

Coalition To Build a Cleaner California

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Date: July 25, 2007

To: CARB Board Members

From: Coalition To Build a Cleaner California



Subject: CARB Proposed Off-Road Diesel Rule

On behalf of the construction industry and the associated labor groups that are represented, we wanted to follow-up with you on three items in which we have been advocating with the CARB staff.

1. Extension of the 2020 deadlines to 2025: **Staff said this would not be possible, however they would conduct a comprehensive review of the status of the statewide fleet in 2017. We have reluctantly agreed to this as long as the compliance review takes into account the availability of Tier 4 technology, fleet penetration/integration and will trigger compliance time extensions if either of these items are found deficient.**
2. Expanding the Carl Moyer program which would allow smaller and medium-sized contractors to qualify and participate in the program: **We have been advised by Legislative leaders and the Administration to wait and seek expansion of Carl Moyer after the state budget is passed. We have agreed to do so.**
3. Flexibility in the fleet averaging requirement by establishing five-year milestones: **Subsequently we revised that requirement to 3-year increments when we established the SOON program with the local air districts. Staff has not recognized and accepted our arguments. This is an unacceptable position to our coalition and we have outlined our rationale below.**

Advantages of 3-Year Fleet Average

1. Allows fleet owners maximum flexibility to manage the transition of the fleet with retrofits, repowers, replacements and retirements.
2. Allows more engine technology options to achieve compliance including Tier 4 Interim (2011) and Tier 4 Final (2014) options.
3. Assures emission reductions are achieved every year by using a "reasonable further progress" increment (40% of required improvement in first two years).
4. Enables contractors to participate in the SOON program in the South Coast and San Joaquin Valley air districts.
5. The early over-compliance program (SOON) in South Coast and San Joaquin Valley achieves significantly more NOx and PM reductions statewide than originally envisioned by the staff proposal.
6. Without the three year average goals most contractors will not have the resources necessary to participate in the SOON program and their air districts will miss their EPA 2015 ozone compliance dates.
7. The SOON program and the three-year fleet average milestones are part of a carefully crafted incentive plan to achieve early, significant emission reductions that go beyond that envisioned by the CARB staff proposal.

We respectfully request that the Board authorize the 3-year fleet average.