



# WASHINGTON TRUCKING ASSOCIATIONS

**EXECUTIVE VICE PRESIDENT**  
Larry Pursley

**PRESIDENT**  
Stan Vander Pol

November 19, 2010

The Honorable Christine Gregoire  
Governor, State of Washington  
State Capitol, Legislative Building  
Olympia, WA 98504-0002

Dear Governor Gregoire:

I am writing to you today on behalf of the Washington Trucking Associations to express our industry's strong opposition to the adoption of a Low Carbon Fuel Standard (LCFS). An LCFS would increase the price of fuel without producing a meaningful reduction in carbon emissions, impose devastating financial consequences on Washington's businesses and consumers, and would further erode U.S. energy security. The Washington Trucking Associations supports efforts to reduce carbon emissions and fuel consumption; however, for the reasons described below an LCFS will not achieve these objectives.

A LCFS is a government mandate to reduce the life cycle carbon emissions of specific fuels by a specific percentage. Under a LCFS, the petroleum industry is left to determine how to reduce the carbon intensity of the fuels it sells. Refiners can respond to this mandate by blending lower carbon biofuels (if available)<sup>1</sup> or purchasing carbon offsets from other entities. Each of these alternatives presents significant challenges for the trucking industry, which is a non-discretionary consumer of diesel fuel.

Impact on Price of Fuel: A LCFS will act as a new fuel tax. According to a recent Charles River Associates study, a LCFS will increase gasoline and diesel prices by as much as 170% over 10 years. By forcing refiners to blend increasing amounts of expensive biofuels, the cost of which will be passed on to the trucking industry and other Washington fuel consumers, the LCFS is a government mandate that operates as a new hidden fuel tax. For example, biodiesel currently sells for about \$1.50 more per gallon than ultra low sulfur diesel. While increasing the price of fuel may force consumers to use less fuel, Washington's trucking industry is a non-discretionary consumer of diesel fuel that will continue to burn annually approximately 650 million gallons of diesel fuel to deliver virtually every consumer good in

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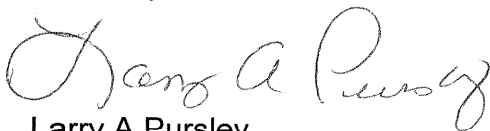
<sup>1</sup> Note, depending upon feedstock, conversion process, indirect carbon emissions, and transportation factors, many traditional biofuels will not significantly reduce the carbon intensity of the baseline fuel to which they are added.

Washington. Simply increasing the cost of fuel will not reduce the amount of food, clothing, and other consumer goods that are transported by truck and therefore will not reduce the trucking industry's fuel consumption. Furthermore, the increased fuel costs will divert resources from the trucking industry that could be used to finance investments in cleaner, safer equipment and our state's crumbling highway infrastructure. Moreover, if sufficient quantities of low carbon biofuels are not available in the marketplace, then the trucking industry could be forced to convert to natural gas, notwithstanding the enormous difference in vehicle cost, operational and maintenance challenges, and the lack of a competitive natural gas refueling infrastructure.

Impact on Truck Operability: We also have concerns with the impact a LCFS will have on truck operability. While the trucking industry supports the voluntary use of high quality renewable diesel, high percentage blends of biodiesel interfere with truck operability. Biodiesel performs poorly in cold weather, contains less energy than a gallon of ultra low sulfur diesel fuel and adversely impacts truck fuel economy, and requires more frequent fuel filter changes. Moreover, EPA has not done a good job policing biodiesel quality and significant amounts of biodiesel that are sold do not meet applicable fuel quality standards. Finally, we note that the lifecycle carbon emissions associated with biodiesel and the determination of the extent to which this alternative fuel can qualify as a low carbon alternative to diesel are still the subject of an ongoing scientific debate.

Although the goal of reducing carbon emissions from the transportation sector is laudable, the implementation of a LCFS is a very complex, expensive, and ultimately an ineffective approach to achieving these emissions reductions. The Washington Trucking Associations strongly urges you to reject a Washington low carbon fuel standard, which would fail to produce meaningful carbon emissions reductions and have devastating consequences on the businesses and citizens of Washington.

Sincerely,



Larry A Pursley  
Executive Vice President

LAP:am

CC: Senator Lisa Brown  
Senator Mike Hewitt  
Speaker Frank Chopp  
Representative Richard DeBolt  
Senator Mary Margaret Haugen  
Representative Judy Clibborn  
Senator Phil Rockefeller  
Representative Dave Upthegrove