

July 18, 2018

Clerk of the Board Air Resources Board 1001 | Street Sacramento, CA 95814

Subject: 15-Day Notice for Proposed Changes to California Greenhouse Gas Emissions Standards for Medium- and Heavy-Duty Engines and Vehicles and Proposed Amendments to the Tractor-Trailer GHG Regulation

## Members of the Board:

The Alliance of Automobile Manufacturers¹ (Alliance) represents 12 car and light truck manufacturers, of which four (FCA, Ford Motor Company, General Motors, and Mercedes-Benz) also produce medium- and heavy-duty vehicles (MDV/HDVs) affected by the "Proposed California Greenhouse Gas Emissions Standards for Medium- and Heavy-Duty Engines and Vehicles and Proposed Amendments to the Tractor-Trailer GHG Regulation"² (hereafter, "HDV GHG Phase 2 regulations"). This letter addresses the proposed changes issued in a Notice of Availability of Modified Text on July 3, 2018 (hereafter "15-Day Notice").

Over the past year, the Alliance and our MDV/HDV members have worked very closely with Air Resources Board (ARB) staff to review proposals and suggest changes that meet ARB's goals while reducing the burden and complexity for manufacturers. The staff has been open and receptive to our suggestions that meet those criteria, and we sincerely appreciate their work and consideration.

While we understand the concerns expressed in the Initial Statement of Reasons (ISOR) regarding "deemed to comply" and certification, we continue to recommend that ARB adopt a "deemed to comply" provision that cleanly harmonizes the federal and California HDV GHG programs. As noted in our previous comments, the costs to industry, ARB, and EPA of separate regulations and separate certification processes far outweigh any benefits of creating separate requirements. Moreover, history suggests that once the agencies divide, that divide tends only to grow resulting in even greater burden on the agencies and industry. For these reasons, we recommend ARB:

<sup>&</sup>lt;sup>1</sup> Alliance members include BMW, Chrysler, Ford, General Motors, Jaguar Land Rover, Mazda, Mercedes-Benz, Mitsubishi, Porsche, Toyota, Volkswagen, and Volvo. Please visit <a href="https://www.autoalliance.org">www.autoalliance.org</a> for further information.

<sup>&</sup>lt;sup>2</sup> Air Resources Board, *Proposed California Greenhouse Gas Emissions Standards for Medium- and Heavy-Duty Engines and Vehicles and Proposed Amendments to the Tractor-Trailer GHG Regulation*, issued December 19, 2017.

- 1. Continue to monitor the federal situation and, as soon as possible, work with the U.S. EPA to adopt a "deemed to comply" provision to fully harmonize the programs.
- 2. In the meantime, resist the urge to make changes to the California regulations and certification procedures that differ from the federal requirements. In most cases, these changes have minimal or no benefit, but add testing and administrative burden for both manufacturers and the agencies and make future harmonization more difficult. For example, the California regulations contain a minimum range requirement for PHEVs receiving advance technology credit multipliers. As we noted in our initial comments, this adds complexity for manufacturers trying to sell vehicles nationwide.

With that said, we support the changes proposed in this 15-Day Notice, and again appreciate ARB's work on this regulation. We look forward to working with ARB on implementation of these regulations.

Sincerely,

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