

Statement of Ted Leonard
Executive Director, Pennsylvania AAA Federation
Before the
Environmental Quality Board
Monday, March 20, 2006

Good Evening, Chairman and members of the Environmental Quality Board. My name is Ted Leonard. I am the Executive Director of the Pennsylvania AAA Federation which is the state association of the AAA clubs in Pennsylvania.

Thank you for the opportunity to present our views on the Pennsylvania Clean Vehicles Program and the EQB proposed rulemaking to adopt CA LEV II. We support the Commonwealth's continuation in the federal Tier 2 program, whose vehicles have been in the Pennsylvania fleet since model year 2004. We will submit more detailed and documented comments to the proposed regulation.

First, and most importantly, we do not believe this issue is a debate between a clean car and a dirty car. Both the federal Tier 2 and the CA LEV II programs produce exceptionally clean cars with large emissions reductions over the National Low Emissions Vehicle (NLEV). The federal Tier 2 program has been unfortunately mischaracterized as a "dirtier" car or a "weaker" emissions standard. Another mischaracterization of the debate has been that Pennsylvania is somehow backing off emission standards if the state decides to maintain participation in the federal program. Obviously, neither of these assertions is true.

AAA was an appointed member of the 1992 Pennsylvania Low Emission Vehicle (LEV) Commission, and a member of the various 1999 DEP Ozone Stakeholder Groups formulating strategies to reduce Ozone in Pennsylvania. Other groups in this room were also members of these Ozone Stakeholder Groups. In its *Final Report of the Pennsylvania Low Emission Vehicle Commission*, submitted to Governor Casey in August 1993, the LEV commission rejected adoption of a California LEV program. Ozone Stakeholder groups, likewise in their Final Reports to DEP, recommended adoption of a Federal Tier 2 program, not a CA LEV program. Other EPA and DEP documentation shows that the Pa. Clean Vehicles Program established CAA section 177 California standards as a "backstop" in the event auto manufacturers did not produce an acceptable NLEV. In a *June 1997 Report to the General Assembly on Clean Vehicle Programs in Pa.*, DEP commented that a national low emissions vehicle program would be more cost-effective and equitable than individual state low emission vehicle programs once contemplated throughout the Ozone Transport Region. DEP noted in the report that the Department was developing a new motor vehicle emissions control regulation that would allow Pa. to opt into the NLEV program. However, since there was still some uncertainty about the NLEV program, Pa. would establish a Commonwealth Clean Vehicles Program but allow automakers to comply with NLEV as an alternative to a Pa.-specific program. In a July 1999 letter to EPA, DEP stated that Pa. strongly supported the proposed federal Tier 2 regulations – the Tier 2 program being the even-cleaner successor to the NLEV program. In fact, DEP was

pleased that Tier 2 emphasized reductions in nitrogen oxides (NOx) since NOx reduction was most important for states like Pennsylvania. It is important to point out that the federal Tier 2 program emphasizes reductions in NOx while the CA LEV does not. This is noteworthy as Ozone in Pa. has been categorized as NOx-driven.

This little bit of history is necessary as the debate over the Tier 2 and CA LEV programs has often mischaracterized Pennsylvania as having always participated in, and desiring to participate in a California program. This is not true.

It does not appear that the CA LEV program provides any additional emissions reduction benefits relative to the federal Tier 2. In a 2004 letter, USEPA expressed concern that the overstated benefits of the California car may entice states to adopt the California program when those benefits may not be realized. EPA estimated the relative benefit of the California program to be 1 percent in VOCs, and 2 percent in air toxics in the year 2020. EPA made no mention of any additional California program NOx benefit.

Adoption of the CA LEV program would incur some cost, and could even be counter-productive to air quality improvement efforts. Consumers would, under CA LEV II regulations, face higher vehicle costs ranging from \$1,000 to \$3,000 which are CARB and auto manufacture estimates respectively. Higher vehicle cost will reduce or slow new vehicle sales. Slowing vehicle fleet turnover would mean older vehicles with higher emissions would remain on the road longer. Vehicle fleet turnover has been a major contributor to reducing mobile source emissions. Consumers would also be restricted in vehicle choice under the CA LEV program as certain vehicles will be modified in weight and capability to meet fuel economy restrictions, and some vehicle models eliminated altogether. In a conscious and documented decision by CARB, the California program eliminates consumer access to diesel passenger vehicles. A look at EPA's list of 2006 model year fuel economy leaders shows four diesel passenger vehicles in the top seven vehicles. It is hardly a step in the direction of increasing vehicle fuel economy, particularly in light of the recent trend of increasing fuel prices, to eliminate consumer access to some of the most affordable, efficient and fuel economical vehicles on the market.

Federal law in the Clean Air Act section 177 requires state participation in either the federal Tier 2 or the CA LEV program. Adoption of the CA LEV program comes as a package, and ties any state adopting the California program to any and all changes made by a California board. (And there have been many changes - 49). Pennsylvania would have no representation on that board, and the people of Pennsylvania and their elected representatives would have no say and no recourse to any program changes that may benefit California, but could harm Pennsylvania. Due to its population density, geographic, meteorological and other reasons, California's air quality issues differ in nature and severity to those of Pennsylvania. The decisions of the California board are intended to address California's air quality problem, not that of Pennsylvania. The decisions of how to best address Pennsylvania air quality issues should remain in Pennsylvania.

We believe Pennsylvania made the right decision in 1997 to participate in a national low emission vehicle program and its successor Tier 2 program which began with model year 2004 vehicles. It was the right decision then, and it is the right decision now.