

December 21, 2023

The Honorable Steven S. Cliff, Ph.D. Executive Officer
California Air Resources Board
1001 I Street
Sacramento, CA 95814
ATTENTION: Clerk's Office

RE: Proposed Amendments to the Heavy-Duty Engine and Vehicle Omnibus Regulation – 15-Day Change Notice

Dear Dr. Cliff:

On behalf of Transportation Charter Services, I am submitting the following comments in response to the Notice of Availability of Modified Text (Modifications) – Proposed Amendments to the Heavy-Duty Engine and Vehicle Omnibus Regulation (Notice), posted by the Air Resources Board (CARB or Agency) on December 6, 2023.

Transportation Charter Services is located in Orange, CA servicing the Orange County, Los Angeles and San Diego regions. My company provides passenger transportation to a number of market segments including employee and computer shuttle service, professional and collegiate sports transportation, cruise industry shuttles, educational transportation, corporate and convention shuttles and transportation services for the military.

Transportation Charter Services has a vital interest in CARB's proposed action to amend the Omnibus regulation, and believe it is important for the Board to hold a public hearing on this matter to fully assess both the proposed amendments and their impact, as well as the steps leading to the development of these amendments.

For the past six months, several interested fleet operators, the California Bus Association and the motorcoach vehicle manufacturers, tried to engage with CARB on the Heavy-Duty Engine and Vehicle and Omnibus Regulation (Omnibus Regulation) to find a path toward compliance for California bus fleet operators that will not jeopardize our businesses. As the full title of the Omnibus Regulation states, this regulation impacts both engines and vehicles; however, based on our discussions and engagement with CARB to date, the Agency appears to be solely focused on working with original equipment manufacturers (OEM) of engines to the disadvantage of vehicle manufacturers and fleet operators, in the bus and truck industries. From the outset of the process to develop this regulation, it appears CARB engaged engine manufacturers only, without reaching out or engaging vehicle manufacturers or fleet operators. Even in regard to negotiations held earlier this year in response to concerns raised with the Omnibus Regulation, CARB again relied solely on engine OEM input without considering input from or the effects of the amendments on vehicle OEMs and end user fleet operators (https://www2.arb.ca.gov/sites/default/files/2023-

<u>07/Final%20Agreement%20between%20CARB%20and%20EMA%202023</u> <u>06</u> <u>27.pdf</u>). As was mentioned by many who submitted comments seeking a public hearing, the motorcoach industry needs additional flexibility under the Omnibus Regulation for Model Years 2024-2026, as the vehicle OEMs will not be in position to provide sufficient compliant motorcoach vehicles for sale in the California market, and my business, my passengers, my employees and the air quality of the state will suffer.

Understanding this 15-Day change notice is limited to the proposed Modifications, Transportation Charter Services also provides the following comments specific to this proceeding.

First, in reference to the proposed modifications to Subsection 1956.8(a)(2)(C)3.b.iv., of Title 13, California Code of Regulations (CCR) and the Diesel Engine Test Procedures incorporated by reference in Section 1956.8(b), of Title 13, CCR. The purpose of these modifications, per the Notice, is to further clarify the intent of these regulations for manufacturers that choose to use either Options 1 or 2. Although we appreciate CARB's intent, as fleet operators and in collaboration with the vehicle OEMs, we urge CARB to provide further clarification on legacy engines, offsets and credits. Specifically, we continue to seek explicit clarification from CARB on what "offset" means, in terms of use of credits to address legacy engine emission deficits. Motorcoach vehicle OEMS have zero-emission vehicle (ZEV) credits, and have held discussions with engine OEMs, for the purpose of using these credits to acquire legacy engines for use in their vehicles. However, we are told by both the vehicle and engine OEMS that there is confusion on whether these "credits" are acceptable for compliance with the Omnibus Regulation legacy engine options, and of more concern, the OEMs are unable to obtain clarification from CARB directly. Vehicle OEMs are pursuing every effort to prepare for compliance with the Omnibus Regulations, however this cannot be accomplished without further clarification and assistance from the Agency who authored the regulation. Several years of motorcoach vehicle sales hang in the balance and cannot proceed without additional clarity.

Next, in reference to the proposed modification to Section 1971.1, Title 13, CCR, On-Board Diagnostic (OBD) System Requirements, ABA supports the removal of the option to certify to OBD systems to California OBD requirements in Section 1971.1, and instead establish national consistency with federal requirements. The importance of setting consistent and uniform emissions standards cannot be understated. Business operations cannot function among various jurisdictions without a uniform approach to regulation, this is particularly true for the transportation industry, which routinely crosses jurisdictions. This is why ABA is fully supportive of CARB's realignment of the Omnibus Regulation standards with the federal standards for MY 2027 and beyond. National uniformity in these matters is critical.

Again, we urge CARB to reconsider its position and provide additional flexibility in the Omnibus Regulation for the use of legacy engines in new motorcoaches for market during the MY 2024-2026 period, as was provided for transit bus operations. Motorcoaches are an environmentally responsible form of mass transportation that can assist CARB in reaching its emission targets by reducing congestion and should be promoted and incentivized, rather than limited or hindered by reducing the availability of new equipment. Transportation Charter Services urges CARB to provide further clarification, as part of these proposed modifications, and outreach to assist both engine and vehicle OEMS in preparing to comply with the legacy options amendments to the Omnibus Regulation. We also support and encourage CARB to seek every opportunity to reconcile their emissions standards and protocols with federal emissions standards and protocols, in support of uniform national standards that allow businesses to function in interstate commerce.

Respectfully,

Terry Fischer

President – Transportation Charter Services, Inc