

October 7, 2010

Danielle Robinson Mobile Source Control Division Air Resources Board 9528 Telstar Ave. El Monte, CA 91731

Subject: ECS's Comments for 15-day changes to the Verification Procedure

Dear Danielle:

ECS is pleased to provide written comments to the 15-day changes proposed under ARB's amendments to the current *Verification Procedure, Warranty and In-use Compliance Requirements for In-Use Strategies to Control Emissions from Diesel Engines* that were adopted by the Board on January 28, 2010. We thank the ARB for the opportunity to continue working with staff to further improve the efficiency of the program. ECS has had the opportunity to review the proposed 15-day changes and we support the modifications that staff has made as directed by the Board.

ECS concurs with comments provided by the Manufacturers of Emission Controls Association (MECA).

Moreover, much has happened in the eight months between the adoption of these amendments and the release of these 15 day changes. Given the continued compliance delays and substantial changes to retrofit implementation requirements proposed in the most recent amendments to ARB's private fleet regulations, ECS is concerned that a significant erosion of the retrofit market in California is occurring. ECS and its parent company, Catalytic Solutions Inc., of Ventura California, have made substantial investments to commercialize products in California. Retrofit technology investment requires some level of long term market stability and the latest sudden round of proposed rule changes has resulted in significant uncertainty in the size and stability of the retrofit market. Retrofit manufacturers have invested millions of dollars in support of the stated objectives of ARB's Diesel Risk Reduction Program and created thousands of green jobs in California over the past five to 10 years. A significant portion of these investments now appear to be at risk due the substantial changes proposed under the highway and off-road fleet rules.

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Another key necessity in support of retrofit manufacturers and green jobs in California is the provision of sufficient ARB staff resources to efficiently and equitably process verification applications. We have found retrofit assessment staff to be both professional and dedicated. However, we have experienced constraints in the processing of our verification activities this past year. We feel this is due not only to the impact of staff furloughs but to a fundamental shortage of staff dedicated to verification application processing. ECS would request that ARB restore staffing to pre-2010 levels to the retrofit assessment section and ensure staff is dedicated to processing applications.

ECS also believes that substantial opportunities exist to streamline the verification procedures and harmonize verification and in-use compliance requirements with the US EPA's Voluntary Diesel Retrofit Program. This is especially true in regards to highway vehicles with GVWR's of 14,000 to 26,000 lbs and for off-road product verifications where the latest proposed changes, if approved, would eliminate all mandatory requirements to retrofit. Thus, retrofit activities in these areas will become voluntary as they are in EPA's program. We would welcome the opportunity to work with ARB staff to identify appropriate strategies and further verification procedural changes that will both achieve the goals of the verification and in-use compliance programs while not stifling the development of future green technologies.

Best regards,

Kim Brown

Kevin Brown

Marketing & Regulatory Affairs Manager

cc: Shawn Daley, ARB Keith Macias, ARB Sharon Lemieux, ARB Erik White, ARB

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