

STATE CAPITOL  
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DISTRICT OFFICE  
1700 EUREKA RD., STE. 160  
ROSEVILLE, CA 95661  
(916) 774-4430  
FAX (916) 774-4433

Assembly  
California Legislature



**TED GAINES**  
ASSEMBLYMAN, FOURTH DISTRICT

COMMITTEES  
BANKING AND FINANCE, VICE CHAIR  
HEALTH  
LABOR AND EMPLOYMENT

June 5, 2007

California Air Resources Board  
Clerk of the Board  
1001 I Street  
Sacramento, CA 95814

Dear Board Members:

Recently, I have heard from a number of Fourth Assembly District residents expressing their concerns with the proposed regulations for in-use, off-road diesel vehicles.

My staff is encouraging people to share their views directly with the Board during the current public comment period. Additionally, I am sending you a copy of the correspondence I have received to date on this matter for your perusal. I would greatly appreciate it if you would keep these concerns in mind as you make a determination on the proposed regulations over the coming months.

Thank you for your attention to this request. If I may be of assistance in any way, please don't hesitate to contact my office.

Best regards,

A handwritten signature in black ink, appearing to read "Ted Gaines", with a long horizontal flourish extending to the right.

**TED GAINES**  
Assemblyman, Fourth District

TG:tw  
Enclosures

**Constituent Comment****District AD04****Allen, George****6781 Sierra College Blvd****Roseville CA 95661-5920****(916)218-7187 (Work)****gallen@dunmorehomes.com****05/24/2007 07:35 am****List Name: Other****Stance : Support****Issue Name: Other****Notes :**

Dear Assemblyman Gaines,

I am writing today to register strong objection to the off-road diesel regulations now being considered by the California Air Resources Board (CARB). In their current form, these regulations would have a profound, negative impact on California's infrastructure rebuilding efforts, the health of the state's construction industry and its overall economy. CARB is proposing to take action on the regulations on May 24, 2007.

While my organization supports reducing particulate matter (PM) and NOx emissions from diesel engines, I am concerned that by accelerating the timetable by which off-road diesel-powered vehicles must comply with state limits, CARB is making compliance virtually impossible. There currently is no diesel engine that is capable of addressing both PM and NOx emissions set forth in the regulations. In some cases the engines and equipment necessary to meet the stringent standards in these regulations will not come to market until 2014. In essence, CARB is running the risk of creating overnight a huge shortage of equipment needed to build a variety of infrastructure, including projects funded under last year's infrastructure financing package as contained in Proposition 1B through 1E.

These regulations will produce immeasurable delays and costs to critical infrastructure and housing development projects. A conservative estimate of the regulations' cost is \$13 billion.

Now is not the time for the adoption of burdensome new regulations that will only serve to further slow the housing market, put a drag on the economy and disappoint California taxpayers who are anxious to see the infrastructure funding they approved last fall go to work in their communities today. I strongly urge you to direct CARB to withdraw the current proposed regulations at its May 24 meeting and commence immediate discussions with all stakeholders to work out a more feasible plan to reduce diesel emissions.

[Send Email](#)[Open Case](#)

## Constituent Comment

District AD04

**Déschamps, Brett****8781 Sierra College Blvd # 100****Roseville CA 95661-5920****(916)771-7500 (Work)****bdeschamps@dunmorehomes.com****05/23/2007 11:05 am**

List Name: Other

Stance : Support

Issue Name: Other

## Notes :

Dear Assemblyman Gaines,

I am writing today to register strong objection to the off-road diesel regulations now being considered by the California Air Resources Board (CARB). In their current form, these regulations would have a profound, negative impact on California's infrastructure rebuilding efforts, the health of the state's construction industry and its overall economy. CARB is proposing to take action on the regulations on May 24, 2007.

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[Send Email](#)[Open Case](#)

## Constituent Comment

District AD04

Franzola, Al

1075 Creekside Ridge Dr Ste 110

Roseville CA 95678-3504

(916)783-3224 (Work)

al.franzoia@lennar.com

05/24/2007 10:55 am

List Name: Other

Stance : Support

Issue Name: Other

## Notes :

Dear Assemblyman Gaines,

I am writing today to register strong objection to the off-road diesel regulations now being considered by the California Air Resources Board (CARB). In their current form, these regulations would have a profound, negative impact on California's infrastructure rebuilding efforts, the health of the state's construction industry and its overall economy. CARB is proposing to take action on the regulations on May 24, 2007.

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[Send Email](#)[Open Case](#)

## Constituent Comment

## Constituent Comment

District AD04

Franzola, Tom

1386 Lead Hill Blvd Ste 300

Roseville CA 95661-2936

(916)773-5581 (Work)

tfranzola@treasurehomes.com

05/23/2007 12:05 pm

List Name: Other

Stance: Support

Issue Name: Other

## Notes:

Dear Assemblyman Gaines,

I am writing today to register strong objection to the off-road diesel regulations now being considered by the California Air Resources Board (CARB). In their current form, these regulations would have a profound, negative impact on California's infrastructure rebuilding efforts, the health of the state's construction industry and its overall economy. CARB is proposing to take action on the regulations on May 24, 2007.

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[Send Email](#)
[Open Case](#)

**Constituent Comment****District AD04****Hamilton, Evan****4336 Gairlock Ct****Antelope CA 95843-5114****(916)723-1215 (Work)****ehamilton@dunmorehomes.com****05/23/2007 11:25 am****List Name:** Other**Stance :** Support**Issue Name:** Other**Notes :**

Dear Assemblyman Gaines,

I am writing today to register strong objection to the off-road diesel regulations now being considered by the California Air Resources Board (CARB). In their current form, these regulations would have a profound, negative impact on Californias infrastructure rebuilding efforts, the health of the states construction industry and its overall economy. CARB is proposing to take action on the regulations on May 24, 2007.

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[Send Email](#)[Open Case](#)

## Constituent Comment

District AD04

Hock, Les

1386 Lead Hill Blvd Ste 300

Roseville CA 95661-2936

(916)773-5581 (Work)

les.hock@rbhome.us

05/23/2007 03:05 pm

List Name: Other

Stance : Support

Issue Name: Other

Notes :

Dear Assemblyman Gaines,

WE NEED MORE TIME:

I am writing today to register strong objection to the off-road diesel regulations now being considered by the California Air Resources Board (CARB). In their current form, these regulations would have a profound, negative impact on California's infrastructure rebuilding efforts, the health of the state's construction industry and its overall economy. CARB is proposing to take action on the regulations on May 24, 2007.

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I strongly urge you to direct CARB to withdraw the current proposed regulations at its May 24 meeting and commence immediate discussions with all stakeholders to work out a more feasible implementation plan to reduce diesel emissions.

[Send Email](#)[Open Case](#)

## Constituent Comment

District AD04

Hogan, Matthew

1386 Lead Hill Blvd Ste 300

Roseville CA 95661-2936

(916)773-5581 (Work)

matt.hogan@rbhome.us

05/23/2007 04:45 pm

List Name: Other

Stance : Support

Issue Name: Other

## Notes :

Dear Assemblyman Gaines,

I am writing today to register strong objection to the off-road diesel regulations now being considered by the California Air Resources Board (CARB). In their current form, these regulations would have a profound, negative impact on California's infrastructure rebuilding efforts, the health of the state's construction industry and its overall economy. CARB is proposing to take action on the regulations on May 24, 2007.

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[Send Email](#)[Open Case](#)

## Constituent Comment

District AD04

Hursh, Ronald

2024 Opportunity Dr Ste 150

Roseville CA 95678-3026

RHursh@Cresleigh.com

05/23/2007 01:35 pm

List Name: Other

Stance : Support

Issue Name: Other

Notes :

Dear Assemblyman Gaines,

I am writing today to register strong objection to the off-road diesel regulations now being considered by the California Air Resources Board (CARB). In their current form, these regulations would have a profound, negative impact on California's infrastructure rebuilding efforts, the health of the state's construction industry and its overall economy. CARB is proposing to take action on the regulations on May 24, 2007.

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[Send Email](#)[Open Case](#)

## Constituent Comment

District AD04

Ingram, Tom

4645 Mountaingate Dr

Rocklin CA 95765-5260

(916)771-7500 (Work)

tingram@dunmorehomes.com

05/23/2007 01:45 pm

List Name: Other

Stance : Support

Issue Name: Other

## Notes :

Dear Assemblyman Gaines,

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[Send Email](#)[Open Case](#)

## Constituent Comment

District AD04

Leonard, Brandon

201 Gibson Dr Apt 2011

Riverside CA 92578-6508

brleonard@delwebb.com

05/18/2007 02:45 pm

List Name: Other

Stance : Support

Issue Name: Other

Notes :

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[Send Email](#)[Open Case](#)

## Constituent Comment

District AD04

McDonough, James

1508 Eureka Rd Ste 230

Roseville CA 95661-2819

(916)773-5581 (Work)

jmcdonough@synconhomes.com

05/24/2007 07:55 am

List Name: Other

Stance : Support

Issue Name: Other

Notes :

Dear Assemblyman Gaines,

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[Send Email](#)[Open Case](#)

**Constituent Comment****District AD04****Hook, Richard****2281 Lava Ridge Ct****Roseville CA 95661****rhook@parklandhomes.com****05/25/2007 08:15 am****List Name:** Other**Stance :** Support**Issue Name:** Other**Notes :**

Dear Assemblyman Gaines,

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[Send Email](#)[Open Case](#)



MAY 15 2007  
TW

May 14, 2007

Assembly Member, Ted Gaines  
1700 Eureka Road Suite 160  
Roseville, CA 95661

Dear Assembly Member Gaines:

In 2006, my wife and I purchased a small geotechnical and environmental drilling company from a group of Canadians. Shortly after our purchase we became painfully aware of the PERP program in the state of California. Since our purchase we have been forced to expend over \$150,000 to repower or replace equipment that we had just purchased that had many years of useful life left.

Now we understand the California Air Resources Board (CARB) is currently considering the adoption of off-road diesel regulations that, if implemented as presently drafted, would have a profound, negative impact on the health of our small business concern.

We want to be clear: PC Exploration, Inc. is very supportive of *reasonable, effective* reductions of particulate matter (PM) and NO<sub>x</sub> emissions from diesel engines. While California has assisted some business through the Carl Moyer program allowing *certain* firms to replace more than 1,000 high polluting engines, resulting in a reduction of more than 3,787 tons of pollution every year over the past five years in Southern California. However, this program does not apply to our company since our primary focus is off road, remote areas that do not qualify for the Moyer program. Therefore, all repowering of our fleet *MUST BE SELF FINANCED*.

We have no disagreement that all Californians need to work collectively to improve the state's air quality and all of us want to provide as healthy an environment as possible for our employees on our job sites. However, in their current form, the Board's proposed regulations are not viable from an economic or and more importantly technological perspective.

When CARB first announced its intention to promulgate these regulations to reduce PM in 2000, their plan called for an 18-year timeline to meet the state's goals. Due to delays in developing these rules, that timeline has been reduced to 13 years. In addition, the regulation of NOx emissions has been added to the rule – which significantly alters the kind of technology needed for companies to be in compliance.

***There currently is no diesel engine that is capable of addressing both PM and NOx emissions.*** This lack of equipment technology and availability are serious barriers to meeting the targets under these rules. In some cases the engines and equipment necessary to meet the stringent standards in these regulations will not come to market until 2014. Additionally, not all of our equipment is used on a daily basis. Implementation of this regulation as it currently stands will result in our operating capital being tied up without the ability to earn a reasonable return on our investment.

While repowering a Hummer is fairly easy to accomplish, the same can't be said for a custom made drill rig where the engine not only powers the wheels but must also hook up to the hydraulics and air compressor. In addition to the cost of the engine, which will likely exceed \$25,000 for each unit, we will incur additional costs for our fleet to make the engines fit. These new engines must be physically larger to accommodate the new technology and therefore the possibility exists that because of the size of the engines we will not be able to accomplish a re-power of certain units and be placed in a position of disposing of the unit and replacing it with a new unit and a much greater cost.

It is our understanding that under the annual emission reduction targets required under this proposal, many contractors will be required to first re-power or retrofit an engine, only to have to turn around a few years later and replace the entire piece of equipment when the technology to do the job right finally hits the marketplace.

While many of California's larger construction companies have already begun the process of repowering or retrofitting their fleets in anticipation of these regulations, the smaller companies like us, which make up a large part of the industry, will be severely hampered by the costs of repowering or retrofitting

Assembly Member Gaines

May 14, 2007

Page 3

equipment that, in some cases, are the sole assets of their family-owned businesses. Depending how these regulations get finalized, we may have to sell equipment, stop using it or move our business out of the state of California.

We have been told that the total industry-wide cost of implementing these proposed rules to be upward of \$13 billion. **For our company's fleet alone, the cost will be \$175,000 to \$500,000 assuming that the technology will actually be available.** Since the drilling business is a low-margin business, we may be forced to reduce our fleet and in some cases go completely out of business in order to be in compliance with these regulations.

However, restoring just five years to the implementation timeframe will give equipment manufacturers time to catch-up and produce engines that will allow our company to comply with California's air quality standards and distribute the massive expense of purchasing new equipment out over a longer period. In addition, we would ask that the regulation be adopted to include provisions for longer operating years for low usage special equipment.

Sincerely,



~~Scott Fleming~~

Chief Operating Officer



A handwritten signature in black ink, appearing to be 'AW' or similar initials, written over a horizontal line.

May 14, 2007

Assembly Member, Ted Gaines  
1700 Eureka Road Suite 160  
Roseville, CA 95661  
(916) 774-4430

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President