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**QHSSE Manager, Pacific Area**

Date: December 15, 2010

To: California Air Resources Board

# RE: Proposed Amendment to the On-Road Truck and Bus Regulations

Honorable Board Members:

Weatherford appreciates the effort undertaken by Staff as directed by the Board to propose amendments. We have serious doubts about the wisdom of implementing the rule even as proposed given the depth of the recession and the continued high rate of unemployment in general and relative to the other states. We do believe that even if approved, the Board should continue to evaluate the impact of this rule upon affected companies and consider a further slide should the economy not meet staff projections for recovery as presented in the workshops.

**General Reservations, PM 2.5:**

While voicing our support for Staff recommendations, we still question the science behind the finding of Diesel as a Toxic Air Contaminant and further question the inclusion of NOx in the calculations for the PM 2.5 as a basis for suggesting that there is not more harm to health from the regulation than from doing nothing. Rather, we contend that the costs in real terms to the availability of choices that will result from the economic harm cause by this rule. Passage and implementation will directly impact and influence decisions made by the most vulnerable members of our community resulting in greater harm than the pursuit of a standard for which there is so little epidemiological support.

Specific to PM 2.5, we have particular concern over the lack of transparency in the 2.5 assessment; the combination of diesel PM and background PM and the apparent cherry picking of data to support loss of life due to PM2.5, CARB has ignored studies that show PM2.5 has no effects on premature deaths. To address this we suggest a 3rd party engineering firm be vetted and hired to perform the subject assessment and further, that the report be subjected to rigorous peer review prior to acceptance, and lastly, that stakeholders are informed and allowed to provide input at critical junctures (i.e. selection, vetting and acceptance of peer review methodologies).

**Additional Comments:**

Firstly, we would like to thanks Staff for their remarkable fortitude in the grueling schedule of meetings. They were very good to work with and while we have reservations about the wisdom of proceeding in general as mentioned and have some differences on their final recommended amendments which will follow, we would like to thank Staff for listening and working with us as they did. In regards to the changes to the proposed amendments, while we think Staff did most of what was asked of them, we have the following concerns.

1. **Early Action Credits:**

The proposed changes allow for a credit to treat another vehicle with a GVWR greater than 26,000 lbs as compliant until January 1, 2017 for each vehicle the fleet has equipped with the highest level VDECS for PM by July 1, 2011. A fleet may also receive the same credit if the highest level VDECS is ordered and paid for by May 1, 2011 and installed by September 1, 2011. Staff did not include credit if a truck is simply replaced with a new truck even though we asked repeatedly. The rationale is beyond the understanding of stakeholders. We would rather have a compliant new truck than a compliant old truck and the former choice is a greater stimulus to the economy than the latter. The end result of this lack of credit means that our company will run our usable equipment till the end and replace verse repower as the deadlines near. The lack of incentive will mean easily captured early efforts will not occur.

Staff should be directed to submit an amendment that allows replacement as a strategy that qualifies for Credit in the rule.

1. **Body Built or Special Built Equipment.**

We have presented testimony regarding the costs structure that has not resulted in any accommodations for some of our fleet that simply defies the justification for rule promulgation. We have estimated that in general the rule is predicated upon a $120,000 base purchase price, which was not argued by Staff. We have certain units that fit that model and some that are more but not significantly and which we would agree the model is close enough. We also have some units that can cost from 2 times the purchase to over 8 times the purchase price for added equipment and fabrication. These units are special built and do not fit the model of purchase, use and sell to replace with new after a few years. We have been frustrated that Staff has not seen fit to make special accommodations for equipment that obviously exceeds the amount that would fall into acceptable level for rule promulgation. Further, this equipment is generally already extra-legal or otherwise not suitable to retrofit technologies. The Unique Vehicle allowance does not provide relief for this as it does not address the inequitable and unjustifiable costs basis.

Staff should be directed to draft language identifying Body Built or Special Built Equipment exceeding the costs basis of the rule by a factor of 2 and allow a more reasonable slide to the rule so that we can make a onetime change into model year 2011 trucks without having to replace the entire fleet at once.

We appreciate the ability to provide comments on this and urge the Board and are willing and able to provide further comments and clarification on the items covered.

Sincerely,

Robert Hassebrock