



November 28, 2006

Via E-mail and FedEx

Ms. Catherine Witherspoon
Executive Officer
California Air Resources Board
1001 I Street
Sacramento, CA 95814

Re: Failure to Respond to the Alliance's October 30, 2006 Letter Concerning
Deficiencies in the Initial Statement of Reasons for the Warranty and Defect
Reporting Rulemaking

Dear Ms. Witherspoon:

I write to follow up on my letter to you of October 30, 2006. In that letter I described various procedural and other deficiencies in the Initial Statement of Reasons ("ISOR") for proposed amendments to the emissions warranty information and reporting and recall regulations. On behalf of the Alliance of Automobile Manufacturers, I accordingly requested that the December 7, 2006 hearing set for Bakersfield be rescheduled to allow the ISOR to be rewritten and reissued without the deficiencies that were identified. Finally, I requested a response to my letter on or before November 7, 2006.

Despite one face-to-face meeting with a contingent of ARB staff and representatives of the Alliance and its member companies held on November 3, 2006, and a follow-up conference call my colleague Steve Douglas participated in with ARB staff on November 21, 2006, no substantive response to the October 30 letter has been sent or provided orally. While we appreciated the opportunity to have those two discussions, led by Tom Cackette of your Office, it is regrettable that the October 30 letter will not be responded to before the December 7 hearing date. Indeed, on the November 21 conference call, it was made clear to Steve Douglas by ARB staff both that: (1) the hearing date would not be postponed; and (2) no response in any form to the letter would be forthcoming before the December 7 hearing.

The point of the letter was to avoid the waste of resources that would occur if the rulemaking were, in the future, sent back to fix the deficiencies the letter identified, when those deficiencies could be corrected by staff revising and reissuing the ISOR now and postponing the

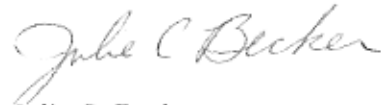
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Board hearing. It is not too late for staff to take the proposed rulemaking back, rework the ISOR in accordance with California law, and reschedule a Board hearing to address the revised ISOR.

If the staff proceeds with this proposed rulemaking on the basis of the current ISOR to the Board on December 7, and if substantive portions of the rule are later invalidated, the entire rulemaking would be invalid and would need to return to the ISOR stage -- a consequence staff accepts by choosing to go ahead with the ISOR in its current form.

Please do not hesitate to contact me any questions about this letter or about the Alliance's position on this proposed rulemaking.

Sincerely,

A handwritten signature in cursive script that reads "Julie C. Becker".

Julie C. Becker
Assistant General Counsel

cc: Kirk C. Oliver
Tom Jennings
Allen Lyons
Annette Hebert