CALCIMA
California Construction and Industrial Materials Association

December 8, 2008

Mary Nichols
Chair, Air Resources Board
1001 I Street
Sacramento, CA 95814

Re: On-road Diesel – adopt Driving Toward a Clean California (DTCC) alternative

Dear Chair Nichols:

The California Construction & Industrial Materials Association (CalCIMA) urges the Air Resources Board to adopt the alternative On-road diesel proposal presented by the Driving Toward a Clean California (DTCC) coalition.

CalCIMA is the California association for aggregate, ready mixed concrete, cement, and industrial material producers. Our membership includes over 100 producers representing over 500 production facilities. Our members produce the products—including rock, sand, gravel, limestone, and concrete--to build California's infrastructure of roads, bridges, water systems, hospitals, and schools.

Local sources of building materials are particularly important for California to meet both AB 32 greenhouse gas goals to reduce transport distances and utilize local materials, and to meet building obligations of the 2006 Infrastructure Bonds approved by California voters. The important connection between greenhouse gas goals and local construction materials was recently recognized in SB 375 (Steinberg) which requires sustainable community strategy plans to include assessment of locally available aggregates.

We support the general concept of the On-road diesel rulemaking; namely, to promote cleaner air and reduce diesel particulates and NOx. In many ways industry benefits from high standards and public knowledge that trucks are cleaner and reduce emissions. Many of our member companies have implemented far reaching plans to incorporate the latest technology and upgrade their fleets. In addition, we recognize that there are some common-sense provisions, such as the exemption for areas with NOx attainment.

However, the proposal by ARB presents a very aggressive schedule that will be difficult for many companies to meet, particularly when business is slow and financing has become more difficult. We also believe that the ARB has before it an alternative by the DTCC coalition, which is based on ARB's own proposal and provides modifications to achieve the same goals within a more reasonable compliance schedule. Within the DTCC proposal, there are a number of provisions that are of particular importance to CalCIMA members.

1811 Fair Oaks Avenue ■ South Pasadena, California 91030 ■ Tel. 626.441.3107 ■ Fax 626.441.0649
1029 J Street, Suite 420 ■ Sacramento, California 95814 ■ Tel. 916.554.1000 ■ Fax 916.554.1042
www.CalCIMA.org

Regulatory Impact

Material producers have two primary fleet types impacted by the proposed rule: (1) concrete mixer delivery trucks; and 2) vocational trucks, which include crew & foremen trucks, dump trucks, water trucks, mechanics trucks, fuel/lube trucks, crane trucks, and drill rigs.

A common characteristic of these fleets is that they are primarily used locally and have much lower mileage than a typical long haul fleet. As such, their emissions are lower, life is longer, and don't need to be replaced as often. They are also complicated vehicles, for which there are not always simple retrofit solutions.

For these vehicles a broadened low-use mileage provision is needed. The ARB proposal provides a low mileage provision only if a vehicle is used less than 1,000 miles or less than 100 hours per year. The DTCC alternative provides relief for vehicles used up to 30,000 miles and without an hour restriction. The average concrete mixer truck operates up to 20,000 miles and 1,740 hours per year. Vocational vehicles commonly travel about 30,000 miles in a year and operate up to 2,000 hours per year. *Request: ARB should adopt the more reasonable compliance schedules and the expanded low use mileage provisions in the DTCC alternative.*

Reliance on Retrofit Technology

Industry continues to be concerned about a rule based on technologies—and particularly retrofits—that may not be available or provide operational difficulties. As mentioned above, the complexity of our trucks and their equipment make application of retrofits problematic or unsafe in many instances. These fleets often operate power take-off units for an extended period of time, which means insufficient horsepower is generated and passive diesel filters become plugged. Also, active diesel PM filters and NOx retrofits have additional difficulties and are not yet an option.

Under the Off-road diesel regulation, it was perceived that the retrofit manufacturers would "step up to the plate" for designing new technologies that would be available to equipment owners well in advance of the compliance deadlines. As we have observed, this has not quite happened which has left many equipment owners with limited or no retrofit options. Industry is concerned there will be similar retrofit issues with vocational vehicles in particular and with non-vocational vehicles as well. The DTCC alternative should help alleviate this issue by allowing a more reasonable regulatory timeline while still meeting the same end goal of the ARB. *Request: ARB should adopt the more reasonable compliance schedule in the DTCC alternative and an exemption for trucks that cannot generate the power and engine interface to prevent retrofit filter plugging.*

Cumulative Impacts

Our industry is also particularly impacted by this rule since so many diesel rules impact us. This is particularly the case, since both the Off-road and On-road diesel rules will have been recently adopted and have major impacts for ready mixed concrete producers and mining operations. Many of our operations are also impacted by the diesel emission rules for portable equipment, port and rail yard equipment, stationary sources, forklifts, and smoke inspection.

Request: We respectfully request that consideration be given to the DTCC's proposal to address the cumulative effects of ARB regulations on diverse equipment fleets. Some type of cross-credit, economic cap, emissions cap, horsepower cap, or combining of inventories (for On and Off-road vehicles) should be included to address the fact that operations have to comply with a combination of regulations.

Credit for Truck Retirement

A credit for early retirement of vehicles was included in the Off-road diesel rule and should be, again, in the On-road rule. Since many of the construction materials fleet types are limited to local use, they would be logical ones to provide this type of incentive or credit. *Request: Credit for early truck retirement for local vehicles.*

Conclusion

In sum, we strongly encourage the ARB to adopt the alternative proposed by the Driving Toward a Clean California (DTCC) coalition. As discussed, construction and industrial material suppliers have a number of unique aspects that we believe should be considered by the ARB. In this regard, we request the ARB to particularly consider amendments to 1) expand the low-mileage provisions; 2) exempt trucks for which retrofits lead to filter plugging; 3) a cumulative impact credit; 4) a credit for early retirement of trucks used locally and 5) provide a more reasonable compliance schedule.

We provide additional information on our fleets and impacts, and would look forward to working with the Air Resources Board on implementation of our requests.

Sincerely,

Charles L. Rea

Director of Communications & Policy

Attachment: CalCIMA Fleets

CalCIMA Fleets

CalCIMA member truck fleets are varied due to the many types of activities required to produce and deliver construction and industrial materials. Within our membership, the two most common types of fleets impacted by the proposed On-road diesel rule are (1) concrete mixer fleets and (2) vocational vehicles common at mine sites. Vocational vehicles include crew & foremen trucks, dump trucks, water trucks, mechanics trucks, fuel/lube trucks, crane trucks, and drill rigs. (A certain number of members also operate trucking divisions to deliver aggregates and cement; however, the focus of these comments is directed more towards the mixer trucks and vocational vehicles).

These are some of the general characteristics of concrete mixer and vocational fleets:

- Trucks are primarily used locally.
- Trucks have low mileage and, often, low use.
- Trucks often do not operate at full capacity and, consequently, have lower emissions.
- Since they are low mileage, the trucks don't wear out as fast and don't need to be replaced as often.
- Many of the trucks are specialty vehicles with unique design or equipment which makes reconfiguring, repowering, or retrofitting difficult.

In general, many trucks of CalCIMA members are distinct from the long-haul tractor/trailer fleets that operate at maximum capacity, turnover more quickly, and are the general focus of this rule. For these reasons, a particularly important feature of the DTCC alternative is to increase the low mileage exemption up to 30,000 miles, remove the hours use provision, and provide for a revised compliance schedule.

Below is more specific information about truck fleets impacted by the rule, why they are distinct from other fleets, and why low mileage provisions and filter plugging exemptions are important.

Ready Mixed Concrete Mixer Trucks.

Concrete mixer trucks are used to mix and deliver concrete to construction sites. Due to the perish ability of the concrete mix, delivery is required within 90 minutes, limiting the distance mixer trucks can travel.

In general, concrete mixer trucks do not exceed 20,000 miles or 1,740 hours of operations per year. A mixer truck can cost about $175,000 to replace.

In addition to the up front expenses of purchasing new engines, there are increased operating expenses as well. Ready mix trucks are required to run a different grade of motor oil in the Tier III vehicles and also have numerous problems with engine cooling systems and have been forced to run a new coolant which is very expensive. There are also several issues with the particulate filter systems on the Tier III engines as well, due to their complexity.

Also, every time engines are changed to a new Tier, fuel economy decreases. For instance, going to the Tier II engines decreased fuel economy by 25%. And, Tier III engines are showing an approximate 15% reduction in fuel economy from Tier II engines.

In addition to their low mileage and low driving speeds, a ready mix truck idles for nearly 40-50% of its operational lifetime. This is to facilitate the mixing and pouring of the wet concrete from the mixing drum. During these periods at idle, the truck's engine is running at low capacity and does not reach the required exhaust temperature and flow to produce self-regeneration within the diesel particulate filter. Thus, it is important to expand the low mileage provisions, raise hour use limitations, and exempt trucks where retrofits lead to filter clogging.

Vocational Trucks

Aggregate and industrial mineral sites in particular operate a wide variety of vocational trucks. These include crew & foremen trucks, dump trucks, water trucks, mechanics trucks, fuel/lube trucks, crane trucks, and drill rigs. These operate primarily off-road at mine sites. However, they have on road licenses to move from facility to facility. These are some of their characteristics:

- Their use, mileage, and emissions are low. And, their life and longevity are long.
- Vocational trucks are equipped with a wide variety of attachments and body types that are expensive to replace or transfer to a new chassis. They require extensive and costly modifications to the truck chassis for proper installation compared to a truck with a simple trailer.
- Truck duty cycles in many cases do not support passive DPF (diesel particulate filters) technology. They typically do not have the consistent duty cycle that the DPF's need to operate properly. As a result, operators would have to buy the most expensive types of DPFs--since the less-expensive passive systems don't work on our trucks. Yet, the emission reduction benefits would be the least, since the mileage is low.
- Neither active DPF nor NOx retrofit technologies are yet available for these vehicles.

Again, low mileage provisions and a filter-clogging exemption need to be incorporated in the rule for vocational vehicles.