. Thank you for the opportunity to comment.

Sincerely,

Stephanie Williams, Executive Director, Western States Goods Movement Alliance
Joel Anderson, President & CEO, International Warehousing and Logistics Association
Miguel Silva, President, West State Alliance, Oakland Port
Michael Lightman, President, Harbor Truckers for Sustainable Future, LA/Long Beach Port
Richard Arzinger, President, Distribution Manager's Association & General Manager, McLane Company
William Butler, President & CEO, Weber Distribution
Robert A. Curry Sr., President, California Cartage Company

Cc: California Assembly and Senate
Mary Nichols, Executive Director, CARB
Sam Wade, CARB