



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

October 11, 2013

Subject: Alternative Fuel Conversion Certification Procedures

Dear Chair Nichols and Board Members:

We are grateful for the efforts of Air Resources Board (ARB) management and staff to bring the issue of revising 13 CCR § 2030 (Liquefied Petroleum Gas or Natural Gas Retrofit Systems), and to make other regulation changes to 'Improve and Ease' the certification process for Alternative Fuel Vehicle Conversions for vehicle sold in California and several other states.

I and others approached Mr. Tom Cackette, Chief Deputy Executive Officer (former) of the ARB in June of last year, to ask that the ARB review and revise the certification procedures for alternative fuels systems. I am thankful for Tom's efforts to engage the certifications staff to find way to revise those procedures that had caused manufacturers to not attempt certifying in California due to excessively high validation costs and uncertain approval times. I am pleased that the staff followed Tom's early direction so exceptionally well, setting up a process that reviewed the existing procedures, establishing an ARB/Industry Working Group, establishing a web site on the issue, holding two Workshops and several industry calls- to research and prepare the Final Statement of Reasons that is before you today for approval. Once again, Tom and your staff have made very real progress in improving and easing the certification pathway, and I and others are extremely grateful for their efforts.

Next month marks forty years since the events that led to the Arab Oil Embargo; forever changing our society, economy, national and energy security. Now, as alternative fuels such as natural gas and propane have become more economic than conventional transportation fuels, reaching what appears to be a much lower and sustainable price plateau, it becomes essential that we harmonize our regulatory efforts with our market development efforts to best foster our long-awaited transition from petroleum fuels to a portfolio of non-petroleum, lower carbon and more renewable fuels to meet our transportation fuel needs in the near-, mid-, and long-term. Over decades we have set many State goals for alternative fuels; these goals foster the many public benefits of using domestic energy to compete in the fuels market, reducing criteria and GHG emission, providing an economic development and jobs creation component. These goals are best attained by harmonizing our regulatory and certification standards with our market development and incentive efforts; to be sure results of both are maximized.

Much like a garden, boundaries (fences) are set with regulations, but the garden must be continually cultivated and fertilized (with financial and administrative incentives) to yield the best results- and when harmonized can achieve benefits well beyond the sum of both, separate, efforts. The following points note the progress made, and suggest continuing these efforts:

- We appreciate that 13 CCR § 2030 (Liquefied Petroleum Gas or Natural Gas Retrofit Systems) is being revised to meet the current state of the art.
- Aligning the California requirements more closely with the updated Federal regulation is of great benefit to the nascent alternative fuel industry, spurring innovation, and creating employment opportunities for manufacturers and fleets in the state.
- The premise is sound that when a retrofit system results in a fuel conversion to the same emission standard as the original fuel, then OBD monitor threshold and calibration settings can largely remain unchanged. Minimal validation testing would be required, in this very common scenario, to ensure compliance with California's emission standards.
- We found Board Member Dr. Daniel Sperling's comments to staff, and staff's responses, were very instructive. He asserted, "The underlying principle of the certifications process" is that "alternative fuels at least as good, if not better- emission rates less and deterioration no worse", and staff agreed, as stated by Dr. Alberto Ayala, "the presumption is that they are much better". ARB staff acknowledged the substantial potential market can be met with the very sophisticated state of the technology, which has vastly improved over the past two decades.
- Considering these remarks, we suggest that the progress made so far on the improved and eased certification process be continued, so that the regulation can be administered much more **nimbly**, and more **responsively**, in the future, as these technologies continue their improvement in the commercial environment. California's ability to compete the global economy demands that our regulations and certification processes keep pace with the competition around the nation and the world.
- We propose keeping the ARB/Industry Working Group convened, continuing the use of established website, seeking or establishing more in-use data, and, as aligned with Dr. Sperling's remarks and the 'underlying principle', allowing the ARB Executive Officer to approve necessary process modifications to "Improve and Ease" the certification protocols from time to time- responsive to market and regulatory conditions, and noticed in a public forum.

Thank you for the opportunity to add my thanks and gratitude, and that of my associates, to the ARB management and staff efforts to improve the certification of the fuels and vehicles we must have to meet our environmental, energy and economic goals for California. This has been an overwhelmingly successful effort to date; one that I hope can serve as a model precedent for improving communication and resolving market impediments- with the continued ARB/Industry partnership for environmental improvement and regulatory certainty.

I would be happy to help keep the garden cultivated.

Best Wishes,
Peter

Peter F. Ward, Principal



Alternative Fuels Advocates, LLC

5030 Concord Road, Rocklin, CA 95765
peterforward@att.net
(916) 261-3779