

May 23, 2011

Clerk of the Board, Air Resources Board
1001 I Street
Sacramento, California 95814



Re: Truck and Bus Rule

Overall, Air Resources Board (ARB) staff had the unenviable task of striking a balance between providing relief for those affected by the recession, respecting investments made by businesses who had taken steps in good faith to comply with prior incarnations of the rule, all while achieving stated emission reduction goals. Whether staff went too far or did not go far enough in one respect or another will surely be the focus of much of the commentary so we will instead fix our analysis on the remaining mechanical issues at hand.

OEM Diesel Particulate Filter Crediting Is Inequitable

The revised "fleet age reduction" credit continues to treat aftermarket DPFs as the favored compliance option of the ARB. The inequitable treatment of those fleets that choose to comply with OEM equipment (for functional purposes) at ten times the upfront cost of aftermarket retrofits could be, at best, described as *puzzling* given that their early and additional emission reductions are identical.

We have yet to hear adequate justification for this policy and fail to recognize the ARB's statutory authority to prejudice policy to favor one Best Available Control Technology (BACT) versus another.

The argument put forth by Board staff that they do not want to credit fleets that would have purchased the new equipment as part of their normal buying cycles is tenuous. It is impossible for Board staff to know whether new equipment was bought in response to the rule or not. Measuring average fleet age at a single point in time (October 2006) against another (compliance year) is an entirely arbitrary way to measure *additionality* and one that has no statutory support. Also, fleets who ordinarily turn over equipment in advance of the requirements of the BACT schedule would have no reason to claim credits it does not need.

The simplest way to measure *additionality* is to credit all like-reductions in emissions achieved prior to a date not to exceed six months prior to rule implementation. This is consistent with the basic principles of general pollutant incentive crediting schemes. The "one-to-one" method of crediting aftermarket retrofits is simple and easy for fleets to administer. We would *strongly* suggest the Board and staff consider adopting equitable crediting for aftermarket and OEM filters.

We thank Board staff for its time and consideration. Please contact Chris Shimoda, Manager of Environmental Policy at (916)373-3504 with any questions.

Sincerely,

A handwritten signature in black ink, appearing to be "ES", written over a horizontal line.

Eric Sauer, Vice President of Policy Development
California Trucking Association
(916)373-3562