

April 12, 2021

Ms. Kathleen Mead
Air Pollution Specialist
California Air Resources Board

Dear Ms. Mead,

Suzuki Motor USA, LLC, on behalf of Suzuki Marine USA, LLC and Suzuki Motor Corporation (collectively, "Suzuki"), respectfully submits the following comments relating to CARB's proposal to implement new certification fees for products marketed in California. Suzuki Motor Corporation is a manufacturer of on-highway motorcycles, off-road recreational vehicles, and outboard motors that are certified and sold in California. These comments are specific to the products marketed by Suzuki that will be subject to the proposed certification fees.

Suzuki has participated in previous discussions with CARB staff on the proposed regulation and appreciates the willingness of CARB to consider the concerns raised by Suzuki and others with respect to its proposal. However, Suzuki believes the proposed regulation remains too severe and in its current form could result in a negative impact to future consumer product availability. We believe that some of this concern could be mitigated with the following revisions to the proposed regulation:

1. Increase in the number of low California sales-volume engine families allowed per model year for on-highway motorcycles

The motorcycle industry is distinct from many other product categories in that engine designs are generally unique to individual models and this uniqueness does not lend itself to grouping engines of multiple models into common engine families. As a result, it is typical for a manufacturer to have an equal number of engine families as they have base model types. This results in a disproportionately high number of certification engine families relative to overall California sales volume, with each engine family having relatively low sales volumes individually. This will result in a very high fee cost per California sale under the current regulatory proposal.

CARB has proposed to reduce this cost impact through the application of a 95% reduction in certification fees for engine families with no more than 100 annual California sales volume, with a maximum of three engine families eligible for this provision. Suzuki appreciates that CARB has recognized the impact of the proposed new on-highway motorcycle fees, however Suzuki believes that the proposed allowance does not go far enough. Suzuki requests that CARB reconsider its limitation of three low California sales volume engine families and increase the number of engine families that would be allowed to use this provision to at least six per model year.

2. Revision to the Partial Carry-Over application definition

Suzuki appreciates that CARB has recognized the need to base the cost of certification on the amount of work required by staff for each category, and in general we support CARB's proposal to link the applicable certification fee to the criteria described in Mail-Out # ECARS 2015-7, "Streamlined Certification Process for Carryover and Partial Carryover Certification Applications".

Suzuki believes that the guidelines for partial-carryover applications listed in this Mail-Out are too restrictive when taken into the context of the impact to certification fees expenses for very minor revisions to a certification application that are not captured in the Mail-Out.

Specifically, Suzuki believes that very minor changes such as a revision to a CARB approval number should not exclude the application from being classified as partial carry-over. Under the currently proposed regulatory language, a motorcycle manufacturer that has a revision to its emission warranty statement necessitating a new CARB approval number, or an outboard engine manufacturer that is updating its production-line testing procedure description would be subject to a doubling in certification fees for a model year, as either of these actions would prohibit use of the partial carry-over option. Suzuki believes that there is no justification for this additional cost to the manufacturer, as the amount of time needed to review applications with updated CARB approval numbers would not be different than an application without such a change. Although the need to update CARB approvals does not occur often, they do occur and should not trigger a massive increase in certification fees as a result. Likewise, a change to an OHRV evaporative component cost list does not impact the amount of time needed for application review and should also not force a manufacturer into the full "new certification" Base fee category.

The provisions for allowable changes for a partial carry-over application in ECARS 2015-7, which was used as the basis for the proposed regulation, were reasonable at the time the Mail-Out was created as the purpose of developing the streamlined certification process was to identify how to reduce CARB staff certification application processing time in the simplest way possible. This goal was accomplished. However, the impact to certification cost as a result of the allowed criteria for acceptance into the streamlined certification process was not part of the discussion at the time. In light of CARB's plan to impose both new and greatly increased certification fees, we believe that simply using the ECARS 2015-7 criteria as the sole basis for determining whether an application may qualify for a partial-carryover certification fee reduction is not reasonable and that a more equitable approach is to link the cost to actual work by CARB staff to review an application. Changing a CARB approval number will not impact the amount of work time needed for application review. Further, retaining the existing restrictive language will negatively impact the certification cost basis without reasonable cause. For these reasons, Suzuki strongly requests CARB consider broadening the criteria for what constitutes a partial-carryover application to include applications that contain updated CARB approval numbers related to any element of certification, as well as applications that contain updates to OHRV evaporative component cost categories.

Thank you for your consideration of these comments.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert Alsip", with a long horizontal flourish extending to the right.

Robert Alsip
Department Manager
Government Relations