American Trucking Associations



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Driving Trucking's Success

December 11, 2013

Clerk of the Board California Air Resources Board 1001 I Street Sacramento CA 95812

Submitted Electronically: http://www.arb.ca.gov/lispub/comm/bclist.php

RE: Notice of Public Hearing to Consider Proposed Greenhouse Gas (GHG) Regulations for Medium- and Heavy-Duty Engines and Vehicles, Optional Reduced Emission Standards for Heavy-Duty Engines, and Amendments to the Tractor-Trailer GHG Regulation, Diesel-Fueled Commercial Motor Vehicle Idling Rule, and the Heavy-Duty Hybrid-Electric Vehicles Certification Procedures

Dear Chairman Nichols and Members of the Board:

The American Trucking Associations, Inc. (ATA) submits the following comments on the above referenced heavy-duty vehicle related proposals. As the national representative of the trucking industry, ATA is vitally interested in matters affecting truck fleets, including state requirements impacting new medium- and heavy-duty engine and vehicle certifications and their in-use operations.¹ Please carefully consider the following positions during your deliberations.

1) ATA supports the proposed alignment of California's medium- and heavy-duty vehicle and engine regulations with the U.S. EPA's Phase 1 GHG program.

The U.S. EPA and the National Highway Traffic Safety Administration's Phase 1 GHG program is the result of a collaborative effort among all partners which resulted in a reasonable and fair rule. This rule is leading to the development and use of medium- and heavy-duty vehicles that produce fewer greenhouse gas emissions throughout the nation.

Maintaining harmonized national standards should be a goal of the Board and the proposed alignment is consistent with this goal. While providing California with GHG reductions, the proposed alignment also maintains a national program which focuses technology research, development and deployment with the engine and vehicle manufacturers. This approach incorporates the emissions-reducing, fuel-saving technologies into the vehicle at the initial sale, thereby maximizing the extent of these benefits. This approach also helps fleets expedite the flow of commerce by promoting the operation of homogeneous vehicles throughout the country.

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¹ ATA is the largest national trade association for the trucking industry with more than 1,900 motor carrier members and a federation of state trucking associations, specialized trucking conferences and councils, and their members. Through this federation, ATA represents the interests of over 35,000 motor carriers of every class and size.

2) ATA supports the proposed amendment to harmonize the new tractor requirements of the Tractor-Trailer GHG regulation with the existing federal Phase 1 GHG program.

This amendment will bring further harmonization with the federal program by recognizing in-use compliance for tractors which meet the federal Phase 1 GHG standards. Fleets will no longer have to ensure they purchase the correct type of sleeper cab tractors in order to operate in California (i.e., SmartWay certified tractors). Instead, fleets will be able to purchase, operate and maintain model-year 2014 and newer tractors – those meeting the federal GHG standards – to comply with the California in-use requirements. This change will ease implementation and enforcement by relying on the manufacturer-focused federal program which eliminates the opportunity to purchase noncompliant tractors while at the same time providing greater reductions in GHG emissions.

3) While generally supportive of voluntary, incentive-based approaches, ATA has concerns about the proposed optional NOx standards.

Should the Board choose to establish optional NOx engine emission standards, the proposal to include three distinct levels (0.1, 0.05 and 0.02 g/bhp-hr) would be preferable to a more limited approach. With uncertainty over the feasibility and cost-effectiveness of achieving the optional standards, a greater degree of flexibility will help support a technology neutral policy.

For trucking companies, equipment costs are a top expense.² The higher cost of low NOx vehicles, plus the added risks associated with unproven technology, such as potential fuel economy trade-offs, additional downtime and uncertain resale values, will require purchasers to weigh these risks versus the financial incentives offered. One means of trying to reduce higher vehicle costs would be to maintain statewide oversight of the financial incentive program in order to promote the largest demand pool while working with manufacturers on the development of cost-effective, technology neutral low NOx vehicles.

The concerns which arise from this voluntary approach involve the potential for mandatory standards. While ATA applauds the Board for aligning with the federal Phase 1 GHG program, avoiding the creation of California-only standards should be a priority. Creating a California-only emissions standards will not only result in higher overall manufacturing costs which will be passed along to new truck purchasers, but will also result in the California new truck market being the most expensive in the nation.

The development of further in-use emission rules should also be avoided. As the Board is well aware, implementation of the current Truck and Bus rule, with its carve-outs, exemptions, amendments, and limited enforcement, has created a chaotic environment for trucking companies operating in California. The in-use rule has forced the industry to spend billions of dollars to replace trucks earlier than normal and threatens the livelihood of many of the state's small

² American Transportation Research Institute, An Analysis of the Operational Cost of Trucking, 2013 Update (September 2013).

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trucking companies. Alternative approaches, such as incentive programs, should be designed to avoid, not support, the development of more onerous statewide mandates.

4) Expanding the number of responsible parties under the idling control measure will require changes to the enforcement process to ensure a fair and reasonable process.

In expanding the number of parties responsible for idling violations, as many as three parties may receive a copy of an idling citation. While ATA acknowledges the difficulties the agency is having collecting penalties from unidentified drivers, the administrative process for collecting fines under the proposed amendments will create new complexities. For example, truck leasing companies and motor carriers who utilize owner-operators – companies or carriers whose names are listed on the truck cab door – may receive copies of citations for operators who are leasing vehicles and operating outside the direct control of the company or carrier. In some cases, these leases (and business relationships) may expire before the lessor or carrier has been notified of the violation.

Resolving citations may require the coordination of as many as four parties – CARB enforcement, the vehicle owner, the motor carrier, and the unidentified driver. A streamlined process which removes parties who are not responsible for the citation, such as a leasing company or a motor carrier that provided idle reduction technology which was not used, needs to be established. Modifications to the enforcement process to ensure that all affected parties have the ability to resolve a citation in a fair and reasonable manner needs to accompany the proposed amendments.

ATA requests the Board's consideration of these comments when acting upon the proposed amendments.

Sincerely,

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