



CALIFORNIA TOW TRUCK ASSOCIATION

"Developing Professionalism in the Towing Industry"

643 W. Stadium Ln.

Sacramento, CA 95834

Telephone: (916) 617-2882

Email: ctta@ctta.com Website: www.ctta.com

August 19, 2020

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

RE: CTTA's Written Comments on CARB's Proposed Heavy-Duty Low NOx Omnibus Regulation

Dear Chairwoman Nichols and Members of the Board:

The California Tow Truck Association (CTTA) submits the following concerns with the proposed Heavy-Duty Low NOx Omnibus Regulation that the California Air Resources Board (CARB) will adopt at its Board hearing on August 27, 2020.

Initially, it is important to note that CTTA and its member trucking companies have dutifully complied, and continue to comply, with CARB's Truck and Bus Regulation, which required the wholesale replacement of all trucks with pre-2010 model year engines, well ahead of their natural life cycle. This Truck and Bus Regulation continues to ratchet up additional requirements, and related expenses, upon trucking companies through 2023. Compliance has come at great expense to the tow industry, which historically operates with razor thin profit margins, and has now been devastated by the effects of the coronavirus pandemic.

As such, the significant additional costs that this proposed Heavy-Duty Low NOx Omnibus Regulation will impose upon trucking companies are deeply distressing. By CARB's own calculation in its Initial Statement of Reasons, this proposed rule in total will cost truck manufacturers over \$4 billion (for years 2022-2050). And by CARB's own astute admission, "manufacturers would likely pass their costs on to engine and vehicle buyers in the form of increased engine and vehicle prices." Specifically, according to CARB, a 2031 medium heavy-duty diesel vehicle (19,501-33,000 lbs. GVWR) will cost "\$6,923 higher than it otherwise would be," and 2031 light heavy-duty diesel vehicles (14,001-19,500 lbs. GVWR) and heavy heavy-duty diesel vehicles (>33,000 lbs. GVWR) will cost \$6,041 and \$8,478 more, respectively.

While CARB's estimated costs are already alarming, the Truck and Engine Manufacturers Association (EMA) in its written comments to CARB on this Heavy-Duty Low NOx Omnibus Regulation, state that **"CARB has grossly underestimated the costs associated with nearly all aspects of the proposed far-reaching Omnibus Regulations, and has materially overestimated their potential benefits."** Specifically, EMA commissioned a comprehensive cost study and determined that this proposed rule would result in an approximate cost increase of \$58,000 for 2031 heavy heavy-duty vehicles and an increase of \$51,000 for 2031 medium heavy-duty vehicles.

Even more troubling, these massive cost increases for truck owners come as CARB is formulating additional new onerous requirements for truck owners due to the passage of SB 210 (Leyva) in 2019, which directs CARB to develop and implement a comprehensive heavy-duty vehicle inspection and maintenance program that will make vehicle owners responsible for maintaining their engines and aftertreatment systems in order to register them in California.

With that in mind, CTTA does appreciate CARB's efforts to offset some of the new costs associated with this Heavy-Duty Low NOx Omnibus Regulation by lengthening the manufacturer's emissions warranty and useful life periods. This will help ensure that the vehicle manufacturers, not vehicle

owners, pay for the problems caused by poor design and durability, thus encouraging manufacturers to produce more durable components, resulting in fewer failures and less downtime for vehicle owners.

For the reasons listed above, we urge you to reconsider reducing the costs of this Heavy-Duty Low NOx Omnibus Regulation for truck owners – particularly in light of the additional large costs associated with other CARB rules already imposed, and to be imposed, upon them – or alternatively identify and develop effective new funding sources to help these truck owners offset these massive cost increases. Without either, many towing companies will not economically survive, roads will remain uncleared, traffic will back up, vehicle emissions will increase, and our economy and environment will be further harmed.

Thank you for your consideration. Please contact me should you have any further questions.

Sincerely,

Quinn Piening
President, California Tow Truck Association