United States Senate

WASHINGTON, DC 20510

June 28, 2024

The Honorable Michael S. Regan Administrator U.S. Environmental Protection Agency 1200 Pennsylvania Avenue NW Washington, D.C. 20460

Dear Mr. Regan:

We write to express our strong opposition to a pending request by the California Air Resources Board (CARB) to authorize enforcement of its rule to ban proven and efficient diesel-electric locomotives (the California rule). This misguided mandate on railroads would harm interstate commerce and ironically reduce utilization of one of the cleanest, most efficient means of transportation. We urge you to adhere to federal law and deny this waiver request.

The California rule is plainly unworkable. Railroads operating diesel-electric locomotives utilize, on average, just one gallon of fuel to move one ton of freight nearly 500 miles. This impressive efficiency is the result of substantial investments, from improved drive technology to increase the pulling capability of locomotives, to the use of software that optimizes operations, to supplementing traditional diesel-electric locomotives with a battery locomotive that can be recharged by storing energy when braking.¹ Still, no economically-viable technology for full zero-emission operation on long haul service exists, short of the immense expense and infeasible logistics of running overhead electric wires across an entire network, which even CARB does not anticipate in its economic impact analysis.² The most powerful battery locomotive in the world stores barely one-sixth of the energy a diesel-electric locomotive might use in one long-haul run, and current hydrogen technology lacks sufficient power, fueling infrastructure, and timely fueling capability.³

¹ See generally Republic Locomotive, *AC Traction vs DC Traction* (accessed Apr. 16, 2024), https://www.republiclocomotive.com/ac-traction-vs-dc-traction/; Wabtec, *Trip Optimizer* (accessed Apr. 16, 2024), https://www.wabteccorp.com/digital-intelligence/energy-management/trip-optimizer; BNSF Railway, *BNSF and Wabtec Commence Battery-electric Locomotive Pilot Test in California* (Jan. 4, 2021), https://www.bnsf.com/news-media/news-releases/newsrelease.page?relId=bnsf-and-wabteccommence-battery-electric-locomotive-pilot-test-in-california.

² See CARB, Proposed In-Use Locomotive Regulation: Standardized Regulatory Impact Assessment (May 26, 2022), 59, https://ww2.arb.ca.gov/sites/default/files/barcu/regact/2022/locomotive22/appb.pdf (CARB SRIA).

³ See William Vantuono, "Engines of Change," *Railway Age* (Mar. 2024), 19–23; see also Esther Fung, "Rail Carriers Contemplate Life After Diesel," *Wall St. J.* (May 21, 2024),

https://www.wsj.com/business/logistics/rail-carriers-contemplate-life-after-diesel-whats-next-633a9d43?mod=djemlogistics_h.

Allowing CARB to enforce the California rule would disrupt interstate commerce and drive prices higher. Railroad transportation is vital to our economy, accounting for roughly 40 percent of long-distance freight. The costs of the California rule would be staggering: CARB acknowledges an impact on over 11,700 Class I locomotives, which is roughly half of the domestic Class I locomotive fleet, with compliance costs of nearly \$16 billion through 2050.⁴ The compliance sum is likely an underestimate of total economic impact, since some short line railroads would cease operations entirely.⁵ Those costs and resultant reduction in competition would be passed on to shippers who, if not cut off from the railroad network entirely, would in turn pass increased expenses to consumers. This would place greater financial burdens on everyday Americans. Unsurprisingly, the California rule is opposed by numerous railroad customers, agricultural groups, manufacturers, and other stakeholders.

The technical impracticality, additional cost, and reduction in competition associated with the California rule are too harmful to justify any authorization to allow enforcement. In addition to resulting in these adverse policy outcomes, a decision in favor of CARB would also contravene federal law by sanctioning a California rule that is arbitrary and capricious and lacks a compelling and extraordinary justification for its massive costs.⁶ We urge you to protect interstate commerce with a complete denial of CARB's request.

Ted Cruz United States Senator

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Marsha Blackburn United States Senator

Sincerely,

Barrasso

John Barrasso United States Senator

Mike Braun United States Senator

 ⁴ CARB SRIA, *supra* note 2, 59–60; Class I Railroad Locomotive Fleet by Year Built, Bureau of Transportation Statistics (accessed Apr. 16, 2024), https://www.bts.gov/content/class-i-railroadlocomotive-fleet-year-built (indicating 23,264 total Class I locomotives as of 2021).
⁵ Letter from U.S. Chamber of Commerce et al. to EPA Administrator Regan (Apr. 10, 2024), https://www.uschamber.com/infrastructure/transportation/u-s-chamber-led-letter-to-epa-on-california-airresources-boards-carb-in-use-locomotive-regulation.

⁶ See 42 U.S.C. § 7543(e)(2)(A)(i)–(ii).

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Thom Tillis United States Senator

Todd Young United States Senator

cc: The Honorable Pete Buttigieg, Secretary of Transportation