



AMERICAN SUZUKI MOTOR CORPORATION

March 7, 2012

Mr. James Goldstene
Executive Officer
California Air Resources Board
1001 I Street
Sacramento, CA 95814

Dear Mr. Goldstene:

American Suzuki Motor Corporation, on behalf of Suzuki Motor Corporation (collectively referred to as "Suzuki"), is pleased to provide the following comments on the proposed 15-day modifications to the California 2015 and Subsequent Model Criteria Pollutant Exhaust Emission Standards and Test Procedures and 2017 and Subsequent Model Greenhouse Gas Exhaust Emission Standards and Test Procedures for Passenger Cars, Light-Duty Trucks, and Medium-Duty Vehicles.

Suzuki appreciates the proposed modifications to the definition of "Small Volume Manufacturer" in Title 13, California Code of Regulations (CCR), § 1900.(b)(22). These modifications would allow companies that are "operationally independent" of a firm that has a 10% or greater equity ownership to qualify as Small Volume Manufacturers (SVMs) for the 2015-2017 model years based on non-aggregated vehicle sales in California. Suzuki is concerned, however, that even though Suzuki's non-aggregated average annual sales volume in California is well below the SVM threshold and Suzuki meets all of the criteria to qualify as "operationally independent", the additional requirement to submit an Attestation Engagement from an independent certified public accountant could create an impediment to Suzuki's ability to qualify as an SVM.

The requirement to submit an Attestation Engagement creates an unnecessary burden, and does not make sense for a number of reasons:

- The requirement appears to be directed at a problem that does not exist. There is no financial or other incentive for the formation of new companies that can somehow, in the absence of an Attestation Engagement, obtain a determination of "operational independence" in order to be subject to less stringent standards. Under the LEV II regulations, a manufacturer with non-aggregated average annual sales in California of fewer than 10,000 vehicles could be determined to be an "Independent Low Volume Manufacturer (ILVM)" subject to less stringent standards than large manufacturers, by obtaining a determination from the Executive Officer that the 10% or greater ownership by a "related manufacturer" does not result in responsibility for overall direction of both firms. Even with this very simple criterion for a determination of operational independence

(ownership does not result in overall direction of both firms) and a greater incentive for manufacturers to try to become ILVMs (a sales limit of 10,000 vehicles in California rather than the 4,500 vehicle sales limit for SVMs), Suzuki is not aware of any new manufacturers entering this category.

- Verification by an independent certified public accountant of criteria such as the requirement that "no financial or other support of economic value is provided by related manufacturers for the purposes of design, parts procurement, R&D and production facilities and operation" could be very tedious and could involve examination of records at many different facilities, potentially involving many hours and high cost. This seems contrary to the concept of providing relief for companies with small sales volumes and limited resources.
- ARB has broad authority to take enforcement action against manufacturers that make false statements. The risk of sanctions resulting from discovery of false or misleading statements provides an adequate deterrent to such conduct. An Attestation Engagement is unnecessary.

For the reasons described above, Suzuki respectfully requests that the following sentence be deleted from the proposed new language for the SVM definition in Title 13 CCR § 1900.(b)(22) :

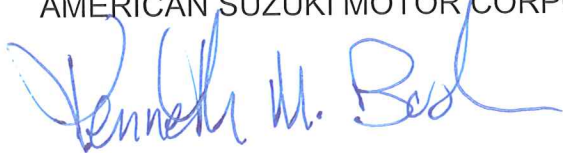
Any manufacturer applying for operational independence must submit to ARB an Attestation Engagement from an independent certified public accountant or firm of such accountants verifying the accuracy of the information contained in the application, as defined by and in accordance with the procedures established in 40 C.F.R. §80.125, as last amended January 19, 2007, which is incorporated herein by reference.

As an alternative, Suzuki requests that the above provision be replaced with a provision that a manufacturer applying for operational independence must submit a certification statement, signed by a company executive, that the listed conditions for a determination of operational independence have been met.

Please contact me if you have any questions concerning this matter.

Sincerely,

AMERICAN SUZUKI MOTOR CORPORATION



Kenneth M. Bush
Associate Director, Government Relations