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STATEMENT FROM DONALDSON COMPANY, INC. ON THE AIR RESOURCES BOARD'S PROPOSED REGULATORY AMENDMENTS TO THE VERIFICATION PROCEDURE, WARRANTY AND IN-USE COMPLIANCE REQUIREMENTS FOR IN-USE STRATEGIES TO CONTROL EMISSIONS FROM DIESEL ENGINES

March 23, 2006

Donaldson Company, Inc. appreciates the opportunity to provide testimony in support of the Air Resource's Board's proposal to revise the NO_2 emission limit for verified diesel emission control systems.

Donaldson is headquartered in Minneapolis, Minnesota, and is a leading worldwide provider of filtration systems and replacement parts. The company serves customers in the industrial and engine markets with a product mix which includes air and liquid filters and exhaust and emission control products.

Donaldson is also a member of the Manufacturers of Emission Control Association (MECA) and has been actively working with ARB staff to develop and provide diesel retrofit control technology in support of ARB's Diesel Risk Reduction Plan (DRRP). Donaldson presently has Verified retrofit technologies and is a leading supplier for both ARB's DRRP program and for EPA's Voluntary Diesel Retrofit Program.

Donaldson supports overall MECA comments or positions regarding ARB's proposal to revise the NO_2 emission limits. Donaldson does wish to provide, however, independent clarifying comments concerning ARB's staff proposal to create verification classifications designated by "Plus" (e.g., Level 3 Plus) which signify early compliance with the 2009 limit (20 percent maximum NO_2/NOx increase).

While Donaldson understands and supports ARB staff interest to utilize the "Plus" designation as a means of informing end users about the NO_2 emission characteristics of a given verified technology and thus encourage the use of low-NO_2 controls where possible, we are strongly opposed to ARB staff report guidance that control systems that meet a Plus level would set the standard for the Best Available Control Technology (BACT) beginning January 1, 2007.

ARB staff analysis and guidance does not adequately address multiple issues that Plus level BACT implementation will create. Further BACT assessment impact and improved guidance is needed from ARB staff on industry inputs to BACT determination, including Technical Criteria (% emission reduction, NO_2 level limits, temperature criteria); Operational Compatibility (fleet operation characteristics, fuel use); Cost Acceptance (initial, operational/maintenance); and Exemption Request Procedures/Guidance (varying fleet criteria/needs expected exemption quantity for ARB review).

Donaldson is concerned that Plus level as BACT (effective 1/1/07) will reduce or eliminate the proposed two-year transition time from 30% to 20% NO_2 maximum increase, since Level 1, Level 2 and Level 3 technologies are now verified by ARB which meet the 20% NO_2 limit. Existing or anticipated Level 3 Plus technologies are significantly more complex and expensive than standard Level 3 technologies. This will create significant industry/fleet issues with early (1/1/07) BACT implementation.

In summary, Donaldson is opposed to Plus level BACT implementation beginning January 1, 2007, and requests further ARB assessment and guidance for BACT implementation policies for Level Plus designations.

In closing, we commend the Air Resources Board and staff members for continuing efforts with healthy air quality, and in implementing the Diesel Risk Reduction Plan. Donaldson intends to provide continued commitment and support of ARB's objectives and looks for continued cooperative effort with ARB staff and other stakeholders.

Thank you.

Julian Imes
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Donaldson Company, Inc.