

August 24, 2020

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

Re: Proposed Changes to Omnibus Regulation to Accelerate Near-Term Emissions Reductions Using Propane

Dear Chair Nichols,

Thank you for the opportunity to comment on the proposed Heavy-Duty Engine and Vehicle Omnibus Regulation. The National Propane Gas Association (NPGA) represents more than 3,000 companies that provide clean energy to homes, businesses, fleets, and farms across the country.

Propane – and especially renewable propane – provides the most cost-effective means for NOx emissions reductions of all vehicles available, according to a study from the West Virginia University Center for Alternative Fuel Engines and Technologies. Today, Greenkraft and Roush produce low-NOx engines, and new engines are expected from other manufacturers, including Cummins, as soon as next year. The propane industry produces enough renewable product to displace 10 percent of the state's traditional propane transportation market, and the industry has a sustainability commitment to provide 100 percent renewable propane to California's transportation market by 2024.

While the propane industry appreciates the intent of the proposed regulation, there are ways it could be improved. The emission target in the regulation of 0.02 g/bhp NOx is already achieved by using renewable natural gas and propane operated low NOx fueled engines. However, the current proposed regulation does not incentivize early adoption of the cleanest technology due to the additional regulatory burdens placed on the technology as well as taking away any possibility for incentives for those manufacturers that do take advantage of the regulations' early crediting provisions.

NPGA recommends the following changes to the proposed regulation:

1. Low NOx trucks should not lose eligibility for state vehicle incentive programs if they receive early sales credits.
2. The additional requirements on items including warranties, useful life, and testing should not apply until the 0.02 g/bhp NOx standard applies across the entire sector in 2027.

3. Low NOx trucks should be able to continue to participate in incentive programs including, but not limited to, HVIP and/or a modernized, improved Carl Moyer Program like all technologies that are not widely commercially available and which cannot yet compete with much cheaper diesel technologies.
4. Low NOx trucks should be incorporated as a compliance option in the upcoming ZEV fleet rule in order to motivate fleets to take substantial early action with currently available technologies.

The proposed regulation, with changes and continued incentives for low NOx technologies, could result in immediate improvements to air quality throughout California. Despite advancements with renewable propane and increased offerings of propane low NOx engines, CARB is sending a signal to the market not to innovate but to instead continue with the status quo. The propane industry looks forward to working with the state in these efforts in the years to come.

Sincerely,



Stephen T. Kaminski
President and CEO