

H-GAC, TCEQ, and Railroad Stakeholders Short List SIP Meeting

MEETING SUMMARY

December 1, 2008
3:30pm to 4:30pm
H-GAC Conference Room C
3555 Timmons Lane, 2nd Floor
Houston, Texas 77027

Persons Present:

Ken Gathright (PoHA), Kirk Higbie (PTRA), Marvin Wells (PTRA), Hugh L. McCulley (PTRA), Brittney Weathers (GCFRD), Lanny Schmid (UP), Peter Conlon (KCS), Steve McNealy (KCS), Carl Akins (KCS), Mike Clift (BNSF),

Staff Present:

Donna Huff (TCEQ), Koy Howard (TCEQ), Shelley Whitworth (H-GAC), Graciela Lubertino (H-GAC), Kelli Angelone (H-GAC), Connie Chao (H-GAC), Chris Lindhjem (Environ)

Environ Presentation: Overview of SIP Process and Control Strategy Discussion

Environ reviewed the process by which control strategies were gathered into a master list of every possible strategy, then narrowed into a short list of realistic, achievable strategies. Strategies that would be voluntary or have local support were those that were considered for the Houston-Galveston-Brazoria region's State Implementation Plan (SIP). The off-road strategies include:

1. Voluntary retrofit/replacement programs
2. Increasing the efficiency of switching yards in the region
3. Replacing old switching engines
4. General efficiency improvements, ie, straightening routes, grade separation, upgrading technology such as bearings and lubrications.

PUBLIC COMMENTS:

- 1) Question put to railroads: is 50% a reasonable estimate of the number of your switching engines that have already been replaced?
 - a. BNSF answered that their percentage of switching engines already replaced was probably higher.
 - b. KCS answered that they probably had no switching engines in the Houston area, they have just through-service on UP lines. However, they are planning to install a switching engine in Rosenberg.
- 2) Question put to railroads: has there been any route straightening in your area?
 - a. KCS answered no.
 - b. UP said that actually, with Tier 4 standards, there would be a decrease in fuel efficiency, which would cancel out some efficiency gains.

MOU/MOA Discussion :

H-GAC wanted to discuss potential agreements that could be made for emission reductions with railroad stakeholders. Railroads/ locomotive emissions make up a large portion of the emissions inventory.

PUBLIC COMMENTS:

- 1) KCS referred to a project involving Tower 55 in Fort Worth—a freight crossing with BNSF which was successful, costing a couple million dollars. They said that it was probably not realistic to expect a good amount of emissions reductions funding to be available for aggregated crossing or fluidity improvements.
- 2) PTRA offered up the extension of double-track from Deer Park to Pasadena. The project originally cost \$5 million in public funds 8 to 9 years ago, but it was not completed then due to pipeline issues which are now resolved. However, now the project will cost over \$10 million, with the difference being made up by the railroads.
 - a. H-GAC asked if this project could be made into a VMEP and the reductions quantified.
 - b. PTRA was concerned about further project delays, which H-GAC said that they did not want either, and that a VMEP agreement should not hold up a project in any way.
- 3) UP commented that many times projects for environmental benefits had been ‘forgotten’ by the public, and that sometimes, they could not receive further funding because of VMEP agreements.
 - a. H-GAC reminded them of a project that H-GAC had worked on where they had verified that UP would make their VMEP reductions and still accept TERP funds to get even further reductions.
- 4) There was concern that a lot of locomotives eligible for MOAs are leased. TERP has some limitations for leased vehicles that are not attractive to industry. Suggestions were given for whom to talk to about leased locomotives.
- 5) PTRA detailed their inventory—24 units never leave Houston, all but 8 have been overhauled, and those will be overhauled this year. They applied to TERP in 2006 at TCEQ’s request. These emission reductions could work as an MOA.
- 6) BNSF detailed their fleet—a large percentage of their switch engines have been replaced by TERP. They do not think they are interested in replacing any more vehicles in this region.
- 7) KCS said that the potential for emission reductions may lie with smaller entities. They also asked if there were incentives to help with these projects or if they were expected to do them on their own.
 - a. H-GAC answered that projects for MOAs cannot be accepting TERP funds or they will have to be counted under TERP. The same is true for CMAQ funding.

ACTION ITEM: H-GAC

- 1) **HGAC should send to the railroads sample MOAs from the last SIP.**

ACTION ITEM: Industry Groups

- 1) **Groups should consult among themselves to decide on Memoranda of Agreement or Understanding that they would be able to enter into with HGAC and TCEQ.**