

Lassen County Air Pollution Control District

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GOVERNING BOARD

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Staff

October 8, 2013

Mary D. Nichols Chairman, California Air Resources Board 1001 I Street Sacramento, CA 95812

Dear Chairman Nichols:

The Lassen County Air Pollution Control District Board is greatly concerned about the impact that the Air Resources Board's Regulation to Reduce Emissions of Diesel Particulate Matter, Oxides of Nitrogen and other criteria pollutants, from In-Use Heavy-Duty Diesel-Fueled Vehicles will have on all businesses utilizing trucks within the District.

Several small construction business owners and material suppliers, within our region, have proclaimed that the January 2014 deadline to retrofit, repower, or replace their trucks will have a profound impact on their ability remain in operation. This deadline, which will require a substantial capital investment by truck owners, comes at an inopportune time for the construction industry. There is no arguing that the construction industry has suffered in the current economic climate. Most businesses in our region have been struggling to keep their current equipment operational without regard to retrofit or repower their trucks. Comments from trucking professionals have also brought to light operational hindrances created by particulate filter regeneration frequency and ongoing maintenance costs.

The On-Road In-Use Diesel regulation was originally adopted by your board in December of 2008. After numerous updates and public hearings, this regulation became effective in December, 2011. This regulation requires that most fleets of heavy-duty diesel trucks within Lassen County demonstrate compliance with the engine or retrofit requirements beginning January 1, 2014.

To ease the financial hardship that this regulation is bringing on truck owners, the Board has authorized incentive funding for truck upgrades in the form of Proposition IB funds and Carl Moyer funds. Unfortunately, the Lassen County Air Pollution Control District is specifically excluded from IB funds by law and the short implementation time of the regulation makes Carl Moyer funding not cost-effective for this type of project, as Carl Moyer funding can only be used during a time period prior to the replacement or retrofit being required by regulation. As it is, the District currently receives \$180,000 per year in Carl Moyer funding for project implementation.

The one area where our district will be able to utilize a reasonable amount of incentive funding is the TIMBER program for log trucks and our board is very grateful for this funding. Still, the financial hardship on our local trucking industry will only worsen as fleets from the transportation corridors that have utilized 1B funds, or trucks based outside of California, compete in Lassen County against local truck owners.

Since Lassen County remains in compliance with all Federal Ambient Air Quality Standards, the benefits of this regulation to the residents of Lassen County will not be as great as those in other areas of non-attainment. We encourage the Air Resources Board to find a way to provide relief to rural areas and areas of attainment of existing air quality standards. We would like the Air Resources Board to consider amendments to this regulation that could include:

- 1. Re-opening the agricultural vehicle provisions approval period and increase the maximum number of trucks that can be approved.
- 2. Re-opening the Low mileage Construction Truck provisions approval period and increase the allowable mileage to 20,000 miles/year for all trucks in this category.
- 3. Increasing the low-use vehicle threshold from 1,000 miles and 100 hours. Raising the low-use cap in Attainment/NOx exempt areas will create only minimal emissions and allow low use vehicles some reasonable opportunity to provide an owner a living.

In addition to the above improvements, we request your board take action to delay the compliance dated of January 1, 2014 for small fleet owners of one to three trucks. This action is critical for rural California, and would benefit the economy of the entire state. Delaying the implementation of this rule at least within rural California in areas that are not subject to the emissions reductions prescribed in State Implementation Plans will provide these areas with a chance for continued uninhibited economic growth. For small fleet owners that are common to rural California, the purchase of a \$15,000 particulate filter, a \$40,000 to \$50,000 engine, or a \$120,000 new engine and cab, without financial assistance, will be devastating. By delaying the implementation date of this rule, used vehicles with 2010 engines will begin entering the market by 2015-2016 and these will be an option for small fleets to begin compliance with the rule. This will also allow filter technology to improve for operators that can only afford to comply via retrofit.

Sincerely,

Rout Pyle

Robert Pyle Chairman, Lassen County Air Pollution Control District Board

Cc: Assemblyman Brian Dahle Senator Ted Gains Lassen County Board of Supervisors City of Susanville City Council Richard Corey, Executive Officer, California Air Resources Board