



Opening Statement of Investigations & Oversight Subcommittee Chairman Jay Obernolte

Subcommittee on Investigations & Oversight Hearing

Environmentalism Off the Rails: How CARB Will Cripple the National Rail Network

June 13, 2024

Good afternoon. Thank you all and to Ranking Member Foushee for being here.

The purpose of this hearing is to discuss a proposal by the California Air Resources Board that could cripple the national freight network.

The California Air Resources Board, or CARB for short, is seeking a waiver from the EPA to require all locomotives manufactured after 2035 that travel through the state to operate in a zero emissions configuration.

The idea of zero emissions locomotives sounds very supportable. Unfortunately, the technology to actually accomplish this does not currently exist. In fact, there are many who doubt it can ever be achieved. However, even if this technology became feasible, we are decades away from making zero emission locomotives a reality in the freight rail industry.

Currently, the vast majority of freight rail moves by diesel electric trains, which convert mechanical energy from diesel engines into electric power that moves the wheels and propels the train down the track. Because diesel is 27 times more energy dense than a lithium battery, a typical diesel electric train can convert 5,000 gallons of diesel into 100 megawatt hours of energy. Meanwhile, the largest, most powerful train battery technology commercially available today holds only between 5 and 8 megawatt hours of energy.

This means CARB is expecting the rail industry to invent a battery that can hold up to 20 times more energy capacity than currently exists, and then mass produce that technology and include it on every train in the nation within the next 6 years.

To be clear, I'm certainly not saying that industry shouldn't strive to make our freight network cleaner. But to impose an arbitrary deadline that is not supported by science shows that CARB has abandoned its mission to protect Californians from harmful air pollution to instead support unrealistic, idealistic, policies.

Worst of all, CARB's zealous actions are threatening to derail years of progress made by railroads to reduce emissions. Through decades of investments, and billions of dollars in research, the rail industry can now move 2,000 pounds of freight 450 miles on a single gallon of diesel. The rail industry continues to make investments to reduce emissions and other particle contaminants through technologies such as positive train control and trip optimization. As a result, trains account for less than 0.5% of U.S. greenhouse gas emissions. Even considering only transportation related emissions, rail accounts for less than 2%.

Unfortunately, imposing this harsh and unrealistic regulation will likely have an effect counter to the goal of this regulation and CARB's mission. If the EPA allows CARB to implement this proposal, and the rail industry is unable to meet the impossible demands, we will likely see a shift in modal transportation where all freight is no longer moved by rail but is instead transported via trucks within the state. Heavy-duty trucks, which account for 23% of emissions, would then become the primary means of freight transport in California. Transporting freight by truck emits roughly three times as much greenhouse gasses as transporting it by rail. This shift would undeniably result in a massive increase in greenhouse gas emissions, which is the exact opposite goal of what CARB claims this regulation is meant to accomplish.

CARB also wants to ban the use of any locomotive over 23 years old. Buying a locomotive is not like buying a car. The average Class 1 freight locomotive has a service life of 40 to 50 years. Locomotives are multi-million-dollar investments that only make sense if used for extended periods of time, similar to an aircraft or a large container ship.

For many short line railroads in my state, buying new locomotives is simply not an option. Forcing them to do so means that they will have to simply cease operations.

California knows this and even admits it. In the proposed regulation, CARB states that some smaller Class III locomotive operators will face significant compliance costs, and projects that it will likely lead to their elimination if they are unable to offset them.

Unfortunately, the negative downstream effects of this regulation won't be confined to the state of California. The supply chain implications for this proposal could be much larger.

We all remember the supply chain nightmares our country experienced several years ago. Over 70 container ships were anchored off the coast of California waiting for space to open in the ports of Los Angeles and Long Beach. This caused a supply chain disruption that was felt nationwide.

If the waiver is granted, the new CARB rule could create another similar situation, with millions of tons of goods waiting to be moved from ships onto trucks instead of trains because CARB decided to ignore science and plain common sense. Except, unlike the previous disruption, this one would be permanent.

The House Science, Space, and Technology Committee is meeting today to talk about science and technology. We are here to analyze where the science and technology of rail is currently at and what steps can be taken to reduce emissions and other particle pollutants in a smart and responsible way.

Thank you for your willingness to be here to discuss this critically important topic.