

Clerks' Office

California Air Resources Board

1001 | Street4

Sacramento, California 95814

June 03, 2021

Re: Comments in Response to the Proposed Heavy-Duty Engine and Vehicle Omnibus Regulation and Associated Amendments (HD Omnibus Regulation)

Dear Sir or Madam,

Temsa Skoda Sabancı Ulaşım Araçları A.Ş appreciates the opportunity to provide comments regarding the California Air Resources Board's (CARB) Proposed Heavy-Duty Engine and Vehicle Omnibus Regulation and Associated Amendments, or HD Omnibus Regulation. We understand the unique air quality issues California faces and share CARB's goal to improve real-world NOx emissions from heavy-duty vehicles.

Our company wants to play an integral role in addressing climate change and air quality issues. For this reason, TEMSA rapidly continues its environmentally friendly electric bus production and their developments.

TEMSA is an environment conscious manufacturer which was awarded in the "Silver" category as a result of the evaluation score given by the global rating platform EcoVadis, after examining more than 55 thousand companies, with its successful performance in the field of corporate social responsibility and sustainability.

TEMSA offers the following recommendations for changes to the HD Omnibus Regulation necessary for bringing efficient, reliable, and cost-effective power to our customers and for ensuring the regulation succeeds in providing air quality benefits for California.

CARB's HD Omnibus Regulation contains a 50-state option for Model Year (MY) 2024-2026 NOx standards. So TEMSA believes that these options will cause unnecessary complexity and regulatory uncertainty. On the TEMSA side, during the design and production stages, it is not possible to foresee which state the vehicle will be registered to. Therefore it is very complicated to produce the vehicles with so many options. It could cause uncertainty and incompatibility.

We, as TEMSA, would like to share our comments for the vehicle manufacturer side and California market side.

Our comments resulting after the evaluation from the point of view of the vehicle manufacturer are given below:

1-If the engine manufacturer chooses to provide the vehicle manufacturers two different engine types for US EPA states and CARB states regarding this proposed rule to be compliant. So the vehicle manufacturer has to make investment to supply vehicle options for either EPA or CARB compliance. In addition to that this will cause financial burden, diversity of vehicles and complexity.

2-The proposed time frame of regulation transition is not sufficient for the designing and manufacturing process. The designing and manufacturing process of just one vehicle takes approximately 2 years. So it seems impossible to design and produce the vehicles which meet the requirements regarding this proposed regulation for 2024MY. So the application of this proposed rule is more reasonable for 2027MY.

3-As a vehicle manufacturer, we will need to improve our vehicle models from now but unfortunately the engine manufacturers are not ready yet to supply us with their solution for the California market. And supposing that we made our buses ready for the California market, we have to start for the next improvement for 2027 MY. We suggest making the necessary improvements in one time and sell these buses to either California or the other states with 2027MY with the best air quality solution.

As a result of our consideration of the regulation in terms of the market, our determinations are given below:

1- According to the proposed rule, each engine manufacturer will have to choose whether to CARB certify to a new California low-NOx standard only those engines to be sold in California This approach ensures neither uniformity of standards nor a level playing field among manufacturers. In fact, it holds the potential to create competitive imbalances not only in California, but in each of the other 49 states.

2-This proposed rule may create economic disparities outside of California. If only one manufacturer were to certify their national product line to the proposed 50-state standard, they would incur a cost disadvantage on sales occurring outside of California due to the added cost of meeting the California standards. As a result, the proposed approach has the potential to create economic disparities among businesses located wholly outside the state of California.

Based on all the reasons discussed above, we respectfully urge your office to direct CARB to hold the 2024-2026 standards in the Omnibus Low-NOx rule in abeyance and instead focus its resources on aligning with the EPA on a single nationwide engine Low-NOx standard for 2027.

We thank you for your attention to our comments on the proposed regulation and hope that adjustments can be made in the proposed regulations prior to finalization. If there are any questions concerning this submission, please contact Ceyhun Erman at ceyhun.erman@temsa.com

Sincerely,

Ceyhun Erman

R&D Manager