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December 17, 2020

Jackie Lourenco, Branch Chief

California Air Resources Board

Dear Ms. Lourenco,

The Specialty Equipment Market Association (SEMA) is pleased to comment on the New Procedures for Aftermarket Performance Parts EO applications (AMP EO Procedures). We appreciate the opportunity to take part in the development of these procedures and we value the relationship that has been established between CARB and SEMA.

It is our opinion that these procedures are designed in such a way that, if handled appropriately and as intended by those that contributed significantly to their formation, applications will be processed expediently and with consistency.

The proposed modified text was developed in response to industry concerns. We appreciate the recommended changes and agree with these changes based on the following understandings:

- **V(c) On-Board Diagnostic Testing-** Language removed to simplify the statement of requirement, aligning with current practices
- **VI(d)(2) Consolidation of Executive Orders-** Language added to allow for consolidation to occur on applications submitted together with matching criteria
- **VIII Labeling Requirements-** "Only" removed and language added to allow applicants the option to include pertinent information on underhood labels

We would like to reiterate two concerns that we raised during the presentation of the New Procedures to the Board. These comments come from extensive experience dealing with AMP EO applications; SEMA has assisted industry with securing over 350 EOs in less than 6 years and currently has approximately 150 projects in process with CARB.

Limitation of Application Scope: While it remains to be seen exactly how the limitation as defined in the New Procedures will play out, SEMA has adapted approximately 15 applications for simple, common products into the new format. On average these applications expanded what would have been 1 application into 5, and at least one became 13. When SEMA has raised concern over this *increase* in administrative burden, rather than a decrease, CARB has suggested that such groupings of applications be submitted in parallel such that they can be considered together. It stands to reason that such

submissions will require just as much effort to review as a single application, thus it is unclear how this will help to reduce processing time. For now, this information is provided as a point of reference, but with continued efforts to expedite the process and the ongoing discussions around Fees, this is an important note.

Worst Case Test Vehicle Selection: In the intervening time since the Board hearing, it has been suggested that SEMA and CARB staff begin the process of meeting to develop a pattern of discussions regarding Worst Case Test Vehicles, as described in the New Procedures. So far, meetings have been held to discuss two distinct groups of vehicles that are popular for performance modifications; FCA LEV3 3.6L naturally aspirated gas vehicles (which include the new Jeep Wranglers and Gladiators) and FCA LEV3 Cummins 6.7L turbodiesel pickup trucks. Such a determination process involves first selecting a Worst Case Test Group, then a vehicle model (usually the heaviest within that test group), then appropriate coefficients and other test criteria. The first meeting (Jeeps) was relatively successful and SEMA staff has confidence in selecting a Worst Case vehicle within that group as a result of the meeting. The second meeting (FCA LEV3 Ram Diesels) was not successful; two potential worst case vehicles were identified during the meeting but later SEMA was notified that CARB staff had decided in a subsequent meeting (without SEMA) that certain product types might not be covered by the vehicles selected in the meeting.

The success of the new procedures, which allow for pre-emptive testing, is dependent on agreement in these categories, partially because some of this information is not publicly available and thus must be supplied by CARB. Once a vehicle is selected as Worst Case, **all** necessary information needs to be shared allowing industry to proceed with testing. CARB AMP Division has been reluctant to provide Worst Case determinations, indicating that inconsistency in application coverage requests and variability in product types can affect the selection. While SEMA is aware that there may be certain instances that are difficult to account for, it should be possible to make general assessments.

SEMA is appreciative of the cooperative relationship that we enjoy with CARB AMP Division. We recognize that the new procedures were developed, in part, with an intent to address concerns about application processing time. However, in addition to the concerns previously expressed, there are some practices that jeopardize the future effectiveness of the new procedures if left unchecked. SEMA's observation is that a significant contributing factor is the personnel growth and resulting unfamiliarity with a primary goal of the AMP EO program: providing a reasonable path for compliance.

First, as CARB staff has grown in numbers, the disparate opinions and approaches to evaluating applications, identifying worst case vehicles and reviewing test data seem to have become more commonplace. Many applications that SEMA has assisted with have fallen victim to this unpredictability. It is understandable that staff members will have varying opinions, but this must be handled with open communication resulting in agreed upon standards rather than unequivocal support for multiple divergent paths. SEMA is willing to adopt corrective measures when necessary, but changes to standard procedure will often take time to implement. The success of the new AMP EO Procedures depends on predictability.

Second, there have been recent instances of engineering data or test results being disregarded due to technicalities. It must be recognized by staff that the purpose of using the CFR test procedures (and adapted procedures where applicable) is to allow our industry to demonstrate compliance using commonly recognized test methods and that this can be accomplished without rigid adherence to all aspects of the procedures. Good engineering judgement allows for adaptability when it is appropriate. Further, the use of engineering evaluation when reviewing information submitted with an application should be embraced to streamline the EO process.

It has been suggested by upper management that since the new procedures have been approved by the Board, it should be reasonable to begin to adopt the new procedures whenever possible. This would be beneficial for industry since the procedures: 1) allow for pre-emptive testing; and, 2) clearly delineate testing requirements for certain product types. SEMA agrees with early adoption as it would help to reveal the benefits of and any potential flaws in the New Procedures that require attention.

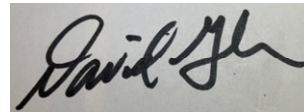
SEMA's comments remain as they did at the Board presentation; we are concerned about the Limitation of Application Scope and Worst-Case Test Vehicle Selection, particularly with the overlay of inconsistency and rigidity. Based on recent experience, it is our opinion that these issues need to be addressed for the New AMP EO Procedures to be successful.

We appreciate the opportunity to comment and look forward to more dialog on these issues.

Sincerely,



Peter Treydte
Director of Emissions Compliance



Dave Goch
General Counsel