

Mountain Counties Air Basin Control Council

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October 17, 2013

Mary D. Nichols, Chair
California Air Resources Board
P.O. Box 2815
Sacramento, CA 95812

Subject: Truck and Bus Regulation Implementation

Chair Nichols:

The Mountain Counties Air Basin Control Council (MCAB) is concerned with the impact the Truck and Bus Regulation will have on small fleet owner/operators. We ask that you work with us and other rural counties to provide short term relief and consider possible amendments.

Our goal is to assist our air districts in attaining and maintaining air pollution standards, thereby protecting public health. The goal must also be consistent with protecting both the public and regulated community from burdensome regulatory requirements.

The majority of the rural trucking companies are small fleet operators. This regulation has an unintended economic impact on these operators who are unable to afford the high cost of compliance. The incentive programs such as Carl Moyer and TIMBER have helped to reduce the cost of compliance for some; these programs are, unfortunately, inaccessible for the majority of truckers in the MCAB. Without available grant funding, there are no real alternatives for these small fleet operators. Though the Truck and Bus Cost Methodology predicts long term cost savings for the average truck and bus operator, there are many rural operators who cannot afford to amortize the initial retrofit and replacement costs.

California's air quality continues to improve. Implementing a more gradual compliance schedule will not impede continuing progress in improvements to ambient air quality and public health. To base air quality and public health decisions on a "one size fits all" scenario is analogous to requiring all California air districts to meet costly State Implementation Plan (SIP) requirements intended only for extreme non-attainment areas. California Air Resources Board (CARB) staff recently made a presentation to the Sacramento Valley Basin Control Council. That presentation showed significant emissions reductions occurring over the next 10 years, with or without the implementation of this Regulation¹. Truck

¹ CARB Power Point Presentation Slide 12 - Graph: "Diesel PM Emissions Significantly Reduced with the Regulation" September 6, 2013 Sacramento Valley Basin Control Council Meeting

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Page 2

replacement and penetration of new compliant trucks will accomplish nearly the same goal at only a slightly delayed pace and without significant economic hardship.

As with the many letters from other rural counties that have been submitted to CARB and Governor Brown, the message is clear and consistent:

- provide a mechanism that will allow for some relaxation of this regulation in the rural counties for small fleet operators;
- allow time for "natural penetration" to run its course; and,
- provide alternatives for the small fleet operators to comply in a way that will not place them on the unemployment line or jeopardize their families' future.

In addition to these items, the Council also wants CARB to consider the provisions and options cited on Attachment A.

This Council urges you to work with us and the other rural counties, including the Rural County Representatives of California (RCRC). We believe this dialogue will be constructive and will help to apply strategies that protect ambient air quality, the public, and the small fleet operators.

Thank you for considering the economic impact to the rural operators. We look forward to working with you and the CARB to find options for all of us. If you have any questions, please contact Brian Moss, Air Pollution Control Officer for Calaveras County at (209) 754-6399.



Merita Callaway
Chair, Mountain Counties Air Basin Control Council
Chair, Calaveras County Board of Supervisors

Encl.

Cc. Governor Edmund G. Brown, Jr.
Richard Corey, Executive Officer, California Air Resources Board
County Boards of Supervisors, Mountain Counties Air Basin
Senator Tom Berryhill
Assembly Member Frank Bigelow
Rural County Representatives of California (RCRC)
California State Association of Counties (CSAC)
Sacramento Valley Air Basin Control Council Members
California Farm Bureau

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Low Use Provisions

- Amend the *Low-Use Vehicle* definition to allow vehicles to operate up to 10,000 miles and 1000 hours per year in California.

Opt In Provisions

- Reopen the opt-in period for agriculture, construction, PM Phase In, and logging trucks and/or allow fleets to increase the total number of qualifying vehicles for these compliance options.

Seasonal Provisions

- Include *Emergency Support Vehicles* under the exemptions found in Section C of the regulation.
- Amend the following definitions, "*Emergency Support Vehicle*" and "*Emergency Operation*", to allow for the inclusion of sanding trucks, tow trucks, and vehicles used for removing snow from roadways.

Seasonal Provisions

- Modify the definition for *Dedicated Snow Removal Equipment* to be less restrictive by requiring only 80% of its operational time dedicated to snow removal.

Year Round Provisions

- Remove the requirements for retrofits of vehicles that are greater than 26,000 GVW which primarily operate in high altitude and/or cold weather conditions. Such conditions can significantly impact the performance of a particulate filter due to an engine's lowered duty cycle which causes the filter to plug prematurely and frequently, thereby impacting vehicle performance.

Changes to the Carl Moyer Guidelines

- Amend the Carl Moyer Guidelines to allow districts greater flexibility with all Carl Moyer funds to provide greater opportunities for small business owners in participating in grant funding. Suggested changes include:
 - Amend the formula used in determining cost effectivity by weighting the NOx reductions in the denominator. An example of weighting the NOx factor the formula may read: $[(\$)(CRF)]/(10NOx+ROG-20PM)$,
 - Or amend the formula, by applying a benefit factor in the numerator, for vehicles which operate in less populated areas. The benefit score (BS) could be determined by the development of a population density based scale at the county level. The following is an example of a scale (values are used for demonstration purposes only):

Population density by County (# people/mile ²)	Benefit Score (BS)
<350	0.9
<300	0.85
<250	0.8
<200	0.75

The formula would then read: $[(\$)(CRF)(BS)]/(NOx+ROG+20PM)$

- Eliminate the maximum funding amounts for new vehicle purchases, relying more on cost effectivity to determine the maximum funding amounts.
- For existing on-road vehicle requirements, remove the requirement which states that the "vehicle must have an engine model year 2002 or older" (Carl Moyer Guidelines, 5-4).
- Allow Districts the flexibility for determining the use of locally generated AB 923 funds and to assist small fleet owners and IOO's in meeting their compliance requirements.

Hardship Deferment Option

- Create a process for small business owners that cannot afford to upgrade their on-road diesel truck or bus to apply for a hardship deferral/exemption.