

**MECA's ORAL STATEMENT
ON THE ENVIRONMENTAL PROTECTION AGENCY'S CONSIDERATION OF
CALIFORNIA'S REQUEST FOR A WAIVER OF PREEMPTION FOR THE
"OMNIBUS" LOW-NO_x REGULATION**

June 29, 2022

Thank you for this opportunity to provide supportive comments for granting these waivers to allow the California Air Resources Board to enforce its truck regulations, I will focus my time on the Omnibus waiver. I am Rasto Brezny, the Executive Director for the Manufacturers of Emission Controls Association. MECA is a non-profit trade association of the world's leading suppliers of emission control, efficiency and electric technology for on-and off-road vehicles and equipment. The nearly 300,000 jobs supported by clean mobility suppliers include union jobs in manufacturing as well as engineering jobs developing the technologies that will maintain U.S. leadership in the transition of transportation.

The following points summarize our position:

1. First, California has compelling air quality needs.
2. Second, Since 2016, CARB invited stakeholders to participate in workgroups and workshops to inform the regulatory provisions in the Omnibus.
3. The Omnibus offers a phase-in starting in 2024 where requirements can be met with today's familiar aftertreatment architecture.
4. And finally, a longer warranty will bring value to truck owners to alleviate pre-buy concerns.

First let me address California's air quality needs and the air quality benefits resulting from earlier implementation of a 75% lower NO_x standard starting in 2024. CARB has reported that more than half of Californians live in areas that exceed the most stringent 70 ppb ozone standard, with many areas still exceeding the previous ozone standards of 75 and 80 ppb. MECA co-sponsored an emission inventory and air quality analysis based on the emission limit values in the Omnibus starting in 2024. The results concluded that a statewide reduction of nearly 35,000 tons per year of NO_x could be achieved in 2035 and projected ozone levels declining by as much

as 6.5 ppb in San Bernardino County and by 5 ppb in more than six other counties across the state.

Technology commercialization has a long cycle, including design, testing, vehicle integration and real-world deployment across many trucks in the field to make sure systems are reliable and durable. That is why CARB has done extensive outreach with industry long before adopting the Omnibus. Starting in 2016, CARB staff engaged industry through workgroups and workshops to seek input on regulatory provisions. This early engagement allowed technology suppliers to develop a portfolio of options to comply with the tighter standards. Granting this waiver will energize industry to work together to integrate this technology onto vehicles.

Based on early technology screening work at Southwest Research Institute, we showed that the CARB 2024, 75% reduction in NO_x is achievable with conventional aftertreatment architecture, better engine calibration and 2019 vintage catalysts. Technology innovation is an ongoing process and today, our updated analysis is showing even lower emission results than three years ago. Suppliers continue to innovate to offer technologies to their OEM customers to build the additional margin they need to comply over a truck's lifetime. This continual learning has resulted in systems being downsized by about 60% and at 30% lower cost since NO_x catalysts were first introduced on trucks in 2010. The most recent example of such innovation has further reduced tailpipe NO_x by approximately 18-35% below CARB's most stringent 2027 standards by capturing crankcase emissions on heavy-duty trucks through the use of commercially available blow-by gas filtration technologies.

Finally, suppliers appreciate concerns being raised about the potential for increased costs leading to a pre-buy of trucks. We believe that these concerns will be alleviated by several factors:

- First, the 2024 trucks will deploy improved versions of 15-year-old emission control technology
- Second, trucks will come with the assurance of improved durability and longer warranty required by the Omnibus.
- Third, the HD Phase 2 GHG standards also step down in 2024 and 2027 and offer payback on capital costs through fuel savings.

In conclusion, for over 50 years, California has played a leadership role in advancing vehicle standards and policies that achieved air quality results first in California, then the U.S. and eventually around the world. This is a successful model, where California acts as a laboratory for new policies that allows manufacturers to gain experience in a limited market that eventually benefits the rest of the nation. The Clean Air Act envisioned this role for California as a co-regulator of mobile source emissions and MECA supports California's authority under the Clean Air Act to promulgate air quality regulations and EPA's granting of California waivers. Thank you for your time.