

**CONSTRUCTION
INDUSTRY
AIR
QUALITY
COALITION**

June 12, 2006

Mr. Robert Sawyer, Ph.D.
Chairman
California Air Resources Board
1001 I Street
Sacramento, CA 95812

Coalition Members



Associated General
Contractors of California



Building Industry Association
of Southern California



Engineering
Contractors Association



Southern California
Contractors Association

Dear Chairman Sawyer:

The Construction Industry Air Quality Coalition (CIAQC) actively supported the enactment of AB 531, authorizing the Air Resources Board's Portable Equipment Registration Program (PERP), and participated in the ARB workshops, meetings with CAPCOA and the Air Resources Board hearing adopting the regulation. We particularly approved of the reasonable fee structure originally proposed for portable equipment owners.

As a coalition representing the Associated General Contractors of California, Engineering Contractors Association, Southern California Contractors Association and the Building Industry Association of Southern California, CIAQC is a significant stakeholder in the PERP. Our member associations collectively represent approximately 3,300-member construction and homebuilding companies, many who own and operate portable equipment.

CIAQC's principal concern at this point is that the PERP regulation prohibiting further use of unregistered and non-permitted portable engines after December 31, 2005 until they are replaced with BACT (Tier 2 or Tier 3 engines) is counterproductive to our goal of reducing particulate emissions. Disallowing the use of Verified Diesel Emission Control Systems to reduce particulate emissions from these engines further compounds the problem.

We believe that over 50% of the portable diesel engines in California fall in this category. Also, most of their small, minority and family owned business owners are unaware of or only vaguely familiar with the CARB program to register and regulate their engines. Also, these owners have little in common with the so-called "affected (large) industries" that your Board directed its staff and CAPCOA to coordinate the PERP amendments with. To require them to replace their portable engines, and in many cases the equipment they power, before they can legally use them would be extremely difficult and disruptive.

Owners who might be financially able and willing to replace all of their portable equipment would face at least a six-month wait for Tier 3 engines to be available.

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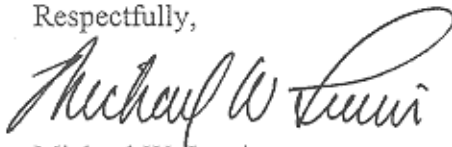
As a result, most of them will continue to operate them illegally hoping to evade detection at least until ARB and the districts can afford to enlist enough inspectors to enforce the requirement.

To resolve this problem, CIAQC proposes that your Board:

- Approve an amendment allowing portable engines to be registered until July 1, 2007 provided the owner commits in writing to install a Tier 3 engine under an enforceable time schedule or control the unregistered engine with at least a Level 2 VDECS within one year after it is verified and made available to the owner.
- Instruct staff to form a joint ARB, CAPCOA and construction industry led educational program to inform owners of portable equipment about the program requirements and penalties and promote registration in the PERP.

CIAQC sincerely believes that these recommendations, if approved, would result in an air quality benefit for California. Please do not hesitate to give me a call at (626) 858-4611 if you have any questions or wish to discuss this further.

Respectfully,

A handwritten signature in black ink, appearing to read "Michael W. Lewis". The signature is fluid and cursive, with the first name "Michael" being the most prominent part.

Michael W. Lewis
Senior Vice-President