**Comments of the**

**Motor & Equipment Manufacturers Association (MEMA)**

**to the**

**California Air Resources Board**

**RE: 30-Day Changes to the Proposed Amendments to the Heavy-Duty Engine and Vehicle Omnibus Regulation and Associated Amendments**

**June 4, 2021**

The Motor & Equipment Manufacturers Association (MEMA) submits these comments to the California Air Resources Board (CARB) on the "30-Day Changes to the Proposed Amendments to the Heavy-Duty Engine and Vehicle Omnibus Regulation and Associated Amendments" also known as the Heavy-duty (HD) NOx Omnibus 30-Day Changes.[1] MEMA appreciates CARB collaborating with stakeholders throughout this significant and complex technical rulemaking process and providing the opportunity for stakeholders to submit formal feedback on the HD NOx Omnibus proposal in 2020 and during this 30-day comment period on CARB's modifications to the Omnibus package. This feedback supplements MEMA's comprehensive comments submitted in August 2020 to CARB on its original proposal. We incorporate our previous comments here by reference.[2] MEMA supports CARB's 30-day proposed changes to the averaging, banking, and trading (ABT) program and removal of the 50-state optional standards. MEMA also supports CARB studying the costs and other implications of the increased warranty requirements of the HD NOx Omnibus.

MEMA represents more than 1,000 companies that manufacture and remanufacture components, systems, and materials for use in passenger cars and heavy trucks. [3] The motor vehicle components manufacturing industry is the nation's largest sector of manufacturing jobs – employing more than 907,000 workers in all 50 states – more than 27,000 of those jobs are in the State of California.

HD motor vehicle suppliers develop and produce a wide range of technologies and products including complex, highly integrated vehicle systems to make vehicles more efficient and lower emissions. A typical HD vehicle contains more than 30,000 components and subsystems, the majority of which are developed through supplier innovation. Suppliers are continuously innovating providing cost-efficient technologies for internal combustion engines, hybrids, zero emissions vehicles (ZEV), and other technologies that reduce vehicle emissions – including

[1]Notice of Public Availability of Modified Text and Availability of Addition Documents for the Proposed Amendments to the Exhaust Emissions Standards and Test Procedures for 2024 and Subsequent Model Year Heavy-Duty Engines and Vehicles, Heavy-Duty On-Board Diagnostic System Requirements, Heavy-Duty In-Use Testing Program, Emissions Warranty Period and Useful Life Requirements, Emissions Warranty Information and Reporting Requirements, and Corrective Action Procedures, In-Use Emissions Data Reporting Requirements, and Phase 2 Heavy-Duty Greenhouse Gas Regulations, and Powertrain Test Procedures.

[2]MEMA Comments to CARB, (Comment No. 26), August 24, 2020.

[3] MEMA represents its member companies through its four divisions: Automotive Aftermarket Suppliers Association (AASA); Heavy Duty Manufacturers Association (HDMA); MERA – The Association for Sustainable Manufacturing;[3] and, Original Equipment Suppliers Association (OESA).

greenhouse gases (GHG), NOx, and particulate matter (PM). Consequently, CARB's HD NOx Omnibus rulemaking will have enormous implications on the motor vehicle supplier industry.

MEMA supports the August 2020 Board-approved HD NOx Omnibus rule. The finalized HD NOx standards of 0.05 grams per brake horsepower per hour (g/bhp-hr) in model years (MYs) 2024–2026, and of 0.02 g/bhp-hr in MY2027 and subsequent years, promote the best available, reliable, and cost-effective emissions reduction technologies in the marketplace. Further, the low load cycle (LLC) and idling certification cycles, as well as the Moving Average Windows HD in-use testing (3B-MAW HDIUT) methodologies are better at evaluating real-world emissions performance for HD powertrains. These elements will provide a stable framework that the industry needs for long-term planning and investment decisions, which are critical to continue strengthening supplier manufacturing sector jobs and driving global technology leadership. Moreover, MEMA supports CARB's 30-day proposed changes to the ABT program and removal of the 50-state optional standards.

## MEMA Supports Removal of the 50-State Optional Standards

CARB proposes to remove subsection 1956.8(i) that establishes 50-state optional standards allowing vehicle manufacturers to certify MYs 2024–2026 engines to a standard of 0.1 g/bhp-hr (instead of 0.05 g/bhp-hr) if they meet that standard nationwide.[4] CARB proposes to remove the 50-state optional standards for many reasons including the optional standards would not ensure "aggressive compliance with low NOx technology throughout all phases of the rule" and would "add unnecessary complexity and regulatory uncertainty."[5]

MEMA supports CARB's removal of the 50-state optional standards. As MEMA and other commenters pointed out, the proposed 0.1 g/bhp-hr is too lenient because this standard could be satisfied through calibration improvements. Consequently, setting the MYs 2024–2026 standard at 0.1 g/bhp-hr would hurt technology momentum moving toward the MY2027 standard at 0.02 g/bhp-hr. It is critical that improved emissions technologies start being deployed in the MYs 2024–2026 timeframe – not delaying until MY2027. As a result, MEMA supports the removal of the subsection and agrees it improves regulatory certainty for motor vehicle suppliers and the industry.

## MEMA Supports Changes to the ABT Program

CARB outlines revisions to subsection 15.B.3.(j) where the use of HD ZEV credits used to comply with the NOx Omnibus program is proposed to expire by the end of MY2026 instead of MY2030. CARB staff argues that "[a]llowing zero emission NOx credits to persist beyond 2026 could unduly delay the industry's development of clean engine combustion control technologies" required by the NOx Omnibus.[6]

MEMA supports this modification to California's ABT program. While MEMA members stand ready to help California meet the HD ZEV targets of the Advanced Clean Truck (ACT) rule, MEMA previously had concerns with vehicle manufacturers generating credits for the HD NOx Omnibus program with the same HD ZEVs that are required to comply with the ACT. CARB's modification to the ABT program will now ensure HD diesel engines will have the best available NOx emissions-reduction technology. The ABT program is now better aligned with spirit of the HD NOx Omnibus.

[4] For the Federal Test Procedure (FTP) and RMC and an LLC standard of 0.30 g/bhp-hr, and an idling standard of 10 g/hr.
[5] CARB's "Notice of Public Availability of Modified Text and Availability of Additional Documents," p. 12.
[6] CARB's "Notice of Public Availability of Modified Text and Availability of Additional Documents," p. 42.

As CARB staff explained, the HD NOx Omnibus is meant to "address different purposes … distinct and independent from the purposes and the utility provided by the proposed ACT Regulation."[7]

## MEMA Supports Studying Costs Associated with Warranty Requirements

MEMA supports CARB studying the costs and other implications of the increased warranty requirements of HD NOx Omnibus as committed to during the August 2020 Board hearing. MEMA is committed to continuing participation with CARB and other industry stakeholders in the warranty cost workgroup. We support CARB's efforts in working towards ensuring the extended full useful life and emissions warranty requirements are implemented as smoothly and cost-effectively as possible for the industry within a reasonable time frame.

## Conclusion

MEMA supports the proposed modifications to the ABT program, and the removal optional 50-state program as outlined in CARB's 30-day changes to the HD NOx Omnibus. MEMA encourages CARB and U.S. EPA to continue working on harmonizing the HD NOx programs as closely as practicable. A true national program with stringent, long-term targets will provide regulatory certainty for the domestic supplier industry. Lastly, MEMA looks forward to continuing working with CARB on ways the industry can collaborate on ensuring the extended full useful life and emissions warranty requirements are implemented as smoothly and cost-effectively as possible. For more information, please contact Laurie Holmes, MEMA senior director of environmental policy at 202-312-9247 or lholmes@mema.org.

[7] CARB's Initial Statement of Reasons on the HD Omnibus (ISOR), ES-16.