

NEWS



Manufacturers of Emission Controls Association

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MECA Releases Diesel Retrofit Sales Figures for 2013, California On-Road Retrofit Sales Still Less Than Expected

Washington, D.C. – The Manufacturers of Emission Controls Association (MECA) today released the results of its survey of the total number of diesel retrofit devices sold by MECA member companies in 2013. According to the results, the total number of verified (U.S. EPA- and/or California ARB-verified) diesel retrofit devices (for both on-road and off-road diesel engines) sold in the U.S. (including California) by MECA member companies in 2013 was 15,467. Of this total, 87% (13,419) were diesel particulate filters (DPFs) (includes both passively regenerated and actively regenerated filters) and 10% (1,575) were diesel oxidation catalysts (DOCs). This total also includes 300 closed-crankcase filters. Sector-wise, in the U.S. (including California), 13,154 diesel retrofit devices were sold for on-road diesel engines and 2,313 for off-road diesel engines. Compared to the results of MECA’s previous surveys, MECA member companies sold 16,262 diesel retrofit devices in 2012, 20,177 in 2011, 24,640 in 2010, and 29,180 in 2009.

The decline in overall retrofit sales since 2009 most likely reflects the decrease in federal Diesel Emissions Reduction Act (DERA) funding for clean diesel projects over the same time period (\$120 million was appropriated for FY 2009-2010, \$49.9 million for FY 2011, \$29.9 million for FY 2012, and \$19.952 million for FY 2013), as well as the recent trend of funding being spent more on projects that use engine repowers and/or vehicle replacements rather than retrofit devices. For FY 2014, DERA received only \$20 million, and President Obama’s FY 2015 budget proposal last month eliminated funding for the program.

“Despite the decline in sales, MECA member companies remain committed to bringing cost-effective, verified retrofit products to the marketplace,” said MECA Executive Director Joseph Kubsh. “Clean diesel funding and incentives at the federal and state level are key strategies that are needed to reduce emissions from the existing vehicle fleet. Given EPA’s current focus on reducing emissions at high PM exposure areas such as ports and freight hubs, the need for increased and sustained DERA funding is even more apparent. DERA has bi-partisan support in Congress and we hope funding for this important program continues in 2015 and beyond.”

In California, 10,614 diesel retrofit devices were sold in 2013 (for both on-road and off-road diesel engines), of which 98% (10,427) were DPFs (includes both passively regenerated and actively regenerated filters). For in-use, on-road, heavy-duty diesel vehicles specifically, sales of DPFs in 2013 (8,934) continued to remain lower than expected. This number follows on-road retrofit filter sales of 6,261 in 2012 and 6,075 in 2011. Under the current ARB truck and bus regulation, the agency had projected that as many as 76,500 retrofit DPFs would need to be installed from 2011 through 2015 to meet the requirements of the rule. (Note: This projected retrofit number by ARB takes into consideration other compliance options available to meet the requirements of the truck and bus regulation, including extensions, credits, and the purchase of new or used DPF-equipped trucks.)

ARB is currently considering new amendments to the truck and bus regulation, which would provide additional flexible compliance options (e.g., delayed compliance dates) for small fleets, lower mileage fleets, fleets that operate in NOx attainment areas, and fleets that have already made investments to comply with regulation. These regulatory changes are projected to have a negative economic impact on retrofit manufacturers by reducing retrofit filter sales by up to 70% over the remaining years of the rule compared to the current regulation. The proposed compliance delays are also projected by ARB to reduce statewide PM reductions by about 7% versus the current regulation, which equates to 1,350 tons of additional PM emissions being emitted into California's air over the next few years.

Installing DPFs on diesel vehicles is one of the most cost-effective ways to comply with California's regulations under its Diesel Risk Reduction Plan (DRRP) to reduce PM emissions from the existing diesel fleet. DPFs can reduce overall PM emissions by more than 90%, including significant reductions in black carbon, ultrafine PM, and lube oil ash, and are less costly than purchasing a new vehicle or repowering a used vehicle. DPFs have been used to successfully retrofit approximately 50,000 on-road and off-road vehicles in California since 2002, and these retrofit filters have had an excellent performance record. ARB staff recently reviewed retrofit warranty claims for all of the programs under its DRRP from 2000 to 2012 and only 0.6% of the claims were related to DPFs. In conducting investigations of these claims, ARB staff found that engine component failures and inadequate maintenance were the predominant causes for the retrofit failures. Currently, there are 47 verified Level 3 DPFs ($\geq 85\%$ PM reduction) available in California covering a range of on-road and off-road applications.

“Although retrofit sales for trucks and buses in California continue to be sluggish, DPFs remain a proven option for trucking fleets to meet the requirements of ARB's truck and bus regulation,” said Kubsh. “Regarding the latest proposed amendments, we thank ARB staff for their hard work in responding to the direction of the Board in bringing forth this proposal. However, although the amendments do a good job of balancing additional flexibilities in the rule while minimizing the loss of emission reductions, we believe that ARB needs to establish robust methods to enforce compliance with the rule and prevent further changes to the regulation. A number of the proposed flexibilities offer opportunities to abuse the system and we urge ARB to remain vigilant in their efforts to ensure a level playing field for all stakeholders.”

Founded in 1976, MECA is a national association of companies that manufacture a variety of emission control technologies for cars, trucks, buses, and off-road vehicles and equipment, as well as stationary internal combustion engines. For more information on exhaust and evaporative emission control technologies, please visit MECA's website at: www.meca.org.

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