

Jed Mandel
18-9-4

**STATE OF CALIFORNIA
AIR RESOURCES BOARD**

Proposed Amendments to) **November 15, 2018**
California's Heavy-Duty On-Board) **Agenda Item: (18-9-4)**
Diagnostic Regulations)

**ORAL STATEMENT OF THE
TRUCK AND ENGINE MANUFACTURERS ASSOCIATION**

My name is Jed Mandel, President of the Truck and Engine Manufacturers Association (EMA). EMA and its members recognize that areas in California are in ozone non-attainment and that additional NO_x reductions are needed. We are committed to pursuing both additional NO_x reductions from heavy-duty on-highway vehicles and overall improvements to the regulatory program – in California and nationwide. Advancements in emission sensors, real-time data-processing and telematics capabilities, and geofencing strategies afford an opportunity to reimagine the regulatory paradigm to assure improved in-use compliance and additional real-world NO_x reductions. We envision next-tier emission control regulations that move from a prescriptive-based approach to a robust and comprehensive performance-based approach. But, it will take time and effort to fully develop and implement that type of paradigm shift. And we need to do so on a nationwide basis ... not only because trucks operate in interstate commerce, but also because 60% of the state's commercial vehicle VMT comes from out-of-state trucks.

The complexity and expense of the proposed HD OBD amendments measures will consume a significant percentage of manufacturers' engineering resources and expertise that otherwise could be directed toward developing and optimizing a new performance-based paradigm. Further, as noted by your staff, the overall costs of the OBD program are extraordinarily expensive and, as we note, the newest OBD requirements add additional costs and provide no meaningful emission benefits.

For all of the above reasons, we have been working with your staff the last few days to find a way to move forward to achieving what I think is our mutual goal – the development of a new paradigm shifting, performance-based compliance program providing real-world NO_x reductions.

To help accommodate that goal, the staff is proposing to (i) defer the bulk of the new OBD requirements until 2024; (ii) allow manufacturers the option of complying with either a somewhat streamlined REAL program in 2022 and the full REAL program in 2024 or to comply with the full REAL program in 2022 with a reduced number of monitors to test; (iii) reduce the amount of the deficiency fines; and (iv) to conduct a 2021 review of the overall OBD program (including the proposed new program elements) and the overall cost-benefits, especially in light of progress on the future HDOH low-NO_x program.

We think that proposal is a creative and workable solution to addressing the very significant concerns we have raised. It both avoids the need for unnecessary acrimony and gives us time to work on the future program. We urge the Board to accept the staff's revised proposal, which we strongly support.

I am happy to answer any questions.