

Port Commission Special
Meeting of March 31, 2009

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March 31, 2009

Chief Executive Officer Tay Yoshitani Port of Seattle 2711 Alaskan Way Seattle, WA 98121

Dear Mr. Yoshitani:

I am writing on behalf of the Retail Industry Leaders Association (RILA) to express our support for your outline for a clean truck program that ensures a reduction in truck emissions while maintaining a healthy business climate for supply chain investments in the ports of Seattle and Tacoma. Shippers, like RILA's retail members, support the adoption of a rolling ban on trucks based on the model year of the equipment without fees imposed on industry stakeholders. The timeline included in your outline allows transportation providers to make sound investments that maintain both the Seattle and the Tacoma port's competitive advantage over other west coast ports.

By way of background, the Retail Industry Leaders Association (RILA) is a national trade association of the largest and fastest growing companies in the retail industry. Its member companies include more than 200 retailers, product manufacturers, and service suppliers, which together account for more than \$1.4 trillion in annual sales. RILA members operate more than 100,000 stores, manufacturing facilities and distribution centers, have facilities in all 50 states, and provide millions of jobs domestically and worldwide.

RILA's members, who are among the largest shippers through the Port of Seattle, urge you to continue to not include fees on industry stakeholders to fund truck replacement programs. Earlier this year, the ports of Los Angeles and Long Beach implemented fees to help fund clean trucks. In our view, this has led to the movement of some discretionary cargo out of LA/LB and into other "fee free" ports such as Tacoma and Seattle.

Mandatory fees may void investments that shippers, carriers and drayage providers have already made to purchase fleets of expensive clean burning harbor trucks. We hope you will chose to rely on industry to identify the most cost effective investments available to comply with the standards you set.

We urge you not to include unnecessary provisions unrelated to the commission's goals, including those that would result in added costs to doing business through Seattle and Tacoma marine terminals. Already, the Intermodal Carrier Conference of the American Trucking Association (ATA) was successful in their efforts of filing suit against both the ports of LA/LB for including a truck concession requirement in their Clean Truck Program designed to restructure the size and

nature of the harbor **drayage** industry. We are encouraged by the federal appeals court decision to support ATA's challenge. The court appropriately found that the ban on owner-operators at the Port of Los **Angeles** was illegal and that Long Beach's demands for detailed financial data from **drayage** operators and for preference to hire certain drivers were likely illegal as well. **These** provisions force hard working small business owners out of the market while doing nothing to directly reduce truck emissions

Taking an industry friendly approach is good for business in **Seattle/Tacoma**. The more **SeaTac** is able to differentiate itself from the ports of Southern California by working together with willing industry partners, the more it will position itself as a preferential gateway---which benefits everyone tied to the port economy including the truckers and drivers.

Many independent owner operators make a good living and run successful small businesses, the backbone of the American economy. Independent operators can, will, and have deployed clean equipment without needing the port to get into the truck financing business to impose any fees or employee mandates. Many of RILA's members have negotiated rates at the ports of LA/LB with their individual trucking providers that allow for the purchase of new, clean equipment that is 100 percent privately funded.

In these tough economic times it is extremely important to approach worthy environmental mitigation issues such as this one with **careful** consideration for unintended consequences. We must work together to avoid the problems encountered by some of your southern neighbors. Working in collaboration, we can ensure that we address the shared goal of reducing carbon emissions around the ports, while protecting the businesses and good jobs affiliated with the port's operations.

In summary, RILA supports your concept of implementing a rolling ban based on the age of the truck applicable to both Seattle and Tacoma marine terminals. We are co dent that industry stakeholders will **find** the most **efficient** means of complying with the rule so as to maintain the region's competitive advantage.

Thank you for your consideration and if you have any questions, please contact me.

Sincerely,

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