

March 8, 2012

Chairman Mary Nichols and Board Members
California Air Resources Board
1001 "I" Street
Sacramento, CA 95814

Re: Alternative Phase-in Schedule for Particulate Standards

Dear Chairman Nichols and members of the Board,

The International Council on Clean Transportation submits this letter in response to your request for public comment given in your "Notice of Public Availability of Modified Text and Availability of Additional Documents and Information" posted February 22, 2012 as part of the process of adopting amendments to the Low Emission Vehicles Program (LEV III). We have reviewed the enclosures to the notice and have concerns regarding the proposed *alternative phase-in schedule for particulate standards* contained in Enclosure A.

In this notice, staff propose an alternative compliance pathway for manufacturers of passenger cars and light-duty trucks required to be 100 percent compliant with a 3 mg/mi standard in 2021 and a 1 mg/mi standard in 2028. It establishes a crediting scheme that awards automakers for more rapid introduction of vehicles that meet these new standards. While we are not opposed in principle to alternative compliance pathways, since they do provide useful flexibility to automakers, we do question the need for this alternative for meeting the particulate matter standards. There are currently multiple pathways for meeting a 3 mg/mi and 1 mg/mi standard using existing technology that includes gasoline port-fuel injection engines, center-mounted injection and improved injection timing for gasoline direct injection engines, after treatment using affordable wall-flow gasoline particulate filters, diesel vehicles fitted with diesel particulate filters, improved management of engine oil consumption, and introduction of alternative fuel vehicles including natural gas and electric. In our view, the proposed phase-in schedule for both the 3 mg/mi and the 1 mg/mi standards provides adequate flexibility that automakers are already well suited to meet. It is also our view that an alternative compliance scheme would be more appropriate in the 2017-2025 time period if credits were made applicable toward to the more stringent 1 mg/mi standard rather than the 3 mg/mi standard.

Nonetheless if staff conclude after reviewing the above options that additional flexibility is necessary and that only an alternative compliance mechanism can provide this, we strongly urge a reconsideration of the proposed crediting scheme. Under the proposed scheme, a manufacturer would be permitted to introduce no more than 22% of new vehicles meeting a 3 mg/mi standard in the year 2020, as opposed to the 70% that would be required under the current phase-in schedule. In addition, an automaker may choose to meet this with essentially no change to existing vehicle or engine technology until 2021. Even more, an automaker would be permitted to introduce higher emitting vehicles in each of the five years leading up to 2021. These vehicles would be permitted to emit as much as 10 mg/mi, which some gasoline direct

injection engines could approach¹. In a worst-case scenario, the proposed alternative compliance scheme could result in a significant net increase in particulate emissions compared with the current phase-in schedule.

The language of the alternative compliance proposal makes clear that the intent is to provide flexibility to automakers "... as long as equivalent PM emission reductions are achieved ...". However, this intent is not borne out by the proposed crediting scheme. First, the proposed language does not make clear that 100% compliance is required in the years 2021 and 2028 with a 3 mg/mi and 1 mg/mi standard, respectively. It is not our belief that staff intends to eliminate this requirement. Language should be added to the proposal to make absolutely clear the requirement remains in place. Second, the crediting scheme considers only the share of vehicles that meet the revised standard when it should be based on the emissions themselves. Staff should reconsider their crediting scheme and restructure it such that changes in emissions are weighted rather than changes in fleet mix. These improvements are necessary to ensure that the alternative compliance mechanism achieves the same emission reductions as the current proposal.

In summary, the proposed alternative compliance mechanism for meeting the proposed LEV III particulate matter standards is flawed and should not be adopted in its current form. Staff should reconsider and revise their proposal such that (1) 100% compliance with a 3mg/mi and 1mg/mi standard is required in each of the years 2021 and 2028; and (2) either no alternative compliance pathway is provided, or a restructured alternative compliance pathway is provided that ensures no net increase in emissions relative to the original phase-in schedule.

We hope these comments provide productive feedback, and we are happy to respond to any follow-up questions you or your staff may have. Please communicate directly with Ray Minjares, Program Lead of the ICCT Climate and Health Program via email at ray@theicct.org or by phone at 415-202-5748. As always, we very much appreciate your efforts that have made California a leader in adopting the world's cleanest vehicles.

Best wishes,

Alan Lloyd,
President
International Council on Clean Transportation

Cc James Goldstene

¹ See Table 3 in <http://www.arb.ca.gov/regact/2012/leviiiighg2012/levappp.pdf>