

December 16, 2016

Rajinder Sahota Assistant Division Chief Industrial Strategies Division California Air Resources Board Sacramento, CA

## Subject: Discussion Draft 2030 Target Scoping Plan Update and Fuel Efficient Passenger Vehicle Replacement Tires

Dear Ms. Sahota:

Thank you for the opportunity to provide comments on the <u>Discussion Draft 2030 Target</u> <u>Scoping Plan Update</u>.<sup>1</sup> Energy Solutions is a professional and engineering services firm whose mission is to create large-scale environmental impacts by providing market-based, cost-effective energy, carbon, and water management solutions to our utility, government and commercial customers. We strongly support ARB's innovative and critical work to reduce greenhouse gas (GHG) emissions.

We recommend explicitly including the benefits of fuel efficient passenger vehicle replacement tires in the discussion draft list of measures and in the upcoming appendix detailing the emissions calculations. Currently, replacement tires offered on the market are generally substantially less efficient than tires factory-installed on new passenger vehicles. Therefore, a significant portion of the expected emissions and economic benefits of GHG standards for passenger vehicles would be undermined as factory-installed tires are replaced with less efficient tires. Fortunately, ARB has found that "fuel efficient passenger vehicle tires can be utilized by both new and in-use vehicles in the near-term to achieve GHG emission reductions. Deployment of fuel efficient vehicle tires for in-use vehicles could include limited incentives, followed by ratings and then standard setting to permanently shift the market" (May 2014 AB32 Scoping Plan Update).

A 10% improvement in replacement tire efficiency would reduce GHG by 2.7 million metric tons and save consumers \$882 million annually according to the <u>California Energy</u> <u>Commission</u>.<sup>2</sup> A <u>study</u><sup>3</sup> for the South Coast Air Quality Management District demonstrates that 20% or greater improvement is feasible and will especially benefit air quality in disadvantaged communities where used vehicles operating on replacement tires are more common. We also <u>estimate</u><sup>4</sup> that the average driver will save up to \$1000 in fuel costs.

<sup>&</sup>lt;sup>1</sup> https://www.arb.ca.gov/cc/scopingplan/2030target\_sp\_dd120216.pdf

<sup>&</sup>lt;sup>2</sup> http://www.energy.ca.gov/tires/

<sup>&</sup>lt;sup>3</sup> http://energy-solution.com/wp-content/uploads/2015/01/Passenger-Vehicle-Replacement-Tire-Efficiency-Study.pdf

<sup>&</sup>lt;sup>4</sup> https://energy-solution.com/wp-content/uploads/2016/06/Tires\_Cutsheet.pdf

We recommend the following specific revision to the transportation section of the discussion draft:

"Known commitments:

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Implement the original scoping plan light duty passenger vehicle replacement tire rolling resistance measure (page C-62) and meet AB 844 'Replacement Tire Efficiency Program' goals."

We also recommend addressing fuel efficient replacement tires for light duty vehicles in the upcoming appendix detailing GHG emission calculations. Without fuel efficient replacement tires, new light duty vehicle GHG emissions will increase by several million metric tons annually when tires are replaced.

We appreciate your consideration of our comments. Please feel free to contact me at <u>achase@energy-solution.com</u> if you wish to discuss our comments. You may also contact or have your staff contact Ed Pike of my staff at <u>epike@energy-solution.com</u> or (510) 482-4420 x 239.

Sincerely,

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Alex Chase Director Energy Solutions