OVERVIEW OF

Changes to the Proposed Regulation to Reduce Emissions from In-Use On-Road Diesel Trucks and Buses

*Reducing diesel emissions to protect public health*

The goal of the proposed regulation is to achieve significant emission reductions which are critical to meeting clean air standards by federally mandated deadlines and protecting public health. The current proposal is still draft, and will continue to be modified prior to consideration by the Air Resources Board in October 2008.

What vehicles would be subject to this regulation?
The proposed regulation would apply to diesel-fueled vehicles with a manufacturer’s gross vehicle weight rating greater than 14,000 pounds and to diesel shuttle buses of any weight class that operate in California. The current proposal released in May 2008 differs significantly from the prior proposal released in January 2008. More information about the proposed regulation is available at www.arb.ca.gov/dieseltruck.

How does the current proposal compare to the previous draft?
The current proposal includes significant modifications to provide additional flexibility at a lower cost, while retaining most of the emission benefits of the prior proposal. The following table summarizes a number of key changes from the January 2007 proposal.

<table>
<thead>
<tr>
<th>January 2008 Proposal</th>
<th>Change</th>
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<tbody>
<tr>
<td>Required two truck replacements for most fleets</td>
<td>Revised requirements such that only one truck replacement is required</td>
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<td>Required vehicle replacements and installation of particulate matter exhaust aftertreatment starting December 2010</td>
<td>Delayed vehicle replacements until December 2012</td>
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<td>Fleet average emissions targets ramped down in two phases</td>
<td>Fleet averages option requiring vehicle replacements were delayed until 2012 and fleet emissions targets were softened in the early years to allow for a more gradual phase-in</td>
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<td>Two compliance options provided</td>
<td>A new third option is provided, providing even greater flexibility to fleets</td>
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<td>Small fleets requirements started in 2010 and required all engines to meet 2007 emissions or better by 2014</td>
<td>All requirements from small fleets (fleets with three or fewer vehicles) delayed until 2012. In 2012, one vehicle may be 2004 emissions equivalent with particulate matter exhaust aftertreatment.</td>
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<td>Low use provisions only available for larger heavy-duty diesel trucks operating less than 7500 miles per year and less than 250 hours per year</td>
<td>Expanded low use provisions to include smaller trucks and buses operated less than 5000 miles and less than 175 hours per year</td>
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</table>
No provisions for specialty farm vehicles or other vehicle types

Added provision to exempt certain specialty farm vehicles from particulate matter control requirements until 2017 and added provision for cab-over engine tractors exclusively pulling 57-foot trailers.

No special provision for two-engine cranes

Make both engines of two engine cranes (both on-road and off-road engines) subject to the In-Use Off-Road Diesel Regulation and exclude from existing portable equipment regulations.

Particulate matter exhaust aftertreatment requirements applied only to privately owned school buses on same schedule as other vehicles

Particulate matter exhaust aftertreatment requirements expanded for all school buses on different schedule than other vehicles. No turnover is required.

How have these changes reduced the cost of the proposed regulation?

The estimated costs associated with the proposed regulation as a result of these changes have declined by about $1 billion statewide for a number of reasons. The initial vehicle replacement dates have been delayed and the compliance period has been stretched over a longer period of time. The three compliance options also provide more flexibility for fleets to comply so they can tailor a compliance strategy that works best for their business model. The new compliance option only requires vehicles to be replaced once over the 13-year implementation period. The changes have also improved the ability to comply by buying cleaner used replacement vehicles if preferred. The changes have also improved fleet’s ability to keep some older, specialized, or high cost vehicles past 2020. Finally, the expanded exemptions have reduced the compliance costs for lower use vehicles.

What is the timeline for adoption of the proposed regulation?

ARB staff is planning additional workshops in July and August. Staff will also continue to meet with affected stakeholders to better understand the financial impacts of the proposed regulation on individual businesses. The proposed regulation is scheduled to be considered by the Board in October 2008. The regulation and a staff report detailing the reasons for the regulation would be released for formal public comment by early September.

For additional information

Please contact ARB’s diesel hotline at (866) 6DIESEL (634-3735) or visit the website at: www.arb.ca.gov/dieseltruck

You may also obtain this document in an alternative format by contacting ARB at: (916) 322-4505 (voice); (916) 324-9531 (TDD, Sacramento area only); or (800) 700-8326 (TDD, outside Sacramento). TTY/TDD/Speech-to-Speech users may dial 711 for the California Relay Service.