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ENVIRONMENTAL PROTECTION AGENCY

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| CONTROL OF EMISSIONS OF AIR POLLUTION FROM 2004 AND LATER MODEL YEAR HEAVY-DUTY HIGHWAY ENGINES AND VEHICLES; REVISION OF LIGHT-DUTY TRUCK DEFINITION | NO. A-93-32 |

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P R O C E E D I N G S

MS. OGE: Good morning. On behalf of Environmental Protection Agency, I want to thank you for coming and welcome all of you to this hearing.

Before I give you some brief remarks, I would like to introduce Judy Katz, who is sitting on my left. She is with our office here in Philadelphia, and she will formally welcome us into this area.

Judy.

MS. KATZ: Good morning. I would like to take this opportunity to welcome everybody to Philadelphia. This is an appropriate place for a public hearing on a rule that will reduce emissions from heavy-duty trucks and large sport-utility vehicles and produce cleaner diesel fuel because this rule is going to result in significant reductions in emission of nitrogen oxide and particulates.

As you probably know, nitrogen oxide is an ozone precursor. And ozone is a pollutant which causes smog, which creates respiratory problems, asthma attacks in people.

Philadelphia has not yet attained the

one-hour ozone standard, which has been in effect for many years and which has been attained in much of the rest of the country. In fact, Philadelphia is currently classified as a severe non-attainment area for the one-hour ozone standard.

The on-highway, heavy-duty category of vehicles accounts for about 15 percent of the national nitrogen oxide emissions in this country. Today's proposal will dramatically cut the amount of pollution from this source.

As you also probably know, EPA issued a new ozone standard, the eight-hour standard, in 1997. That is now going through some court challenges, but we have reason to believe that when EPA resolves the legal issues and moves on to the implementation of the eight-hour standard, which is more protective of human health, the scope of the non-attainment problem in the Philadelphia area will be even greater than it is now.

Particulate matter from heavy-duty diesels are also a major human health concern. Exposure to this kind of pollution causes cancer risks and causes premature deaths. And particulates are important matters of concern, particularly in

cities like Philadelphia.

So there is no doubt that we in Philadelphia, as in many places in this country, need this rule.

The rule will be the first step of a two-step process to reduce emissions from on-road, heavy-duty motor vehicles.

The rule piggybacks on EPA's recent Tier 2 strategy, which proposes tougher tailpipe controls for passenger cars and smaller trucks and sport-utility vehicles to start in the year 2004.

Today's proposal serves to level the playing field with respect to the largest trucks and super-large SUVs that are just now being introduced into the marketplace. The rule will close the loophole that excludes those largest vehicles from the controls outlined in the Tier 2 proposal.

Today's proposal would require cutting emissions from heavy-duty trucks and the very largest sport-utility vehicles, those over 8500 pounds, beginning in the Model Year 2004.

In the second phase of our strategy, EPA plans to propose later this year or early next year an even more stringent standard for heavy-duty

trucks, which could take effect as early as 2007.

The second phase will also include a proposal to reduce the sulfur content in diesel fuel to enable new emission control technologies on heavy-duty trucks. These will mirror the proposed sulfur reduction in gasoline under the Tier 2 proposal.

So with this, I would like to thank you for coming to offer testimony today on this proposal. And we are anxious to hear what you have to say on the new rules.

MS. OGE: Okay, Judy. Thank you.

My name is Margo Oge. I am director of the Office of Mobile Sources for EPA, and I will be serving as the presiding officer for today's hearing.

I am glad to be back in Philadelphia. We were here a few months ago to have our first public hearing on the Tier 2 proposal.

Today we will hear testimony on the proposal for cleaner heavy-duty vehicles, both gasoline and diesel. We believe that the proposal that we are going to be hearing comments on today is a very significant step towards helping us in

obtaining cleaner air for this country.

The proposal in today's hearing was signed by the administrator Kevin Browner and announced by the president October 6th. EPA's intention to hold this hearing was filed in the "Federal Registrar" on Friday, October 22nd, and the proposal was published in the "Federal Registrar" on October 29th.

Heavy-duty vehicles, both gasoline and diesel, with a gross vehicle rate greater than 8,500 is the subject of today's hearing. This category is very diverse and includes large commercial trucks, a large version of full-size pick-up trucks, passenger vans and the largest sport-utility vehicles.

Vehicles weighing up to 8500 pounds will be covered under the emission standards that EPA propose in May. And we had our first hearing here. We call those standards Tier 2 standards, and the Administration is planning to finalize those standards by the end of the year.

Heavy-duty trucks contribute to the annual NOx emission inventory by about 50 percent across the country. These vehicles contribute significantly higher across the country, essentially

in the urban area.

As Judy mentioned, we are proposing a two-phased approach to the heavy-duty diesel engine standards.

The first phase, EPA is proposing new engine standards beginning in 2004 for all trucks and SUVs over 8500 pounds. The new standards will require gasoline trucks to be 78 percent cleaner than today's heavy-duty gasoline trucks, and diesel trucks to be 40 percent cleaner than today's most models [sic].

In the second phase of this we plan to propose later this year or earlier next year, we're planning to propose more stringent standards to, again, significantly reduce pollution, both NOx, nitrogen oxides and particulates, from heavy-duty trucks, both gasoline and diesel, and to also control at the same time sulfur in diesel fuel.

That proposal, when it is finalized, would take effect not later than 2007, and it would reduce emissions by 75 percent and 90 percent from NOx and particulates beyond the proposal that we're making today that we're going to obtain in 2004 time frame.

Very briefly, let me outline the key components of the proposal that we are discussing here today:

First, the proposal reaffirms the technological feasibility of the nitrogen oxide standards for heavy-duty diesel engines that was finalized in 1997. When EPA finalized those standards in 1997, we committed to assess the technological feasibility of the standards, and we have done that. We believe those standards are feasible to take place in 2004. These are nitrogen oxide and hydrocarbon standards.

Second, we are proposing NOx standards for gasoline-fueled engines that will be 78 percent cleaner than today's gasoline heavy-duty engines.

These requirements will harmonize with California when they become effective in 2004 time frame.

Third, we propose to devise the advise of regulatory finish of light-duty trucks in order to form the subset of heavy-duty vehicles that are designed primarily for transportation. We're proposing to bring those vehicles under our Tier 2 proposal.

Fourth, we're proposing test requirements for heavy-duty diesel engines. These requirements have their origin in the consent decrees entered into last November by seven of the largest heavy-duty diesel engine manufacturers.

We are proposing to codify some of the provisions of the consent decrees to provide assurance that diesel engines will meet the standards under a broad range of driving conditions;

Fifth, we're proposing to require onboard diagnostic requirements for diesel and gasoline heavy-duty vehicles from 8,500 to 14,000 pounds.

This element of the proposal would help identify any possible failure of components of the emission control systems, and it would harmonize federal OBD, onboard diagnostic, requirements with those already in place in California.

And, finally, the proposal discusses the possibilities for the next phase of heavy-duty emission standards for diesel and gasoline engines, both for NOx, nitrogen oxides, and particulates, including the fact we need that to address fuel quantity, diesel fuel quantity.

We are granting specific comments on diesel spenders and on all of the diesel-fuel quality in meeting these Tier 2 standards that will go into affect much later than 2007 time frame.

Now, here, we've already introduced Judy Katz here from Philadelphia.

On my left is Robert French. He is with our Engines and Compliance Division. He is one of the authors of this very important regulatory problem.

On my right, Chet French; he is also with Office of Mobile Sources, and he is in charge of all of the regulatory problems. And next to him is Mike Horowitz; he is with the Office of General Counsel.

I am glad to see you here today here.

His wife is expecting a baby. So if you see him walking out today, you know what is going on.

We are conducting this hearing in accordance with Section 307-B5 of the Clean Air Act, which requires EPA to provide interested persons with an opportunity for oral presentation of data in views related to the proposal.

The official record for this hearing will be kept open for 30 days; it is provided according to the Act. That means that written comments will be accepted through Thursday, December 2nd, 1999.

The hearing will be conducted informally, and formal rules of evidence will not apply.

The presiding officer, however, is authorized to strike from the record statements which are deemed irrelevant or needlessly repetitious in order to enforce reasonable limits on the duration of the statement of any witness.

Now, Bill Charmling (ph), will you stand up, please?

He is an important person; he is going to keep the time for each one of you, to officiate. So to the people the testify, try to keep your comments not more than ten minutes, because we do have a number of individuals that have expressed an interest to testify.

I would ask that the witnesses be requested to state their names and affiliation prior to making their statements. When a witness is

finished his or her presentation, members of the panel may ask that person questions concerning the testimony.

To the panel members on the panel today, I will ask each witness to make a statement; I would ask the EPA panel to hold their questions, and at the end of everybody's presentations, we may have questions from the panel.

The witnesses are reminded that any false statements or false responses to questions may be a violation of law.

If there are any members of the audience that wish to testify and have not already signed up, I would ask you to please submit your names at the reception table, and we will make every possible effort to accommodate all of those who wish to testify.

We would like all activists to sign the registrar whether or not they testify.

Finally, I would like to ask the witnesses to please speak up close to the microphone. It would be great if you can give your statement to the court reporter. I think that will facilitate her job.

And if you would like to have a transcript of the proceedings, you should make arrangements directly with the court reporter during one of the breaks.

The transcript will be available in the docket on our web site within two weeks.

This concludes my statement. And if you don't have any questions, I would like to start with our first panel of witnesses.

Any questions?

I would like to call Mr. Jack Mandel, Mr. William Beckel, Mr. Richard Kassel, Mr. Joe Minott, and Dr. Walter Tsou. Would you please take your seat?

You should have a piece of paper in front of you. I would like you to please state your name.

We will ask Mr. Mandel to start.

MR. MANDEL: Good morning. My name is Jed Mandel, and I am here today on behalf of the Engine Manufacturers Association.

EMA's membership includes major manufacturers of the engines used in heavy-duty, on-highway vehicles, the subject of today's hearing.

The original rulemaking leading up to the rules currently in place for 2004 was the product of a joint Statement of Principles signed by EPA, The Air Resources Board in California, and the leading engine manufacturers.

That rule was a ground-breaking effort, designed to provide the people who build engines the certainty, stability and extra lead-time necessary to meet the very stringent engine standards that the people who regulate emissions might not otherwise be able to justify or adopt.

That rule also included a commitment by EPA to review the 2004 standards in 1999 to assess the appropriateness of the standards under the Clean Air Act, including the need for and technical and economical feasibility of the standards based on information available in 1999.

While EPA reserved the right to either tighten or relax the standards, the clear intent of the SOP and the 2004 Final Rule was to provide manufacturers certainty, stability and lead time.

Today's proposal takes away that certainty, stability and lead time.

EPA is proposing multiple new emission

standards, massive changes to the existing regulatory program, significant new test procedures, and the fundamental recharacterization of heavy-duty engines and vehicles. Those proposed changes significantly increase the stringency of the 2004 standards, propose new standards not part of the 2004 Final Rule, and erode the certainty, stability and lead time that were so fundamental in the original adoption of the 2004 standards.

Just a few examples may be illustrative: EPA is proposing multiple new supplemental test procedures and emission standards that significantly increase the stringency of the 2004 standards. Yet neither EPA nor the regulated industry have adequate data to determine the feasibility and cost-effectiveness of these new test procedures. In fact, it is unclear how these procedures are to be run, or even if they can be run.

Further, EPA has proposed to make the engine manufacturer responsible for the emission performance of its products at essentially any possible combination of extreme operating parameters. The net result is that manufacturers

must design their engines to meet emission standards at conditions that may rarely, if ever, be seen in operation.

But EPA has not established the feasibility or cost-effectiveness of requiring that standards be met in such outlier conditions.

EPA also has proposed very stringent new emission standards for heavy-duty gasoline engines in vehicles without proper consideration of the design margins necessary to ensure compliance. And EPA has proposed to recategorize a whole segment of the heavy-duty category, flying in the face of 30 years of Congressional mandate and regulatory policy.

Not only has EPA proposed so many new, complex changes, but EPA has proposed those changes at the very end of the intended window of opportunity for conducting the 1999 review. The 1999 review was contemplated to be undertaken and finished well before the end of 1999.

Instead, EPA did not publish its intended action until just this past Friday, October 29, did not hold a hearing until today, the 2nd of November, and has set December 2nd for the close of

comment period.

That leaves the interested parties an unbelievably short period of time to review, digest and comment on the proposed rule, and leaves EPA and OMB with only a scant 29 days, including Christmas, if the rule is to be finalized before year end.

The critical need for a timely 1999 review, acknowledged explicitly in the SOP, was to ensure that manufacturers were provided no less than four full model years of lead time, as is statutorily required.

EPA's failure to conduct the 1999 review in a timely fashion and EPA's subsequent decision to propose at the last minute a host of new requirements for finalization yet this year does not provide the interested and affected parties adequate opportunity to comment, does not provide EPA adequate time to assess comments and prepare a final rule, and generally, shortchanges one of the Agency's most important rules in such a profound way that fundamental principles of due process are now threatened.

Some of the issues being proposed today have not been discussed with the affected parties,

nor have they been elucidated, as they should have been, in public workshops that never were held.

Some of the issues have been discussed at some length with a handful of manufacturers but hardly at all with others.

In fact, EPA characterizes some of the issues as mere regulatory adoption of items addressed in certain consent decrees; however, the consent decrees were separate processes with separated criteria for acceptance and separate criteria for review.

EPA must recognize that in a rulemaking, it must meet the requirements of the Clean Air Act. In any event, the reality is that EPA's proposal goes beyond any of the existing consent decrees.

The heavy-duty engine industry has made significant strides in reducing emissions from its product, and the industry is committed to doing even more.

As EPA is aware, engine manufacturers and others are investing multi millions of dollars in developing emission-reduction technologies that have the potential to reduce emissions from the conventional-fueled engines to levels so low as to

have been unthinkable in the years past.

But as EPA also knows, those technologies require the removal of sulfur from both diesel and gasoline. And while EPA has proposed to reduce sulfur from gasoline, it has yet to propose any reduction in diesel fuel sulfur.

The standards and regulatory program being proposed today require substantially reduced fuel sulfur levels.

Engine manufacturers are ready to do their part. But the refining industry must also do theirs. And EPA must recognize that future emissions reductions can only be cost-effectively achieved through a systems approach requiring a coordinated improvement in engine technologies and fuels.

EPA simply should not proceed with rules requiring changes in technology until it adopts rules requiring changes in fuel quality.

So where do we go from here? We recommend that EPA announce immediately that it is extending the comment period an extra 60 days. We recommend that discussions be held between EPA and affected parties concerning the important issues

associated with the lead time and stability requirements of the Clean Air Act.

Finally, we recommend that EPA publish now a proposal to reduce the level in sulfur and diesel fuel so that commentors can assess all of the relevant factors impacting the feasibility and cost-effectiveness of EPA's proposal.

EMA is reviewing EPA's proposal and plans to prepare and submit written comments that are as complete and detailed as possible given the constraints of the late publication of the rule and the limited comment period.

In the meantime, and I understand at the end of the panel's presentation, I would be glad to answer any questions you might have.

MS. OGE: Thank you.

Mr. Becker, good morning.

MR. BECKER: Good morning.

My name is Bill Becker, and I am the executive director of STAPPA, the State and Territorial Air Pollution Program Administrators, and ALAPCO, the Association of Local Air Pollution Control Officials, which are the two national associations of air quality officials in 55 states

and territories and more than 165 major metropolitan areas across the country.

I am pleased to be here this morning to provide our associations' testimony on EPA's recent proposal for controlling heavy-duty engines.

The regulation of heavy-duty engines on fuels is a critical issue for State and local air officials, and I commend EPA for issuing a proposal that not only looks beyond the near-term, but also takes a comprehensive systems approach to controlling the on-road segment of this very significant source of air pollution.

While our forthcoming written comments will provide our perspectives on your complete proposal for on-road, heavy-duty engines, including aspects related to the regulated heavy-duty gasoline engines, today I would like to focus my comments on the few fundamental issues related to heavy-duty diesels and fuel.

There is probably no more visible or offensive kind of air pollution than the thick, noxious, suffocating exhaust from big diesel trucks and buses. Moreover, the adverse health impacts of diesel pollution are dire, posing a serious threat

to public health nationwide, and especially in urban areas.

The hazardous mixture that comprises diesel exhaust contains hundreds of different chemical compounds. From a health perspective, three of the most significant pollutants in diesel exhaust are nitrogen oxide, particulate matter and toxic compounds.

Mobile sources are responsible for almost one half of all NOx emissions nationwide. EPA's own projections show that by 2010, NOx from mobile sources will near 8 million tons, with more than half of this, over 4 million tons, coming from diesel engines.

Further, one-third of the diesel contribution of NOx is attributed to on-road, heavy-duty diesel vehicles and two-third to off-road.

These NOx emissions are primary precursors to the formation of ground-level ozone. And with close to 100 million people nationwide living in areas that continue to violate the one-hour standard for ozone. We must taking aggressive steps to address emissions from

heavy-duty engines and their fuels.

Mobile sources also generate primary emissions of particulate matter, accounting for 20 percent of direct PM emissions nationally. This is in addition to the secondarily formed particulate that occurs when NOx emitted into the atmosphere is transformed into dangerous fine particulate matter.

EPA projects that by 2010, direct PM emissions from mobile sources will exceed 600,000 tons, with diesel engines contributing to nearly 70 percent. Of this diesel contribution to PM 10, on-road diesels account for 9 percent and off-road heavy-duty diesels for 60 percent.

And particulate emissions pose an also tremendous health problem. The World Health Organization has concluded that globally particulate matter causes 460,000 premature deaths each year. The most hazardous particulate is that which is very small.

It is these especially fine particles that are able to evade our respiratory defense mechanisms, lodge deep within our lungs, and cause or contribute a variety of health problems, including asthma, chronic bronchitis, pneumonia,

heart disease and even premature death. Up to 95 percent of the fine particulate from diesels is smaller than 1 micron in diameter.

And, finally, there is a very serious health threat posed by the toxic emissions from diesels. Diesel exhaust contains over 40 chemicals that are listed by EPA and California as toxic air contaminants known as human carcinogens, probable human carcinogens, reproductive toxicants or endocrine disrupters.

In 1998 California declared particulate emission from diesel-fueled engines a toxic air contaminate based on data that supported links between diesel exposure and human cancer.

There is an array of other significant, adverse environmental impacts that I won't get into, but these include, among others, regional haze, acid rain, global warning. So based on a substantial contribution of heavy-duty diesels' emissions to air pollution and the very serious public health and environmental problems, we believe we have no alternative but to impose greater controls on heavy-duty diesels and their fuels, and to do so in a truly meaningful way.

William Becker - STAPPA/ALAPCO

And, further, because many of these vehicles constantly travel back and forth across the country, their emissions are ubiquitous. And we must not only regulate these emissions, we must do so on a national basis.

STAPPA and ALAPCO applaud EPA for its proposal on the Tier 2 vehicle standards and low-sulfur gasoline, which demonstrates tremendous leadership. The programs proposed by EPA and announced by President Clinton himself in May, and the time frames on which they're based, are absolutely critical to state and local efforts to achieve and sustain clean, healthful air nationwide.

We urge EPA to exercise similar leadership in comprehensively addressing heavy-duty engines and their fuels. The regulatory program we envision is a comprehensive one that takes a systems approach that includes three fundamental prongs: stringent emission standards, tight controls on sulfur in diesel fuel, and rigorous and effective programs to ensure continued compliance with standards when the vehicles are in use.

STAPPA and ALAPCO are extremely pleased

that EPA is pursuing such a three-prong systems approach. Let me first address emission standards.

While we believe that more stringent emission standards for on-road, heavy-duty diesels would have been appropriate for 2004, we understand that EPA instead plans to move forward with the implementation of the standards as promulgated in 1997 with the intent of pursuing more stringent standards in the next phase of regulations that take effect in 2007.

Notwithstanding our disappointment in the timing, we commend the direction this agency appears to be moving, regarding more stringent standards, and strongly urge that at least three fundamental principles underlie EPA's efforts:

First, 2007 must be a firm date; substantially more stringent emissions standards must be in place for all on-road, heavy-duty emissions standards nationwide by no later than 2007.

Second, these more stringent emissions standards must be based on the most advanced technology's possible.

And, third, because compliance with more

stringent future standards, based on advanced technologies is dependant on the availability of low-sulfur diesel fuel. Such fuel must be provided nationally far enough in advance to ensure successful implementation of emissions standards, which brings me to the second-prong of the comprehensive strategy, control of diesel fuel quality.

Earlier this year STAPPA and ALAPCO adopted recommendations for low-sulfur diesel fuel to take effect early the next decade. Our associations have called upon EPA to cap sulfur and diesel fuel at no higher than 30 parts per million by 2004.

In addition, we have recommended that based on additional studies, EPA further lower national standards on sulfur in diesel fuel and set appropriate standards for other characteristics affecting diesel fuel quality and/or emissions, to take effect in 2007. We've attached a copy of the resolution of sulfur and diesel fuel to my written statement.

I would like the draw your attention to the fact that STAPPA and ALAPCO's recommendations to

low sulfur in diesel fuel, apply not only to on-road diesel fuel, but to off-road diesel fuel as well, and further include a preliminary step to cap sulfur in off-road diesel fuel at 500 parts per million as soon as possible but before 2004 so that this fuel is subject to the same sulfur standards as currently applied to on-road diesel fuel before sulfur levels for both on-road and off-road diesel are cut even further.

We view the control of off-road diesels, such as construction equipment and agricultural equipment, to be as critical as the control of on-road diesels. Further, we believe that the technological advances that occur in order to meet future, more stringent, on-road, heavy-duty standards will carry over to off-road equipment, but only if the low-sulfur diesel fuel is available for this sector as well.

We're extremely concerned, however, that EPA may not be proceeding as quickly or aggressively as necessary to develop off-road diesel engine fuel programs that are commiserate with the enormous contribution off-road engines make to air pollution.

More must be done.

To this end we urge EPA to intergrate more closely the program development strategies for on-road and off-road diesel engines and fuels so we can more effectively reduce a huge hair quality proposed by these sources.

I want to turn quickly to the third prong of the strategy, in-use compliance.

It is absolutely essential that we ensure that heavy-duty engines operate in use the way they are expected to operate.

We remain very concerned with the loss of a significant level of anticipated and much-needed NOx emissions reductions that resulted from the consent decrees settling complaints against seven heavy-duty diesel engine manufacturers who equipped their engines with defeat devices, adversely affecting the NOx emission control systems in use.

Our concern is only heightened by the fact that the Agency has chosen to remove in-use testing and onboard diagnostics provisions from this proposal and, instead, based on industry's objections to the scope of the proposal in a short time frame, merely include vague, noncommittal

language to defer action to a subsequent rulemaking.

Both EPA and engine manufacturers have been aware for quite some time that significant in-use compliance problems exist, and these problems must be addressed in a timely matter.

For engine manufacturers to argue that more time is now needed to address this issue is somewhat disingenuous. We strongly urge that at a minimum EPA explicitly commit in this rule not only to the implementation of a strong and effective in-use compliance program that will ensure against future transgressions, such as those that necessitated the recent consent decrees, but also a firm starting date of no later than 2004.

Before I conclude, I would like to make two points: First, I would like to say a word about EPA's proposal regarding light-duty trucks weighing over 8500. STAPPA and ALAPCO strongly support subjecting especially large passenger vans and sport-utility vehicles weighing over 8500 to the Tier 2 motor vehicles standards proposed by the Agency in May.

Given the continuing growing trend

toward use of heavier light-duty trucks for personal transportation, it is entirely appropriate to subject these vehicles to the same standards as apply to other passenger vans and SUVs.

In fact, in our associations' April 1998 resolution on Tier 2, we urged EPA to consider applying those standards to vehicles such as SUVs, full-size vans and pick-up trucks weighing over 8500.

And, finally, I haven't addressed the gasoline vehicle issue here. We're going to address that in our written comments, but I will take the hook that was offered by Jed about the lead time issue.

And I have to tell you that the States' and local agencies are extremely concerned about any delays, not only for heavy-duty engines but for gasoline -- not only for diesel engines but for gasoline engines. And we believe it would be absolutely unacceptable for the Agency to delay this role beyond the no-later-than-2004 date.

We expect the lead time issue not to be an issue, that you meet that standard, and we think that harmonizing with California is an excellent way

Walter Tsou, M.D. - Citizen

to proceed.

So I want to make sure that the Agency understands how critical this issue is to us.

So in conclusion, let me thank you for this opportunity to testify. You've done a nice job with this proposal. We hope you will include our suggestions for strengthening and improving it the comprehensive way we've mentioned.

Thank you.

MS. OGE: Thank you.

Dr. Tsou, good morning.

MR. TSOU: Good morning. I will be extremely brief and speak for five minutes.

Good morning. I am Dr. Walter Tsou, medical director with the Montgomery County Health Department.

Today I would like to add my voice to others for stricter standards for clean air and reduction in particulate matter.

The dramatic effect of clean air standards can be seen here in Pennsylvania. Most dramatically, Pittsburgh is no longer the soot city so well known half a century ago.

California has the toughest clean air

standards of automobile emissions, and it works. Recently because of these tough automobile standards, it was reported by Los Angeles it is no longer, quote, the smog city of the United States.

But our lesson should be that the time to act is before asthma worsens and respiratory deaths occur in the Delaware Valley. SUVs should be held to the same standards for air pollution as other cars. Failure to enforce these standards, given the popularity of SUVs, would reverse decades of air quality and result in hundreds of thousands of cases of preventable respiratory illnesses and death.

Based on the most recent 1998, '99 Philadelphia Health Management Survey of Health in Southeastern Pennsylvania, there are 197,000, or 7 percent of the adults, and more significantly and disproportionately, 79,000, or 9 percent of the children, under the age of 18 with asthma. This is a combined total of 276,000 in the Delaware Valley, in the Southeastern Pennsylvania, Five-County area.

Over 46,000 children under the age 18 are reported to have frequent upper respiratory illnesses, and almost 185,000 children under age 18,

or 21 percent of the children, have allergies.

Heart disease and allergies can be exacerbated by air pollution. Already 229,000 adults say they have, quote, a heart condition, and 780,000 or 28 percent of the adults say they have allergies.

In short, we already have hundreds of thousands of residents in Southeastern Pennsylvania across all ages who are already beginning each day with significant and potentially life-threatening illnesses. For their families and those who love them, delays in enforcing the air pollution standards can only add to the misery of trying to live each day to the fullest or trying to do the simplest and most natural thing we do in life; namely, breathing.

Others will speak more eloquently about closing the SUV loophole, tightening the particulate matter standards, cleaning up diesel fuel, and strict enforcement of diagnostic testing of cars and diesel fuel trucks.

I will simply add my voice to their wishes and say Amen.

Thank you.

Joseph Otis Minott - Citizen

MS. OGE: Thank you.

Is it Mr. --

MR. MINOTT: Minott.

MS. OGE: Minott. Good morning.

MR. MINOTT: Good morning.

MS. OGE: If all of you could please state your name and organization that you represent with the court reporter today.

MR. MINOTT: My name is Joe Minott, and I am here as a concerned parent.

First, I would like to thank the EPA for holding this hearing, and in a gentle, parental way maybe, chide them for holding it on Election Day. A lot of the people that I work with tend to be interested in politics and are out working the polls, and we had a hard time bringing them in.

Nevertheless, my name, as I said, is Joe Minott. I am an attorney, an environmentalist, a soccer coach and a community activist. But by far my most important role is that of father.

My son, Christopher, is an active 9-year old. He loves to play soccer and basketball. He is also an asthmatic.

I do not know how many of you in this

room have had to deal with a child when that child has to be rushed to the hospital because he cannot breathe, or even a child that needs to skip a soccer game because the air pollution is making him wheeze. If you have an asthmatic member of your family, you will understand the passion of my testimony.

The Clean Air Act mandates that the EPA set National Ambient Air Quality Standards that will protect Christopher's health. There is no doubt that the air in this region is not protective of his health. It is certainly not protective of the health of all people with respiratory disease.

Asthma rates among children are up 75 percent since 1980 with 4.6 million children suffering from asthma nationwide.

In 1998 Pennsylvania had 616 readings where the eight-hour National Ambient Air Quality Standard for ozone was exceeded.

Most Pennsylvanians are still regularly exposed to unhealthful levels of ozone. In Montgomery County where Christopher lives, the eight-hour standard was exceeded 19 times in 1998. In Philadelphia County, it is estimated that 50 to

Joseph Otis Minott - Citizen

60 percent of the fine particle pollution can be attributed to diesel exhaust. The major health impact of fine particle pollution has been well documented.

Much of the environmental community is going to applaud the EPA's action today. I would rather ask of EPA: What took you so long?

The environmental health community has been urging EPA to act on diesel pollution for years. Automobile owners that are required to have their emissions checked each year resent the free ride of diesel trucks, yet only now is EPA proposing to act.

Despite the fact that EPA designed its proposals in close consultation with the engine manufacturers and auto industries, and despite the fact that EPA has been unduly generous in allowing extra time for both industries to meet their expected standards, you will hear today much and during the comment period much complaining from the engine manufacturers and oil producers.

These industries, in my opinion, refuse to honestly look at the impact their products are having on asthmatics and other respiratorily

Joseph Otis Minott - Citizen

impaired Americans.

My question to them is: What about the cost to asthmatics of not moving forward expeditiously with tightening the heavy-duty particulate standard and the lower sulfur in fuel standards?

We have already heard today from these industries those industries how they will resort to time-honored and historically proven wrong each and every time protestations about how unreasonable these regulations are, how costly they will be for consumers, how it will ruin the engine manufacturing industry, how it will put small refiners out of business, and finally, how the regulations are not technologically feasible.

What you will not hear from the fuel industry is how their fuel throughout America is so dirty it is ruining the pollution control systems of America's trucks and buses.

My plea to this panel is that I hope you truly listen to the health experts and the worried parents such as myself, and conclude that these regulations will go a long way to starting to address the financial and emotional costs associated

with the dramatic rise in asthma cases in America's children.

It is time for the federal government to understand this growing epidemic and deal with it. What EPA is proposing today is the belated first step.

Thank you.

MS. OGE: Mr. Minott, thank you for taking your time and coming to share your comments and also on Election Day. We did realize that, although too late. And my apologies.

Mr. Kassel. Good morning.

MR. KASSEL: Good morning. My name is Richard Kassel. I am a senior attorney with the National Resources Defense Council. NRDS is a national nonprofit environmental advocacy organization with over 400,000 members nationwide.

At NRDC, I run our Dump Dirty Diesels Campaign. Thank you for the opportunity to comment and for holding the hearing today, even on Election Day.

My remarks will provide an outline to

NRDC's comments on the proposed rule. Given the time constraints, it may not be possible to provide sufficient detail on every provision of the rule. We will be supplementing our statement today and our written statement today with further supplemental comments before the close of comment period.

But at the outset, we are one of those organizations that is applauding EPA for taking the step. Yes, it has taken a long time to get here, but in NRDC's view, this proposal begins to close some of the loopholes that have historically stood between millions of Americans and their right to clean, healthy air.

Further, we believe that this proposal sends a strong message and a strong signal to the nation's diesel engine manufacturers, gasoline engine manufacturers, auto makers and others that it's time to dump dirt diesels and that it is time to ensure that all of America's sport-utility vehicles, no matter how big and heavy, meet the same stringent standards as the nation's family cars.

I hope that the industries that are

interested in this proposal hear that signal and hear that message and choose to ride what we think is a public wave towards cleaner vehicles, diesel and gasoline, rather than fighting it.

EPA is taking important steps, and we'll be working hard to ensure that the goals are met. And we have heard already quite a bit about the health impacts of diesel exhaust. I won't add very much to it because time is limited.

Very simply, our reasons for our longstanding concerns are quite clear: Diesel vehicles emit huge quantities of particulate matter, nitrogen oxides, or NOx, and toxic compounds.

The emissions from diesels, particulates, are associated with increased asthma attacks and emergencies, numerous cardiopulmonary elements, and premature death. Nitrogen oxides contribute to ground-level ozone, acid raid, but also here in Philadelphia to nutrient pollution in the Chesapeake and other large water bodies around the nation.

Diesel exhaust and the particulate

exhaust has been termed a toxic air contaminate, a probable carcinogen, a reasonably anticipated human carcinogen and other similar phrases by many bodies, the National Institute for Occupation Safety and Health, The International Agency for Research and Cancer, the California Air Resources Board, and EPA's Draft Health Risk Assessment, who last year reached a similar conclusion.

Diesel isn't just toxic, the emissions aren't just plentiful; they add up. In the South Coast Air Basin in California, 38 percent of the NOx emissions come from diesels. In the Northeast, NESCAUM estimates that roughly one-third of the NOx comes from diesel. In New York City, over half of the particulates that people breathe on Madison Avenue come from diesels.

So let's move on to the major components of the rule: First, reaffirmation of the existing 2004 NMHC plus NOx standards for heavy-duty diesel engines.

We strongly support the reaffirmation of this standard. EPA'S reaffirmation of this

standard as a necessary predicate to cleaning up the nation's dirty diesels and moving on to the equally, and perhaps more important, second step we will be talking about today.

We agree with EPA that no changes in diesel fuel quality are necessary to meet the 2004 diesel standard.

The Manufacturers of Emission Controls Association and others have eloquently provided ample evidence that shows that currently available control technologies already exist to meet the 2004 standard without fuel changes. I believe they will be testifying later to that.

We also strongly support the confrontation of certain critical consent decrees requirements to ensure in-use compliance with these standards.

Let's be clear. The consent decrees resulted from an unconscionable, nearly industry-wide practice that flourished for years. One of the most significant aspects of the consent decrees was the adoption of supplemental standards and test cycles, including without limitation the adoption of the EURO III

test cycle and the not-to-exceed, or NTE, cycle. We support the codification of these provisions.

We think it is outrageous that companies that sign consent decrees that committed to play under the rules of the consent decrees from October 2002 to October 2004 would stand here today or put comments into the record before the comment period closes to say that in October 2004 the NTE standard procedure should go away.

These companies will be meeting the consent decree provisions for two years starting in October 2002. They should continue to meet them in the future.

On a related matter, NRDC urges EPA to go further though to ensure in-use compliance. We need a strong in-use testing program for all heavy-duty vehicles and engines, and we need a program that requires onboard diagnostics, OBD, for all heavy-duty vehicles.

I will move on to the Otto-cycle of gasoline engine provisions.

We support the 1 gram of combined NMHC plus NOx standards for auto engines cycles

through 14,000 pounds. Like on the diesel side, we think an in-use testing program in OBD makes a lot of sense as do to the NTE and other consent decrees provisions.

As with diesels, we don't think that there is a lead time issue here. We urge EPA to finish the rule promptly, and we don't think there will be a four-year lead time issue, particularly given the fact that what EPA is proposing to do has already been done in California.

Next, closing the SUV loophole. I will only take a moment.

We strongly support what the EPA is proposing. We strongly support Tier 2. It will finally require auto makers to produce many SUVs, minivans and light trucks that will match the emission performance of the nation's family car.

Of course, we have been concerned about the loophole that exists for the heaviest of the SUVs, so we are glad that EPA is closing the loophole. We would urge you to expedite the timetable so that all of the requirements kick in no later than 2007.

In the time I have left, I would like to talk about the next steps, coming to the next phase of EPA's efforts to dump dirty diesels.

As I noted at the outset, diesel pollution remains unconscionably high in many urban areas of the nation. That's why we consider diesel exhaust to be the number one air pollution threat in many cities.

Thus, we hope that the Agency will follow-up with a strong proposal to cut sulfur levels to near-zero levels by 2007, to reduce particulate levels to .01 grams-per-brake-horsepower hour by 2007 and to reduce nitrogen oxides to .2 grams-per-brake-horsepower hour by 2007.

We urge the Agency though to take interim steps to move to a sulfur cap of 30 parts per million in 2004; to move to a .05 gram particulate standard in 2004.

We don't think that these are standards that should get caught up in the lead time debate over today's NMHC plus NOx proposal. It is a separate set of provisions. And we don't think that there should be a lead-time problem,

if the EPA acts fast enough.

In any event, we hope EPA will consider a phased approach, because millions of American's health are at risk, and Americans shouldn't have to wait until 2007 for lower sulfur diesel and for lower particulate-emitting buses and trucks.

I know that I am about to be told that I am out of time, so I will stop talking.

I have considerably more detail about each of these provisions in my written statement. Thank you.

MS. OGE: Thank you.

Mr. Mandel, I have a question for you.

Last year, seven of the largest diesel engine manufacturers, Environmental Protection Agency, the Justice Department and the California Air Resource Board entered into what we call consent decrees, agreements under which this country will produce cleaner diesel engines prior to 2004, as early as 2002 actually. And also these companies have agreed to produce these engines to be clean, for the most part, of the

driving conditions, which we call the certification procedures, that are known to exceed technical issues that you raise.

In your statement you raise the issue of lead time. Under the law as you suggested, EPA has to give four years to companies, heavy-duty companies, to implement new standards.

What if EPA doesn't finish this standard, this rule, by end of the year? Are you suggesting that the companies that entered under this agreement, under the consent decree, that they will not follow this agreement after the 2004 time frame, that they will be producing engines that do not meet the standards under driving conditions? Is that what you are suggesting? I would just like to clarify the record. So please go ahead.

MR. MANDEL: I am certainly not suggesting that. The consent decrees state what the consent decrees state. The companies and the agencies, both EPA and ARB, that signed on to those, manufacturers have every right to expect manufacturers to live up to what those consent

decrees say.

And I am certain that those manufacturers will live up to those obligations, several of whom I think you will hear from on the record today with respect to that.

But let me make a couple of other comments. I think will you also hear from some of the other companies that did sign consent decrees an interest in seeing a level playing field. There are different perspectives on that from engine manufacturers who signed consent decrees and those who did not.

So one of the concerns that I hope the Agency takes away from this is there are companies who produce product effected by today's proposal who are not signatories to these consent decrees.

I also want to point out that not all signatories signed the same consent decree. And there are companies who signed consent decrees who have provisions very different from others who have signed and from today's proposal.

And, lastly, I think there is a misimpression -- perhaps two misimpressions: one

is that today's proposal simply takes the consent decrees and puts them in the regulatory language. And as I indicated in my statement, I certainly will provide detailed comments on, we don't believe that is the case. We believe that the regulatory proposal is beyond the consent decrees.

The second misimpression is that the consent decrees are static and sort of a done deal. In fact, my understanding is that the consent decrees are yet a dynamic process for which there is dialog between the signing companies and the agencies as to how those decrees and the obligations under them are to be implemented.

So I don't think we should give the impression that it is sort of a complete status quo static situation.

MS. OGE: So just to make certain that I understand what you are saying, assuming that we don't complete this regulation by the end of the year, the consent decrees do go away over 2004 time frame. What you are saying here, what you are stating here is that the consent decree

companies will continue meeting the requirements of the consent decree regardless of what the Agency is going to do as far as completing this role. So they are not going to go back and start producing engines that they know meets standard because the consent decree has gone away because they don't have the four years leeway? Is that what you are saying.

MR. MANDEL: What I said is the consent decree obligations don't meet the consent decrees. I think we have to be careful to make sure that this hearing isn't about consent decrees but is about the regulatory proposal, which is differently obviously.

We as engine manufacturers are quite interested in seeing EPA reaffirm the 1997-2004 standards. The concerns that we have is how -- not whether, but how the Agency implements additional requirements and what those requirements are.

And I think that's the nub of it.

And if that is done in a proper time frame and with proper consideration of all of the effected interests, certainly not just those of

engine manufacturers, but there are fuel producers who will be affected by this and obviously the public has great interest and great concerns over what is done, when all of those interests regress, I think our expectations is that there will be rules in place that all can live by that will more than meet the needs of the Agency, the breathing public, to see the cleanest diesel products, the gasoline products, the cleanest alternative fuel product in the marketplace doing the work that is necessary by trucks.

MS. OGE: Does anybody have any questions? Anybody?

MR. FRANCE: Yes.

MS. OGE: I still have one question.

MR. FRANCE: Just one brief question, Jed. This gets at the non-consent decree companies. I just want to get a little bit of a clarification.

Let's assume for a second that we can address the concerns with the supplemental tests. I don't want to get into details, but assume we can.

Do you see in the context of your lead time arguments, do you see a way -- or do you see a way that those companies can support the supplemental test limitation by 2004?

MR. MANDEL: Companies that do not sign the consent decree?

MR. FRANCE: Right.

MR. MANDEL: What I have always felt, and I will tell you my personal view, having spent a long time working with both the Agency and individual engine manufacturers, is that if there are reasonable programs in place that can cost-effectively get emissions reductions, engine manufacturers will step to the plate to agree to those kinds of programs.

And, of course, sometimes in some cases, they have actually gotten ahead of others in promoting those kinds of programs as we did with low-sulfur fuel in the first go-around.

So I guess my answer is, yes, there is a path to do that. Obviously there are significant details that I am not sure you even have in mind yet that would need to be addressed.

But I think from a conceptual

perspective, I've never seen it where engine manufacturers have been willing to do their part and beyond to get emissions reductions.

MR. FRANCE: And just to summarize and make sure I am not misinterpreting what I am hearing, the issue is not a philosophical disagreement with the supplemental test and their intent of robust calibrations, but it was in technical details of their implementation.

MR. MANDEL: I think that is right. As I've been quoted on more than once, the devil is in the details. I don't think that the manufacturers object to the goal of having procedures that reflect real world operations.

I think that's an applaudable goal that we've supported from Day 1. The question is: What are those details; how do they get implemented; how do they work; can they be reasonably implemented; et cetera. And those are the issues we need to be working on together to solve that issue.

MR. BECKER: May I comment?

MS. OGE: Yes, I am coming to you.

I have a question, and then probably

you can make a statement in response to what Mr. Mandel is saying.

Bill, you suggested that these standards that we are proposing, both phases, the first phase in 2004 and the second phase in 2007, is critical for the State agencies across the country, especially areas that have ozone problems and particulate issues.

Could you give us your views of how the States are going to proceed in identifying cost-effective control status to meet the one-hour standard and the PM concerns that they have if the Agency is being successful in implementing the standards by 2004 time frame, into 2007.

MR. BECKER: It is a fair question. And it will obviously vary from state to state. But as everyone knows, state implementation planning is a zero-sum game.

And to the extent that we don't achieve the anticipated emissions reductions from cleaner standards and cleaner fuels and cleaner in-use requirements, then states and localities will be required under law to make up for the

difference elsewhere.

And some will go after utilities even in a more stringent way than they have in the past. And some who have already tapped their utilities to the maximum will have to address the small businesses. And some will probably continue to exceed on the health base standards.

And this witness, Chuck's [sic] Christopher, and others will continue to be affected by these excessive pollution levels.

And I want to get back to the point here. I want to make two points:

First, we have examined the costs and cost effectiveness of reducing emissions from mobile sources and examined reducing diesel exhaust. And compared to many of the other strategies that we are examining now, these are, indeed, very cost-effective ways at reducing, especially longer-term emission productions.

And the piece of this that seems to be missing a lot is this in-use piece. And I won't -- I can't speak as passionately as some other witnesses, but I will tell you that there is a tremendous amount of frustration, of

disappointment, of feeling betrayed at the defeat device problem that occurred over the past few years. And there are more emissions -- and at the Justice Department's resolution of that, of the consent decree. We've gone on record strongly criticizing the consent decree.

And one of many reasons is that there are more emissions reductions that were left on the table unaddressed than what is being required in the NOx SIP call that is extraordinarily controversial in the Eastern part of the country.

And with that as sort of the predicate, imagine how we feel about discussions that -- some, I don't know if you -- I couldn't understand your answer, not through your fault, through my fault probably.

I still don't know whether the engine manufacturers are still looking to meet these requirements post 2004 after the consent decree is finished. And whether you are or aren't, it is incumbent upon EPA to strengthen the in-use requirements to ensure that they are expected to meet something even more stringent than you have.

So I hope that you work this out, Chet. But I hope you strengthen it. And we are going to be watching the Agency, because what we've learned is that we need a very comprehensive and a very extensive and a very stringent in-use compliance program.

MS. OGE: Any more questions?

Thank you.

We have three members of the public that have expressed an interest in testifying. I would like you to come up. Mr. Timothy Breeze, Ms. Susan Osteunski -- I hope I pronounced that right -- and Mr. Andrew Marks.

Good morning.

MR. BREEZE: Good morning. My name is Tim Breeze. I am living in New Brunswick, New Jersey right now. And I want to thank you for giving me the time to speak.

I am living in -- New Jersey is one of these -- I want to say it has the worst air pollution of any place in the entire United States.

Every day as I am going to work or at work, you know, you see the millions of -- you

know, tons and tons of cars on the roads. And in addition to that, when going on the Turnpike, you just see these trucks. And every day you're stuck behind the trucks and you can't stand the smell, the pollution that you are feeling.

It is something that, you know, affects us every day. Every day you're stuck in traffic, and millions of people in our state have to go through the same thing.

In this country, you know, there is 150,000 people who have to go to the emergency room every year because of asthma attacks that are triggered by this kind of air pollution. And New Jersey is one of the big places where this is a huge problem.

This summer it was like one out of every three days was a smog alert day.

And in the town that I am living in now, which is New Brunswick, we had the highest of all of the eight-hour smog standards. That was the highest level of any day reported over the course of the summer.

You know, this is due to a lot of things. Obviously there is a lot of traffic

going through that town with the Turnpike and the Parkway both being right nearby. So it's not just automobiles and sport-utility vehicles, which a number of people have mentioned.

You need to make sure that those standards are met early, by 2007. But also a lot of these heavy-duty vehicles, these trucks which the pollution from them is just causing some huge problems.

Yeah, so definitely I applaud the EPA, you know, for this program that you guys have put forth to clean up heavy-duty vehicles and reduce these standards, reduce emissions that are coming, this particulate matter especially.

I know a lot of people that I am friends with who are asthmatic and who just can't even go outside and can't do the things that they are supposed to do for their job or the things that they need to do to live a -- just a healthy life. They can't even be outside and do any of these things especially in the summer.

But I don't see why we have to be waiting ten years to be cleaning this up. Especially with the sport-utility vehicle

loophole, you know, giving until 2009 to auto makers to be cleaning up the dirtiest SUVs, it just doesn't make sense.

We're seeing extreme health effects right now. And auto makers have the technology to clean up their vehicles. There is no reason that we can't have this by, you know, 2007 for the rest of the sport-utility vehicle. I would love it to be even earlier.

Also, I want to make sure that we can tighten the standards on the heavy-duties, to make sure that is definitely is done by 2004. You have heard a lot from these engine manufacturers and others who want to have -- they may be thinking, you know, we can't do this or whatever. And this doesn't -- it needs to be done, and there has to be something done about this.

So you've got to adopt these strong standards in cleaning up the diesel fuel and cleaning up the emissions.

And that's all I have. But thanks for letting me speak about this.

MS. OGE: Thank you.

Suzanne Osteunski - Citizen

I can't even pronounce your name.

MS. OSTEUNSKI: Good morning.

My name is Susan, and I live in New Brunswick, New Jersey. And I just wanted to state thank you for having the conference and putting out this issue and bringing up the proposal.

But I definitely think we should make it a sooner issue, especially because every day I drive into new Brunswick on Route 1, and I am constantly sitting in traffic behind all of these trucks, all of this smog is blowing in my face. My friend can't outside to hang out because she has horrible asthma.

I don't see why -- obviously these companies can do something about this. Obviously it is not going to take them ten years. I don't understand why we have to give them ten years.

There is obviously a problem. We obviously should do something of it; we should do it now. Time is of the essence. What better time than the present to do something about this?

There are some high rates of cancer

right now, and obviously this is one of the direct problems of it is air pollution. You can see the air pollution outside. If you go outside of the city on the top of the hill, you can see the smog and the garbage hanging over the city.

It is obviously a problem; it is in our face; we see the statistics. We can do something about it, and we should do something now before the problem is even bigger.

And basically I would like you to take a stand on it and make it a sooner issue.

MS. OGE: Thank you. Thanks to both of you taking the time to show your reasonableness.

Thank you very much.

I ask the next panel to please come up. Mr. Blake Early, Mr. Greg Dana, Mr. Sam Boykin and Ms. Maria Bechis, and Beth McConnell.

Can you please print your names on the paper in front of you, and then we can start with Mr. Blake Early.

MRS. BECHIS: We were scheduled for 11:15 here.

MS. OGE: What is your name?

Suzanne Osteunski - Citizen

MRS. BECHIS: We are with the Sierra Club.

MS. OGE: We do have an available seat. Please take a seat.

MR. EARLY: Good morning. I am Blake Early. I am an environmental consultant for The American Lung Association. The American Lung Association is the nation's oldest volunteer organization dedicated to lung health.

The American Lung Association strongly supports the EPA's efforts to reduce emission from large diesel and gasoline trucks and buses and the application of uniform emissions standards to the full-size pick-up trucks, passenger vans and sport-utility vehicle. We also strongly support reducing sulfur in diesel fuel.

Clearly with these emissions reductions from the initiatives proposed, more will be needed in the effort to provide healthy air across the nation. For this reason we urge EPA to revise its proposal to retain more reductions and obtain them sooner.

The American public has long opposed

the unequal level of effort in emissions reduction that has been imposed upon passenger vehicles and their owners in comparison to trucks and buses.

For too long trucks and truck owners have shared the road but not shared the cleanup effort to curtailing air pollution from mobile resources. It is a simple matter of equitable treatment.

EPA's proposal is an important first step in equalizing the cleanup effort; however, even if EPA were to adopt the ALA recommendation, which I will outline in a moment, the Phase 2 heavy-duty diesel engines, the level of reduction would substantially lag that required for passenger vehicles.

NOx and fine particle reductions are clearly needed across the nation, and reducing NOx from diesels will help reduce ozone.

EPA estimates that nationwide NOx emissions will return to their current levels in 2020, assuming the standards proposed today are adopted and implement and the projected PM emissions from mobile sources will begin the

trend upward beginning next year, precisely at a time when we need to reduce PM, especially the fine particulate portion of PM.

These estimates are likely to be low given the historical difficulty in estimating vehicle miles traveled, growth, and consumer vehicle choices as exemplified by the current rage of purchasing SUVs that is dominating vehicle sales today.

NOx reductions are needed to lower unhealthy levels of smog and prevails in many areas prevailing over eight-hour periods.

The fact, that the United States Court of Appeals has remanded EPA's eight-hour ozone NAAQS standard, does not mean that adverse health effects from exposure to low levels of ozone are not occurring.

Indeed, for the past two summers, the number of areas that have been experiencing unhealthy levels of smog has been in record numbers. In 1998 over 5,000 exceedences of the eight-hour ozone NAAQS were monitored in over 40 states.

For two summers in a row, Salt Lake

City, which has never had ozone exceedences, has experienced over a week's worth of exceedences of the eight-hour standard.

EPA has both the right and the obligation to use the authorities not stayed by the Court of Appeals to protect people from the unhealthy levels of ozone. The court itself did not take issue with EPA's scientific analysis supporting the need for an eight-hour ozone standard.

As a number of areas experiencing the eight-hour period of unhealthy smog grows, so, too, do the number of people vulnerable to the effects of smog.

Between 1982 and 1994, asthma prevalence among adults grew 61 percent. It rose 72 percent among children.

While we do not know why more people are becoming asthma sufferers, we do know that many people with asthma are more vulnerable to the effects of ozone, experiencing asthma attacks and sometimes even needing hospitalization; some people even die from severe asthma attacks.

Since diesel exhaust from on-road and

off-road sources contributes up to 26 percent of the total NOx emissions, this proposal is clearly moving in the right direction.

Reducing diesel particulates will also lower toxic and nontoxic particulate threats to health. Particles from diesel exhaust may contribute more than 50 percent to Manhattan's particulate emissions, and is also a large contributor -- or contributes a large percentage of the particulates in many urban areas.

This situation may actually.

Worsen if oil manufacturers introduce a new generation of diesel engines in passenger vehicles, which would add to the particulate emissions inventory.

Studies suggest that these vehicles would generate less large particulate pollution but 30 to 60 times more fine particles, which are the most dangerous to human health.

Many studies link airborne fine particles with increased hospitalizations in respiratory disease, chronic obstructive heart disease, lung disease and premature mortality.

Again, while the U.S. Court of

Appeals remanded EPA's particle standard for further explanation, this does not mean that the health threat from fine particles is any less real. EPA must continue its effort to reduce both PM 10 and PM 2.5.

Diesel particulate concerns: Not only does it contribute to additional forms of morbidity and mortality, but for many workers exposed to the diesel exhaust link, such an exposure has a 20- to 40-percent increase in lung cancer.

A number of international, national and state agencies have identified diesel particulates as a probable carcinogen.

While experts disagree as to whether diesel particulate is a carcinogen and if so how potent, the fact still remains that millions of Americans are exposed to this pollutant every day.

Prudence dictates that EPA lower diesel particulate emissions as a practical means as a precautionary measure. But EPA should require more reduction sooner than it has in its proposal thus far. Given the importance of

obtaining the reductions in emissions that contribute to ambient ozone and particulate pollution, we make the following recommendations:

A recent study by the Manufacturers of Emissions Control Association demonstrated that current technology of heavy-duty engines needs .05 grams-per-brake-horsepower hour of particulate standards even using conventional fuel with high levels of sulfur. EPA should tighten the HDPE particulate standard to .05 by the year 2004.

With a four-year leave time, manufactures should be able to fully adopt this currently available technology to their needs.

In the second phase, EPA should require another big reduction in particulates and a strict NOx standard.

The same need to study demonstrated that for a current-technology engine to achieve a NOx emission rate below 2 grams per-brake-horsepower-hour while achieving a particulate emission at .01 grams per-brake-horsepower hour, using conventional high sulfur fuel in exchange

for sulfur-in-fuel reductions, which we advocate below, which EPA is considering, EPA should mandate emissions at least this low or lower for the second phase of its program.

EPA should harmonize non-passenger, gasoline and diesel vehicles weighing 8500 to 15,000 pounds with California's LEV II program. If manufacturers can produce cleaner vehicles for California, they should do so for the benefit of breathers across the nation.

EPA should also assure all heavy-duty vehicles are subject to an in-use test program to ensure the vehicle's performance in the real world is the same as they perform during certification testing.

EPA should also set sulfur standards to foster new control technologies.

Lower sulfur in diesel fuel is important for two reasons: It will facilitate the use of advanced emissions control on heavy-duty trucks and will enable the most effective use of currently available emission reduction technologies to retrofit heavy trucks on the road today.

EPA should immediately initiate the program of requiring a phased retrofit of existing heavy-duty diesel trucks. Unlike passenger vehicles, which have a useful life of approximately 100,000 miles, diesel trucks are driven vastly more miles, sometimes over a million miles in their lifetime, often undergoing multiple rebuilds.

While the nation's automobile fleet will convert in approximately 12 years from old-technology vehicles to new-technology vehicles, trucks will be on -- today's trucks that are driven on the road today will last and not turn over for many, many more years.

The only solution is to retrofit those vehicles at the time their engine is being built and the useful life is being extended.

EPA has imposed new source performance standards for any heavy-duty truck that is rebuilt, just as the Clean Air Act required. New source performance standards apply to major rebuilds of power plants.

There is little question that low-sulfur diesel fuel is a critical part of any

effort to reduce emissions from existing and new technology heavy-duty diesel trucks.

EPA should also require low-sulfur fuel for use in off-road diesel engines. Off-road engines contribute as much as 40 percent of total diesel particulate emissions. Low-sulfur fuel for these engines allows emissions to be reduced and also eliminates major problems associated with segregating high-sulfur and low-sulfur fuels and enforcing low-sulfur requirements.

It is a very broad agenda but a very needed agenda. We urge the Agency to move as rapidly as it can.

Thank you very.

MS. OGE: Thank you.

Mr. Dana, good morning.

MR. DANA: Good morning. I see you have an overhead projector; I thought I would use it.

My name is Gregory Dana. I am vice president of Environmental Affairs for The Alliance of Automobile Manufacturers. I am here today to speak on EPA's proposed 2004 heavy-duty

emissions rule and modifications to the light-duty truck definition.

I do need to do my public service announcement first, however. The Alliance is a fairly new organization, less than a year old, and this is a list of all of the members of all Alliance representing about 90 percent of the sales of vehicles in the country.

The Alliance member companies support the pursuit of cleaner air, and we are committed to developing new advanced technology to minimize any potential impact our vehicles may have on the environment. Our commitment is shown by the proposal we put forth in response to EPA's Tier 2 proposal; a proposal that achieves greater emissions reductions than proposed by EPA.

Reducing the emissions from the heavy-duty vehicle population will help in achieving the nation's clean air goals, and we struggle to do our part.

My comments today will focus of three key issues in the NPRM which concern Alliance members. These are: lead time, light-duty truck definition and fuel quality.

Gregory Dana - The Alliance

EPA has described the heavy-duty rulemaking schedule, which is unrealistic and so compressed that the opportunity for detailed commerce by affected parties and a complete review and analysis of such comments by the Agency prior to promulgating the final rule is highly doubtful.

Due to the hurried and unrealistic time frame, the Agency's proposal would create implementation and administrative dilemmas. There are many contradictions within and between the heavy-duty Tier 2 rulemakings, which must be addressed.

We are more than happy to do our part to clean the air, but we require clear and concise regulations.

EPA should extend the comment period and allow additional time in the review period for this important regulation so it will come to a complete debate that can be held on all of the issues.

Lead time and stability of emissions standards are the key issues laid out by Congress in the Clean Air Act. The act requires

heavy-duty vehicles and engine manufacturers be given four years' notice of changes to standards as well as a separate three years of stability of these same standards.

A three-year stability of the standard in the four-year lead time granted by the act effectively removes the 2004 model year from discussion at this time as manufactures are currently producing 2000 model-year products.

Furthermore, as diesel heavy-duty standards are promulgated in 1997, which are effected in the 2004 model year, no relation to the diesel heavy-duty standard is permitted prior to the 2007 year.

Manufacturers require this stability and lead time for all cost-effective emission control standards to ensure the new products meet the needs of the heavy-duty vehicle customer while simultaneously achieving air quality standards.

There is sound, fundamental rationale for this lead time, and EPA cannot explicitly or implicitly attempt to rescind this position provided by the Act.

Gregory Dana - The Alliance

For the second time in the 1999 calendar year, EPA is proposing to modify the definition of light-duty truck. Even before the Tier 2 rule is final, EPA is again proposing to modify the definition to include the new nebulous category of vehicles between 8500 pounds and 10,000 pounds gross vehicle weight that are designed for personal transportation and have a capacity up to 12 persons.

The attempt to pull these vehicles into the Tier 2 rule via the heavy-duty notice is not consistent with the proper notice and opportunity for comment which is afforded in the regulatory process.

Manufacturers have not had the opportunity to comment on the provisions, and EPA has offered no analysis of the benefits of this suggestion in context of the Tier 2 rules.

The Alliance is proposing an extremely comprehensive and aggressive emissions reduction program in the Tier 2 rulemaking covering light-duty vehicles and light-duty trucks, and we have been working with EPA to resolve the issues.

Gregory Dana - The Alliance

A top priority issue identified in the Tier 2 rulemaking has been the engineering workload during the phase-in. This reclassification of the heavy-duty vehicles adds to an already uncontainable workload problem for manufacturers over and above that caused by the Tier 2 rule.

The Alliance continues to stress that heavy and light trucks are unique from passenger cars. The utility of trucks comes with the additional design considerations, such as engine size and structural integrity that challenges the emissions performance when the full range of vehicle use is recognized.

This vehicle segment has admittedly found success in the marketplace because of the expanded utility. This should not create a platform for EPA to restrict its choice by setting standards that exceed the emission feasibility of these vehicles.

EPA has failed to consider that trucks are for peak use. Therefore, a sport-utility vehicle or a large van may be purchased to tow the boat or camper only a few

times a year, but the consumer values these attributes to the point of accepting the stiffer ride or accepting the other non-car-like characteristics to accomplish this goal.

The proposed definition of a truck designed for personal transportation appears to leave much room for Agency subjective interpretation. For example, a common airport shuttle vehicle is a large passenger van that accommodates eight, 12 or 15 people, depending on whether there is luggage. Although this vehicle is obviously a truck in rigorous, commercial use, this vehicle would likely be subjected to the definition of light-duty truck requiring compliance with the very stringent Tier 2 gasoline and diesel standards.

There are many implications related to the inclusion of heavier vehicles into the Tier 2 requirements. An impossible workload is now further compounded by their addition.

Also, chassis test facilities for the heavier gasoline and diesel vehicles including the capability to measure emissions from the SFTP cycles are limited in the entire industry. This

Gregory Dana - The Alliance

further demonstrates the necessity of granting sufficient lead time for manufacturers.

Another key issue for The Alliance is that necessary improvements to diesel fuel quality are lacking in the heavy-duty proposal.

EPA has stated that a change in fuel quality is not necessary to achieve the proposed heavy-duty emissions standards in 2004. This fails to consider the needs of the light-duty diesel vehicle regardless of definition. A 5 ppm maximum sulfur level in diesel fuel is required for these vehicles to achieves the significant emissions reductions required in Tier 2. A delay in considering diesel fuel quality is a lost opportunity for air quality and fleet fuel economy improvements.

By failing to act, EPA must recognize the severity of the Tier 2 standards without proper fuel, may preclude the continued use of diesel engines in these vehicles resulting in a loss in fuel economy in this market segment.

Reduced sulfur levels provide benefits for emission hardware longevity and for ultimate emissions performance. Advanced diesel

technology will require complex exhaust after treatment which will only be viable with very low-sulfur diesel fuel. Cleaner air requires cleaner fuel sooner rather than later.

Delays in implementation of diesel fuel quality improvements represent lost emissions and fuel economy opportunities.

I would be remiss if I also didn't mention the need for low-sulfur fuels for gasoline-fueled vehicles as well. While 30 ppm is the first right step, lower levels will be needed to allow the use of the advanced technology vehicles.

Sulfur-free fuel has enormous air quality benefits and will ensure that emission control systems work to their fullest. We also hope that EPA will respond to our petition on the distillation index. Controlling the distillation index will also help us in designing cleaner vehicles.

In conclusion, The Alliance is focused on three main topics today: We believe that these heavier vehicles can meet more stringent standards given adequate lead time and

Gregory Dana - The Alliance

clarification of the definition of this class of vehicles;

We believe the stability and lead time provision of the act will only allow the promulgation of gasoline emissions standards of 2005 model year heavy-duty vehicles and 2007 model year diesel vehicles at the earliest;

The Alliance believes that attempts to modify the light-duty truck and personal transportation definition circumvent the regulatory process of notice, comment and review.

The potential subjective interpretation of the new light-duty truck definition may be very troubling, and a systems approach to vehicles and fuels needs to be applied to the diesel technologies. A 5 ppm sulfur maximum is required to enable diesel after-treatment devices to improve air quality.

The Alliance appreciates this opportunity to provide testimony and welcomes the opportunity to work with the EPA staff on this important issue.

MS. OGE: Thank you.

Mr. Sam Boykin. Good morning.

Sam Boykin - Citizen

MR. BOYKIN: Good morning. It's Boykin.

My name is Sam Boykin. I am a concerned citizen who lives here in Philadelphia, Pennsylvania. Although I have had the chance to live in many different cities across the East Coast, I notice the same air pollution problems there that we have right here in Philadelphia.

I think the first thing I would like to say is I would definitely just urge EPA to put the concerns of the health of the roughly 40,000 Americans that die prematurely each year from pollution ahead of the concerns of the largest automobile corporations in the world.

Just myself, luckily, I am a somewhat healthy person, and so I don't need to worry about running to the hospital every time there is a bad ozone day or some big diesel bus drives by me. But even on those days, I am affected in terms of being able to go outside and enjoy myself and do things that I normally like to do, whether it is ride my bike or go running.

And so I would definitely applaud the EPA for these forward-looking programs to clean

up pollution from some of the nation's largest and dirtiest vehicles.

I am extremely concerned that the proposal is phased in over a very long period of time resulting in delayed health benefits that these standards could bring.

Specifically, I would like to urge the EPA to consider the following changes to strengthen the heavy-duty program:

Number one would be to accelerate the time line for choosing the SUV loophole. There seems to be no technological reason to give auto makers an additional ten years to clean up the largest and dirtiest SUVs. It seems like all passenger vehicles should meet clean car standards by at least the year 2007.

Secondly, I would like to urge you to tighten the heavy-duty particulate standards by 50 percent by 2004. The technology is already available to cut particulate pollution from heavy-duty trucks by half using existing technologies and catalysts.

Third, I urge you to adopt strong standards for 2007 pollution from heavy-duty

Maria Bechis, Bucks Co., Sierra Club vehicles. That is an urgent problem that needs to be addressed as soon as possible. The EPA must forge ahead additionally for a 90-percent reduction in particulate matter no later than 2007.

Fourth, clean up the diesel fuel in order to ensure that diesel pollution equipment is effective. All diesel fuel sulfur levels in both -- in both on-road and off-road diesel vehicles pollution should be capped at 10 parts per million sulfur by 2006.

And, fifth, ensure that trucks stay clean once they are on the road. In order to ensure that clean trucks stay in, in-use testing and onboard diagnostic equipment should be required for all heavy-duty trucks both for gasoline and diesel.

I would like to thank you for letting me speak today. That's all I have to say.

Ms. Meggy Bechis will testify with her mom, Maria Bechis. Good morning.

MRS. BECHIS: Good morning. My name is Maria Bechis, and sitting next to me is my daughter, Meggy Bechis, who is an asthma

Maria Bechis, Bucks Co., Sierra Club sufferer.

I am vice chair and volunteer advocate at the Bucks County Group of the Sierra Club. I am here not only as an environmental advocacy organization, but because I have witnessed firsthand the debilitating impacts of asthma on children and adults.

My 10-year-old daughter and 48-year-old husband has asthma. My daughter and husband have difficulty breathing and wheeze painfully on bad ozone days in the summer. My daughter could not undergo a necessary surgery in 1997 because of wheezing.

In the summer, I am a timer for children's swim meets. I have watched children come out of the pool at the end of the swim meet panicked because they cannot catch their breath and are in desperate need for their inhalers.

Exhaust from heavy buses and trucks of heavy-duty fuels makes it difficult for children or anyone with asthma to breathe. Studies have also shown that this exhaust is potentially carcinogenic.

Death rates from asthmatic children,

Maria Bechis, Bucks Co., Sierra Club rising 6 percent a year, have doubled between 1980 and 1993. Nearly 5 million children, or one in ten children under Age 18, have asthma.

The medical treatment for these children cost $6.2 billion a year. These children suffer miserably. They cannot play outdoors in the summer and are dependant on medications and inhalers. To parents in hospital emergency rooms, no cost is too high to protect the health and lives of their children.

The Sierra Club and I applaud the EPA's proposal to close the loopholes that allow SUVs to emit up to five times more pollution than cars; set cleaner standards for trucks and diesel fuels; and require strict tests to ensure compliance in standards.

The EPA is doing the right thing in cleaning up these big polluters. But just as with the big SUVs, they are giving them too much time. The technology exists today to reduce particulate matter and to make a real difference in the public's health. Giving them until 2007 to clean up is just too long.

Bucks County, where my family

Maria Bechis, Bucks Co., Sierra Club resides, does not meet air quality standards on many days. We need cleaner air to breathe. We urge the EPA not to heed the diesel fuel and truck manufacturers to extend the time line for implementation of standards.

I brought with me a postcard that the Sierra Club circulates to the public, and the public then sends this postcard to their policy-makers and legislatures. It is a picture of a real child. This little boy lives in Texas. And they have the worst air in the United States. It is the worst air.

Many of their cities exceed air pollution levels that were once found in Los Angeles. This child goes out with a gas mask, and it has become a standard code of dress for these children in some of the cities in Texas.

This is not what I want for my child or anyone's child. And if we don't do something about bringing these pollution levels down quickly, I am afraid that we will be witnessing something of this sort in more cities in the United States.

Now, Meggy wanted to say a few words,

and she wrote something that she would like to read here, if that's all right.

MS. OGE: Yes. Go ahead.

MISS BECHIS: My name is Meggy Bechis. I am 10 years old and I have asthma.

We first found that out when I was about 8 years old. I have come here because I want the EPA to make large trucks and buses stop putting bad things into the air that makes me, my dad and other kids sick.

It's very hard for me to breathe in the summer because it is very hot and humid, especially when the air is full of pollution. Sometimes I can't go outside when it is very hot.

Last summer I had to swim two laps of the pool for placement in swim team. When I was finished, I couldn't breathe. My chest felt very tight; I was very scared.

Other kids who swim at the meet come out of the pool coughing. They sound like barking seals and need their inhalers.

In the beginning I used my inhaler two times a day. Now I use it only when I need

it.

Please help the kids who have asthma by making the air cleaner, by making the air cleaner.

This picture is of a boy that has asthma and is using an inhaler. The magazine is "Time for Kids."

MRS. BECHIS: It is "Time Magazine for Kids," and they have an article here on what a health menace it is for children, asthma is. Thank you.

MS. OGE: Thank you, Meggy.

Thank you for --

(Interruption.)

MS. OGE: Meggy, this doesn't happen all the time.

I do want to thank you for taking time. I would suspect if you are probably missing class this morning --

MRS. BECHIS: No. No. Election Day.

MS. OGE: Election Day, okay.

But your testimony is going to be entered into the public docket. Your comment is

very important to us as we deliberate on this very important topic.

Thank you.

And Ms. Beth McConnell, good morning.

MS. McCONNELL: Good morning. It's a little hard to follow that.

My name is Beth McConnell. I am a clean-air advocate for PenPIRG, the Pennsylvania Public Interest Research Group. Thank you very much for giving me an opportunity to voice my concerns about the need to reduce air pollution from trucks and SUVs.

As those of us that live here in Philadelphia are painfully aware of, air pollution is causing a public health crisis not only here but across the state and nation.

According to recent reports, Philadelphia has the fourth worst air quality in the nation, contributing to the premature death of an estimated 2,000 Philadelphians each year. And in the 1999 summer smog season, the State recorded more than 460 violations of the 8-hour ozone standard.

While this problem notably affects

urban centers, such as Philadelphia and Pittsburgh, it also does reach to suburban and rural areas. For example, air pollution monitors in rural counties in Pennsylvania, such as Franklin and Mercer, has reported many unhealthy days as monitors in the Philadelphia area.

For more than 650,000 Pennsylvanians like Meggy that suffer respiratory ailments like asthma, this pollution can become more than just an inconvenience. It also becomes the reason that kids miss school, parents miss work. And, in fact, it triggers an estimated 370,000 asthma attacks each year. 1997 alone, there was more than 370,000 in Pennsylvania.

Now big trucks and buses including diesel- and gasoline-powered vehicles over 8500 pounds are among the biggest causes of our pollution problems. And manufacturers have done very little to curve their pollution.

These big vehicles are a bigger problem today than they were 30 years ago when the Clean Air Act was originally passed.

In fact, in urban areas, as much as 50 percent of the deadly particulate pollution

that we breathe comes from diesel vehicles. Making matters worse, this diesel pollution has been found to contain hundreds of toxic substances, and more than 30 health studies link diesel pollution to lung cancer.

It is high time for manufacturers of diesel engines and big trucks to use widely available technologies to reduce their pollution. Yet we know from experience that we cannot count upon them to do this voluntarily, nor can we rely on the manufacturers to obey the rules without strict monitoring and enforcement.

Just last year these same diesel engine manufacturers were discovered to be cheating on emissions tests resulting in an increase of smog-forming pollution of over 1 million tons each year.

PennPIRG applauds the EPA for proposing a forward-looking program to close the SUV loophole that allows SUVs to emit up to five times more pollution than cars, also setting tougher standards on trucks and the fuels that power them, and for requiring strict tests that ensure compliance with the standards.

Beth McConnell - PennPIRG

However, we are extremely concerned that the proposal is phased in over an unnecessarily long period of time resulting in delayed health benefits for the public and that the proposal may not adequately ensure that heavy-duty trucks comply with the standards throughout the time that they are actually on the road.

Specifically we would urge the EPA to consider the following changes to strengthen the heavy-duty program:

Number one, we would really like to see the time line for closing the SUV loophole accelerated. Under the Tier 2 auto pollution program, all cars and the smaller SUVs will be required to meet clean car standards by 2007. There is no technological reason to give auto makers another two years to clean up the largest and dirtiest SUVs of all. All passenger vehicles should meet clean car standards by 2007.

We also would like to see the heavy-duty particulate standard tightened by 2004.

According to the manufacturers of the

Emissions Control Association, the technology is already available to cut particulate pollution from heavy-duty trucks by half using existing catalysts, yet the current proposal would have the public wait until 2007 before any reductions in particulate pollution from heavy-duty trucks would occur.

This delay will contribute to the premature deaths of thousands of Americans.

Third, we would like to see strong standards adopted in 2007. Pollution from heavy-duty vehicles is an urgent problem that must be addressed as soon as possible. The EPA must forge ahead with an additional 90 percent reduction of particulate matter and nitrogen oxide no later than 2007.

Fourth, we would like to see diesel fuel cleaned up. Pollution control systems can be truly effective only when they are coupled only with low-sulfur fuels.

In fact, the current sulfur levels in diesel fuels are so high, they actually prevent the use of the most advanced pollution control technology.

So in order to ensure that diesel pollution equipment is effective, all diesel fuel sulfur levels, both on- and off-road diesel fuel, should be capped at 10 parts per million sulfur fuel by 2006.

Finally, I would like to ensure that the trucks stay clean once they are actually on the road.

Unfortunately lab tests quite often do not reflect the true on-road emissions and often faulty pollution control equipment goes unnoticed by the truck owner. Moreover, in the past, engine manufacturers and users have seriously undermined emissions standards by using cheating devices during testing procedures.

In order to ensure that clean trucks stay clean, in-use testing and onboard diagnostic equipment should be required for all heavy-duty trucks, both gasoline and diesel.

Once again, I want to thank you very much for allowing me to speak on this issue.

MS. OGE: Thank you. Any questions of the witness?

MR. FRANCE: Mr. Dana, you made some

strong statements on lead time. But as a practical matter, I want to ask the question related to the 85 light-duty vehicle gasoline category.

And in that program -- we've had extensive discussions with the principal manufacturers. And, in fact, the program proposed is harmonizing with a California LEV I program, which based on my recollection, 2001 is already phased in in California.

And in large part, what our program does is facilitate carrying over California vehicles nationwide. There are some models that aren't produced in California.

As a practical matter I am trying to understand, if you could help clarify, why 2004 is not possible for that class of vehicles.

MR. DANA: What we were saying was that the lead time and stability of the act allows the standards -- (unintelligible.)

MR. FRANCE: I understand that. But as a practical matter, setting aside the lead time points, what is presenting the limitation?

MR. DANA: If you look at some

aspects of that class of vehicles that you're trying to control, the ones you named in the proposal, at least some of the manufacturers build those vehicles with diesel engines.

MR. FRANCE: I said gasoline.

MR. DANA: Gasoline only?

MR. FRANCE: Yes.

MR. DANA: It is a matter of catalyst loading; it's a matter of working. It should be pointed out that under the Tier 2 rule alone, some manufacturers have to redesign almost 100 parts in one year, and then do it again three years later. It simply becomes an unworkable problem in trying to get everything redesigned immediately when you add in the additional layer --

MR. FRANCE: Maybe we're missing each other.

My only question was very simple: For those models that are already being produced in California, all you have to do is carry them over federally, you know, the rest of the 49 states.

MR. DANA: Right.

MR. FRANCE: What is preventing you

manufacturers from doing that in 2004? That's my question.

MR. DANA: I don't think there is a feasibility from that standpoint.

MR. FRANCE: It is mainly legal.

MR. DANA: It is not just necessarily it is legal. It's, again, a work issue as well. Again, I understand what you are saying.

MR. FRANCE: And do you see any -- just one follow-up question on that:

Do you see any way around the legal concerns that would allow the Agency to implement that program in 2004 for gasoline?

MR. DANA: Ask the guy on your right. We just put up there what the act says. It seems fairly clear in its reading. I don't know how to decide how to deal with it.

MR. FRANCE: Are manufacturers willing to give the special circumstances to waive the four-year lead time for this class of vehicles?

MR. DANA: I am not sure I can say that at this point.

MS. OGE: Anymore questions?

Mike?

MR. HOROWITZ: Do you want to go first?

MS. OGE: Go ahead.

MR. HOROWITZ: I have two questions for Mr. Dana. On the issue of the new definition for light-duty trucks, you made some comments about the subjective nature of them.

The definition that we are proposing isn't -- is similar in some respects to the difference that we now have between light-duty vehicles and light-duty trucks. And I think it sounds like you are saying there is a subjective nature to that, too.

But we haven't really heard anything from manufacturers that they don't like that definition, that distinction.

Why is the distinction now a problem in this proposal when it hasn't been for the last several years?

MR. DANA: I think what we are trying to point out when we look at the class of vehicles that are regulated, 8500 to 10,000 pounds, you have some SUVs, you have pick-ups and

other specialty vehicles.

The definition is broad enough as you thought by the proposed rule, that, in fact, it covers pick-up trucks as well as SUVs and any other vehicle that carries up to 12 people.

An example I pointed out in my testimony was something that is called a super shuttle. I am sure those of you who travel a lot have seen them. They carry eight to 12 people. They would fall under the definition as we see it as being covered under the Tier 2 rule. That is clearly a commercial vehicle.

What I am trying to point out is under the definition as proposed, you can log in a lot more vehicles than just the ones you've named by model name. And that is just a difficult issue we need to figure out between us and the agency, how to control what we want to control and not lump in everything else.

MR. HOROWITZ: The second question was, you have a statement about fuel economy with regard to diesels. Is The Alliance in favor of increasing the corporate average fuel economy standards so that we can take advantage of that?

Kathleen Kerdei - Citizen

MR. DANA: We haven't taken a position on that. But I would point out if, in fact, the Government decides to do anything with regards to fuel economy, we need to move either the diesel engines or lean-burn gasoline engines, both of which require almost virtually sulfur fuel.

So if that is the Government's intention, then we're going to have to talk to the agencies some more about further sulfur to allow diesel engines to use devices and allow diesel engines to exist.

MR. HOROWITZ: Okay.

MS. OGE: Anymore questions?

Thank you very much.

We have three additional individuals that have expressed an interest in giving us comments: Kathleen Kerdei, Kitty Campbell, Carmen Lopez.

MS. KERDEI: My name is Kathleen Kerdei, and I live in the city in Philadelphia. And I thank you for the opportunity to come here today and tell you how the poor air quality affects some of the older residents of this

city.

30 years ago our family moved from the Oak Lane neighborhood of Philadelphia to Montgomery County where my husband's engineering firm had just built a new facility. The choice was made in order to prevent the risk and waste of time of spending two to three hours a day on the Expressway.

Four years ago, after the kids were gone and on their own, the decision was made to move back to the city; sort of a payback after decades of taking advantage of Philadelphia's many education, medical, cultural and employment opportunities.

We joined the ranks of several friends and neighbors who had already begun adding to the life and vitality of the city as well as its tax base which sort of reverses the sprawl situations.

For the most part, it has been a very enjoyable experience except for the ever declining air quality.

The number of days one has to cancel plans to garden, or bicycle, take a walk to the

market, doctor's, movies, increases yearly as does the degree of respiratory distress expressed by the residents. Because of this, several friends and neighbors have already moved back to the suburbs or planned to move before the coming summer.

And it isn't just the over-50 crowd. A young woman in the neighborhood explained to me that she was leaving her studies at the University of the Arts to go home to New England because in her first semester she spent more time in Jefferson Hospital Emergency Room than she had in class.

The decreasing quality of life, indeed, the risk to health and life itself, will continue to drive people from this city. The fortunate people, those who have come to become mobile.

The result is a major disappointment for the citizens who wanted to help the city live and grow and a real death toll for the city itself, who is in desperate need of Government policy of common sense and mercy.

Thank you.

Kitty Campbell - Citizen

MS. OGE: Thank you.

MS. CAMPBELL: Good morning. My name is Kitty Campbell. I am a Philadelphia resident for about a year now, having lived out west for the last 20 years. And I have to say, I am thinking of moving back out there.

I don't have asthma and I don't have respiratory problems, but I am losing my sense of smell and I do have some trouble going outside on the bad air days. So I think we have to do something about it.

And I can attest to the fact that tighter regulations regarding smog testing on cars in California have made a huge difference in smog levels out there. I was out there for about 20 years, and it honestly made a huge, huge, difference. And we can do the same thing here.

There is no reason we can't pick up those standards. I have an older car, and it only cost maybe $75 to improve it. It is not real, real expensive. So I come here as a private citizen who just wants to be able to breathe better.

I urge that more stringent standards

Kitty Campbell - Citizen

recommended by the EPA for SUVs be adopted not by 2009 but by not later than 2007, the same for cars.

Given that, as I have read, the Japanese have already produced a SUV that does not pollute 3 to 5 times more than cars, why can't we Americans get on it pronto? And if we have to steal their technology or something, let's do it. Or let's cooperate with them.

I also urge the tighter control in both trucks and bus emissions be enacted as proposed besides by the EPA as quickly as possible for both diesel and gasoline fuel. They are working in California with alternative fuel vehicles in -- regarding the bus.

I believe it's gas-powered buses or something, and it is helping somewhat.

We all want to breath free, and I know I speak for millions when I say this. So please adopt EPA standards and even tighten them up more, if you can.

Thank you for letting me speak.

MS. OGE: Thank you.

Ms. Lopez, good morning.

Carmen Lopez - Citizen

MS. LOPEZ: Good morning, my name is Carmen Lopez, and I live in Alexandra, Virginia. First I just want to thank you for giving me an opportunity to voice my concerns about the need to reduce air pollution from trucks and SUVs.

Nationwide, air pollution sends more than 150,000 Americans to the emergency rooms each year and causes more than 6 million asthma attacks, according to a recent study.

Even worse, particulate is responsible for cutting short the lives of thousands of Americans each year. And I would also like to add that this problem proportionately affects Latinos, African Americans, and those of us who live in the city.

In Virginia, air pollution is taking an enormous toll on public health. There were 124 smog violations during the first half of the summer. There were 23 days when ozone standards deemed the air unhealthy for people who were living, walking and working on the streets to breathe.

I just learned that there were 220,000 people in Virginia and 27,000 in Richmond

who had asthma attacks due to air pollution.

This is extremely disturbing to me. My family and my friends and I are avid rock climbers, campers and hikers. And like many people in the Washington, D.C. area, we like to head out to the Shenandoah National Park to enjoy outdoor recreational activities on the weekends.

I've recently learned that Shenandoah National Valley is one of the most polluted national parks in the nation and there are days when it is as unsafe to breathe at this national park as it is in Washington D.C. I think that is disgusting.

Big trucks and buses, most of which are diesel vehicles, are among the biggest sources of air pollution and problems, and manufacturers have done very little to curb this pollution.

In urban areas, as much as 50 percent of the deadly particulate pollution that we breath comes from diesel vehicles.

Making matters worse, this diesel pollution has been found to contain hundreds of toxic substances and has been linked to lung

cancer in more than 30 health studies. It is time for the manufacturers of diesel engines and big trucks to use widely available technologies to reduce their pollution.

I thank the EPA for taking measures to clean up pollution from the nation's largest and dirtiest vehicles. However, I am extremely concerned that the proposal has such a long phase-in time, the result of which is delayed health benefits for the public, and that the proposal may not adequately ensure that heavy-duty trucks comply with standards throughout the time that they are on the roads.

Specifically, I would urge EPA to consider the following changes to strengthen the heavy-duty program: Accelerate the time line for closing the SUV loophole and do that by 2007;

Tighten the heavy-duty particulate standards at least 50 percent by 2004;

Adopt strong smog standards for 2007;

Clean up diesel fuel;

And ensure that the trucks stay clean once they are on the road by using in-use testing and onboard diagnostic equipment.

Patrick Charbonneau - NAVISTAR

Thank you for letting me speak on this issue.

MS. OGE: Thank you.

Any questions?

Thank you very much.

We will take an hour break for lunch, and we will return at 1:15. Thank you.

(Luncheon recess taken from 12:15 p.m. to 1:20 p.m.)

MS. OGE: If you could take your seat. I would like to call Mr. Andrew Altman, Mr. Patrick Charbonneau, Mr. Mike Carter, Mr. Bruce Bertelsen, and Coralie Cooper.

Pat, we'll start with you.

MR. CHARBONNEAU: I would like to preference my comments by saying that NAVISTAR demonstrated here in Philadelphia the Tier 2 hearings this summer that over all, for a 500-pound school bus, there was a 90 percent reduction in particulates, no measurable hydrocarbons and emissions lower than CNG engines with ultra low-sulfur fuel. This can be done with clean fuel.

My name is Patrick Charbonneau. I am

Patrick Charbonneau - NAVISTAR

vice-president of Engineering for the Engine and Foundry Division of NAVISTAR. We are a major North American manufacturer of medium and heavy-duty trucks and buses marketed under the international tradename. NAVISTAR is also the world's largest manufacturer of mid-range diesel engines.

To understand our views on EPA's proposed 2004 model year standards, it is useful to understand the commitments made by EPA, CARB and industry under the 1995 Statement of Principals for SOP.

The signatories developed the SOP to achieve historic emissions reductions from heavy-duty diesel engines but in a manner that is realistic to the industry. And, in fact, the focus was a 50 percent reduction in NOx for these engines.

For NAVISTAR, a key principle of the SOP was that it would provide increased certainty and stability for our business planning. As the SOP states, "Without such certainty and stability, industry could not commit to the enormous investment that the standards will

require. And with such certainty and stability, those investments might never be recouped. EPA and California recognize the huge investment that will be required of the industry."

The SOP provides such stability by, among other things, confirming the Model Year 2004 standards would be premised on current federal test procedures, and that EPA thus would not alter such standards in this rulemaking.

Moreover, the SOP expressly applies to all heavy-duty engines, including heavy-duty SUVs and passenger vans weighing between 8500 and 10,000 pound gross vehicle weight.

NAVISTAR is committed to achieving the principles that were expressed in the SOP, and has committed tens of millions of dollars to meeting the 2004 emissions targets on all of our heavy-duty product lines. We were disappointed, however, to find that the EPA's complex proposal includes features which are inconsistent with the SOP and raise some serious questions regarding overall feasibility.

For instance, EPA's proposed not-to-exceed limits and maximum achievable

emissions limits testing requirements have the effect of dramatically increasing the stringency of the 2004 model year standards that the EPA and industry agreed upon under the SOP. We know of no data suggesting that the Model Year 2004 heavy-duty standards can feasibly be met with the NTE requirements in place.

Moreover, on top of the NTE and MAEL proposals, EPA has proposed to require testing compliance over a wider and unprecedented range of ambient conditions, which further compromises the feasibility of the 2004 standards.

Also the EPA's proposal to expand the Tier 2 program for light-duty vehicles to include heavy-duty SUVs and passenger vans is inconsistent with the EPA's commitment under the SOP to establish technologically feasible standards for all heavy-duty vehicles.

To our knowledge, there is no technology that will enable heavy-duty SUVs in 2004 to meet the EPA's proposed interim and full Tier 2 standards for light-duty vehicles. If the EPA is aware of contrary information, we would like to review that so we can comment.

Patrick Charbonneau - NAVISTAR

Finally, notwithstanding the many complex issues that need to be worked out, EPA's timetable calls for the Agency to complete this rulemaking by December 31st. Not only does this proposed timetable deprive the public of adequate time to assess and comment on the rulemaking package, it leaves the EPA with a challenge of only 29 days to finalize the rule after the December 2nd.

This timetable is unworkable, particularly given that the EPA's proposal would number one, dramatically change the term of the SOP; number two, increase the stringency of the Model Year 2004 standards; number three, result in new standards and test procedures that were not part of the SOP; and four, effectively preclude heavy-duty SUVs and vans from the marketplace.

NAVISTAR respectfully submits that the SOP provides the right blueprint for achieving dramatic yet feasible reductions in emissions from heavy-duty vehicles. The SOP, along with actual EURO III testing without EPA modifications ensures tremendous emissions

reductions benefits. The EPA's proposal, however, departs from the SOP in ways that fail to appreciably advance environmental objectives, but which call into question the overall feasibility of the proposal.

Therefore, we recommend that EPA and industry move forward with the SOP for Model Year 2004 heavy-duty engines, work to establish a dialog on potential new emissions testing protocols for post-2004 model years. We also look forward to continuing discussions with EPA on fuel issues.

As we stated in our comments on the Tier 2 rulemaking, clean diesel fuel, 5 parts per million maximum sulfur, is absolutely necessary for emissions controls technologies we are developing for the post-2004 period, and, therefore, must be addressed in connection with any post-2004 heavy-duty emissions standards.

I hope the NAVISTAR's comments have been helpful to the Agency. I would be happy to answer any questions that you may have regarding my testimony.

MS. OGE: Thank you.

Mr. Bertelsen, please.

Good afternoon.

MR. BERTELSEN: Good afternoon.

Good afternoon. For the record, my name is Bruce Bertelsen. I am executive director of the Manufacturers of Emissions Controls Association. MECA is pleased to present testimony in support of EPA's proposal.

For those not familiar with MECA, we are a non-profit association made up of the world's leading manufacturers of emission control technology for motor vehicles.

EPA's proposed regulatory initiative, we believe, marks an important first step in moving towards the objective of substantially reducing exhaust emissions from highway, heavy-duty engines and vehicles.

The Agency's proposal constitutes a carefully crafted and balanced program that, if finalized, will result in substantial cost-effective emissions reductions over the next several decades.

Completing the task will also require EPA to implement the appropriate limits on the

allowable sulfur levels in both gasoline and diesel fuel and to move forward with consideration of tighter NOx and PM standards for heavy-duty engines and vehicles in the post-2004 time frame.

Today I'll briefly summarize MECA's position on EPA's proposed initiative. We do plan to submit more detailed written comments.

MECA concurs with EPA's assessment that the heavy-duty diesel engine for 2004 and later model year standards are technologically feasible. We also agree with EPA that engine manufacturers are likely to meet these standards for heavy-duty trucks without it using exhaust control technologies such as diesel oxidation catalysts or diesel particulate filters.

We believe that the utilization of these types of PM exhaust control technologies would enable engine manufacturers to meet a PM standard of 0.05 grams-per-brake-horsepower and also achieve significant reductions in toxic hydrocarbon emissions.

Consequently, we feel the EPA's program for the 2004 standard could be

strengthened by tightening the PM standard when it finalizes this proposal later this year.

Turning to the post-2004 highway heavy-duty diesel engine standards:

In its proposal, EPA invites comments on the feasibility of imposing more stringent NOx and PM standards in the 2007 time frame.

We believe that by employing a systems approach, which combines advanced engine designs, advanced integrated exhaust emission controls and very low diesel sulfur fuel, significant additional reductions in NOx, PM and toxic emissions are possible beyond the levels that will be achieved in meeting the 2004 standards.

With such a systems approach, we believe levels in the range of .5 NOx .01 PM and over an 80 percent reduction in toxic emissions can be achievable.

We commend EPA for initiating the consideration and the dialog on the next tier of heavy-duty diesel engine standards. To achieve the very low-emission targets in the 2007 time frame, it is critical for EPA to establish as

soon as is practical the significant emission-reduction limits that will be required as well as the limits on the allowable levels of sulfur and diesel fuel.

Once the standards and the fuel quality requirements are known, engine manufactures, emission control technology manufactures and fuel producers can all commit the necessary financial and human resources to meet those targets.

To offer a few comments on the proposed new standards for Otto-cycle heavy-duty engines, while EPA's proposal certainly presents significant engineering challenges, again, we concur with EPA's assessment that with the lead time available and the regulatory flexibility provided, these standards should be achievable.

As EPA discussed in its feasibility analysis, the likely technology solution will be to combine the applications of the types of advanced engine and catalyst technologies that are or will be employed on gasoline-powered passenger cars and light-duty trucks.

With regard to the proposal to extend

the Tier 2 standards to vehicles up to 10,000 pounds in response to EPA's proposed Tier 2 standards, we discussed in considerable detail our views on the technological approaches that likely will be employed to meet those proposed limits, and, consequently, I will not repeat that discussion here other than to say that we believe that the same type of strategies that will be used for passenger cars and light trucks up to 8500 pounds can and will be applied to passenger transport vehicles up to 10,000 pounds to help them meet the proposed Tier 2 standards.

Even though designing systems for transport vehicles in the 85 to 10,000 pound weight class may pose additional engineering challenges, we're optimistic that these challenges can be met.

Again, we stress, however, that a systems approach will be critical in meeting these standards, including the availability of low-sulfur gasoline and very low diesel -- very low-sulfur diesel fuel.

With regard to the proposal as it relates to OBD systems, we support EPA's

proposal. OBD systems in light-duty vehicle applications have proved to be an effective method for maintaining effective emissions control performance, and we expect that similar-type benefits will be realized by extending OBD requirements for all vehicles less than 14,000 pounds.

With regard to the new certification test procedures, we support the concept that EPA has proposed of new certification test procedures. While implementation of new certification procedures and the associated standards adds to the challenge of designing the emission control systems, we also believe that it's vitally important from an air quality perspective that any certification test procedure reflect real world operating conditions to the maximum extent possible.

And we may have some specific comments relating the details of the proposal which we would provide in our written comments.

In closing, we commend EPA for its continuing efforts to reduce emissions from highway heavy-duty vehicles and engines. We are

extremely optimistic that significant further progress can be made to reduce emissions from this category of motor vehicles.

As EPA moves forward to address the issue of highway, heavy-duty-vehicle and engine emissions and heavy-duty diesel fuel quality, we look forward to working with EPA, the engine and vehicle manufacturers, fuel producers and other interested parties to find effective solutions to address this air quality challenge.

Thank you very much.

MS. OGE: Thank you.

Mr. Carter. Good afternoon.

MR. CARTER: Good afternoon.

Good afternoon. My name is Mike Carter with the California Air Resources Board.

Let me apologize for my voice. I caught a cold two days ago, so I am battling with that.

Having said that, it is still a pleasure to be here and to provide comments on behalf of CARB.

First, I would like to begin by giving a brief overview of the California Air

quality and recent activities. Then I will provide comments on the specific elements of the U.S. EPA proposal. And finally, I will summarize the ARB's recommendations.

I should also note that we will also be submitting formal written comments to the docket that will provide a more detailed description of our comments.

California is a state that enjoys mild weather compared to the rest of the nation. However, it is also plagued with some of the worst air quality in the nation. Virtually all of the major metropolitan areas in California are still in non-compliance with national and state air quality standards. In fact, over 90 percent of Californians breathe unhealthy air.

Due to our clean air program, significant strides have been made to improve the air quality. For example, on a state-wide basis, peak ozone levels have decreased on average by 49 percent from 1980 to 1997.

This decrease has occurred despite a 39 percent increase in vehicle population and a 70 percent decrease in vehicle miles traveled.

This significant decline in ozone levels demonstrates the overall success of our control programs.

Despite these strides, however, exceedences of air quality standards still commonly occur. For example in 1998, 60 days were recorded to give above the one-hour federal ozone air quality standard in the South Coast Air Basin. Additional emissions reductions are needed in order to achieve attainment in both national and state air quality standards.

Over 50 percent of emissions emitted from man-made sources are from mobile sources.

These pie charts illustrate the projected percentage of mobile source emissions to each category of sources in the South Cost Air Basin by 2010. As shown, the active organic gasses and oxides of nitrogen emissions from heavy-duty vehicles will be responsible for 6 and 43 percent, respectively, of the total mobile resource inventory. In addition, heavy-duty vehicles will contribute almost 70 percent of on-road particulate matter emissions.

It is clear that in California,

heavy-duty emissions are a major part of the emissions inventory and additional reductions are needed.

To highlight the additional need for diesel emissions reductions, this chart shows the diesel particulate matter in comparison to all other toxins combined. While the risk in general has decreased from both diesel and other toxics, it is still significant with diesel accounting for over 60 percent of the total risk.

These last two slides were also shown at the Air Basin Technology Symposium Conference in early October of last month. And at that conference it was made very clear that ARB's number one priorty right now is to reduce diesel exhaust emissions.

This slide shows some of the board's recently adopted regulations of ongoing activities to reduce emissions from mobile sources.

In several of these projects, ARB has worked closely with U.S. EPA staff to develop and harmonize the requirements. To highlight some of the key activities currently underway, ARB is

implementing the call aware program to reduce diesel emissions and for developing a proposal for urban bus standards, and diesel particulate matter risk management, and lower heavy-duty diesel standards beyond the levels called for in the statement's principles.

I would like to limit my comments today on the NPRM to four specific items: the heavy-duty Otto-cycle standards, the heavy-duty diesel standards test procedures, the inclusion of investigations over 8500 pounds gross vehicle weight into the Tier 2 program, and the implementation issues associated with these issues.

First, ARB supports the proposed standard of 1 gram per-brake-horsepower hour to be implemented in 2004 for the heavy-duty Otto cycle. It should be known that ARB's consideration of reducing these standards is part of a settlement agreement of a State implementation plan lawsuit.

To comply with the proposed standard, the advanced emission control technology and light- and medium-duty Otto-cycle vehicles could

be transferred into heavy-duty vehicles. We expect the reductions from this transfer of technology should be significant, since the light-and medium-duty standards are more stringent than the proposed heavy-duty standards.

As noted earlier, heavy-duty diesel vehicles contributed a substantial portion of oxides of nitrogen or particulate matter emissions. ARB staff has worked closely with U.S. EPA to develop and promulgate the 2004 heavy-duty diesel standards as well as the off-cycle consent decree. Thus, these heavy-duty diesel requirements for California are similar to the federal ones.

The NPRM proposes to reaffirm the heavy-release standard of 2-and-a-half grams per-brake-horsepower hour of hydrocarbons plus oxides of nitrogen for the 2004 model year.

This standard is feasible with the availability of emission control technologies that can reduce hydrocarbons and oxides of nitrogen down to the compliance levels. This is especially evident given the consent decree requirements that this be implemented 15 months

earlier in October of 2002.

Other elements proposed in the NPRM also for heavy-duty diesel vehicles include the addition of supplemental standards and test procedures. And in addition, three elements are are being considered for SIP for next year. And my next two slides will comment on these items.

First, the additional standards and test procedures will allow better control of emissions for driving in the real world resulting in realization of expected emissions reductions. The current certification test has limitations, and that does not fully represent the broad range of driving emissions.

The addition of the state bureau free test of certification would require control emissions over a broader range of driving conditions. Other proposed heavy-duty elements, including the not-to-exceed limits are important to ensure durability and no excess emissions.

These additional test requirements proposed in the NPRM are the same as those in the consent decree in the Agency and accepted by the largest heavy-duty vehicle manufactures. Thus,

in the consent decree requirements, these additional requirements should be feasible in the 2004 time frame.

The NPRM also proposes additional heavy-duty diesel provisions in consideration of a separate rule, and these items include onboard diagnostics for vehicles over 14,000 pounds gross vehicle weight. A manufactured-based in-use test program and revised rates meeting that definition.

We encourage that U.S. EPA to continue the discussions and the regulatory development of these items so the final rule can be promulgated by early 2001 and implemented in the 2004 model year. These additional requirements would provide additional assurance of end-user ability and reduce the emission of heavy-duty vehicleings.

The NPRM also proposes that heavy-duty vehicles above 8500 pound gross vehicle weight that are used primarily for personal transportation be included in the Tier 2 program.

This provision was considered in

California's Low-Emission Vehicle II rulemaking but was not finalized. It would be appropriate for these heavy-duty vehicles to be included in the Tier 2 program because they are used primarily as a personal transportation vehicle and would discourage manufactures from redesigning a light-duty truck to a heavy-duty vehicle just so that it can be certified by a significantly higher heavy-duty vehicle emissions standard.

Thus, ARB supports this provision and we pursue the adoption of the civil requirement after a U.S. EPA final ruling.

We believe that the 2004 model year for the implementation of the NPRM elements is a technologically feasible date. We anticipate that after the final rule, a similar California rulemaking would be inconsistent in referencing the CFR wherever possible will occur.

But I have to emphasize, however, that the ARB is not constrained by the four-year lead time to the promulgation and implementation of the rulemaking. Thus, regardless of whether there is a delay in the EPA rule, ARB does intend

to move forward and propose a 2004 implementation date.

Again, more detailed comments of the proposed elements will be submitted to the docket at a later date. But in summary, ARB supports the heavy-duty Otto-cycle standards in the 2004 model year, the heavy-duty diesel elements, and the inclusion of the personal transportation vehicles over the 8500 pounds gross vehicle weight into the Tier 2 program.

While these proposed elements would provide emissions reductions from heavy-duty vehicles, additional strategies to reduce heavy-duty diesel emissions should continue to be considered.

In particular, we are currently pursuing along with the U.S. EPA a lower emissions standards beyond the 2004 standard levels from an engine/fuel perspective.

Thank you for this opportunity to comment.

MS. OGE: Thank you.

Ms. Coralie Cooper, good afternoon.

MS. COOPER: Good afternoon. My name

Coralie Cooper - NESCAUM

is Coralie Cooper, and I am a mobile source candidate for the Northeast States Coordinated Air Use Management, or NESCAUM.

NESCAUM is a multi-state organization with eight member states -- six member states, New York and New Jersey. NESCAUM provides technical advice and policy guidance to it members.

NESCAUM appreciates the opportunity to provide testimony on EPA's proposal relating to 2004 model year vehicles and engines and proposed provisions of the light-duty truck definition.

Reducing heavy-duty engine emissions is a primary concern in Northeast states. These engines are significant contributors to elevated levels of ozone and fine particulate matter. Together highway and on-road heavy-duty engines are responsible for roughly 33 percent of all nitrogen oxide or NOx emissions, and 75 percent of motor-vehicle-related PM emissions in the Northeast corridor.

The relative importance of a heavy-duty engine sector is expected to increase

as the region implements further controls on other sources of NOx emissions and as the regulatory community refines its use in heavy-duty emissions.

In the United States and in Europe, development and active treatment of exhaust in the use of low-sulfur diesel fuel have been shown to enable emissions reductions by more than 90 percent in NOx PM and toxins in heavy-duty engines.

EPA's proposal for regulating heavy-duty engine vehicle emissions for the 2004 time frame is an important step to reduce a heavy-duty engine emissions. When combined with further standards in the 2007 time frame, end reductions in diesel fuel and sulfur, the proposal will substantially reduce heavy-duty vehicle emissions.

Now, I would like to summarize the NESCAUM comments, and NESCAUM will also submit more detailed comments in writing later.

In terms of reaffirming the technological feasibility of the 2004 or later model year for heavy-duty diesel engines, again

it's NOx and PM, NESCAUM states support the proposed NOx standard for heavy-duty diesel engines.

This standard is technically and economically feasible in the 2004 time frame using currently available technology.

In terms of particulate emissions, NESCAUM states that heavy-duty diesel engines can either be illustrated by .5 gram-per-brake-horsepower hour standard than that proposed, which is the .1 gram-per-brake-horsepower hour standard.

And we believe that the further reductions could be achieved in a cost-effective manner. I believe Bruce mentioned urban buses are currently held to 2.5 grams-per-brake-horsepower hour standard and others as well. This is being met with the use of oxidation catalysts.

Heavy-duty trucks and interstate buses can also meet the same .05 standard with the use of oxidation catalysts. Heavy-duty truck PM standard has not changed since 1994, and over 13 years will pass between the last PM emissions

reduction and the next proposed reduction in 2007.

While the NESCAUM states believe that more stringent PM standards are technologically and economically feasible for 2004, we expect the EPA proposal is leaving the .1 PM standard as is for 2004 given that significant reduction down to the .01 level are may be proposed in the 2007 range and will be implemented after 2007.

This will require development of rulemaking on both diesel fuel sulfur and new engine standards within the next year, we hope.

The NESCAUM states urge EPA to move forward aggressively with this rulemaking and NOx PM for the 2007 standards. Scientific experiments or direct exposure to diesel PM is met by deep public concern and frustration over which diesel buses, trucks and heavy equipment, as has been expressed, I think, today by a number of people.

This coalescence of expert and public opinion provides added impetus for timely efforts to reduce PM and NOx pollution from heavy-duty engines.

Coralie Cooper - NESCAUM

In terms of the heavy-duty gasoline emissions standards, in it's proposal EPA invited comments on the feasibility of proposed heavy-duty gasoline engine standards. The NESCAUM states concur with EPA that proposed heavy-duty gasoline standards are appropriate for several reasons: First, technical advances and three-way catalysts now allow for durable and effective emissions control at the high temperatures which can occur when heavy-duty gasoline engines are under full load.

Second, heavy-duty gasoline trucks provide ample space for placement of catalysts, thus reducing or eliminating installation issues which can be associated with the installation of three-way catalyst in the light-duty sector.

Third, the experienced gained with the installation of millions three-way catalyst over 25 years in light-duty vehicles would facilitate a transfer of this technology from light-duty to heavy-duty vehicles.

NESCAUM states strongly support EPA's proposal to extend the proposed Tier 2 gasoline standards to vehicles up to 10,000 pounds. More

and more heavy vehicles are sold each year as passenger vehicles. These vehicles must be held to proposed Tier 2 standards in order to keep pace with increased submissions from these heavy vehicles.

While technical challenges do exist, the phase-in schedule that is allowed under the proposal, the advances in three-way catalyst that have been made and the larger space available in these heavier truck wills facilitate a control of emissions in trucks up to 10,000 pounds up to the Tier 2 proposed standards.

The NESCAUM states strongly support other aspects of EPA's proposal on heavy-duty gasoline vehicles including the establishment of heavy-duty chassis testing, onboard diagnostics and new engine standards. These are important steps which EPA should be commended on.

There are three specific elements of the heavy-duty engine vehicle proposal which happens to have been approved, which I would like to mention. And these apply to both diesel and gasoline vehicles.

The first is that there was a

manufacture-based used in-testing program which has been removed for the time being; and the second is an onboard diagnostic's program for vehicles over 14,000; the third is an in-use compliance for gasoline engines.

The NESCAUM states it strongly urges EPA to develop rulemaking to address these issues so that they will be implemented in the 20004 time frame as well as the new standards.

The in-use testing program, the in-use compliance requirements and onboard diagnostics will help ensure that emissions reductions result in new engine and emissions standards will be realized in use.

In summary, NESCAUM states support EPA's proposal to reduce heavy-duty engine vehicle emissions, which will span the next decades. The current proposal provides NOx reductions after 2004 for heavy-duty engines and begins to lay the ground work for substantial PM and future NOx reduction after 2007.

The completion of this effort will depend on the establishment of lower diesel sulfur fuel and in the year 2007 engine

standards.

We strongly urge the Agency to move forward with these two initiatives in the time frame laid out in this proposal, and we look forward to working together with you in the development of these rules.

MS. OGE: Thank you. Any questions for the panel?

Chet?

MR. FRANCE: Just a few questions for Mr. Charbonneau.

Pat, is my recollection is that NAVISTAR did not have to comply with the supplemental test.

MR. CHARBONNEAU: We provided to the Agency that we did not believe that the supplemental testing was possible under these standards and provided information, although they are not covered under that policy.

MR. FRANCE: I will follow that question in a second.

How do you see -- what would you recommend to the Agency on how can we attain the not-to-exceed concept and implement it by 2004?

How do you see past that?

MR. CHARBONNEAU: To tell you the truth, Chet, I don't know what the proper path of that would be unless I think if there's 1.25 was not-to-exceed, if it was something in the range of 1.5 that would probably be reasonable.

But what I put in my comments, the EURO III testing, using really the EURO III procedures on top of the 2004 emissions standards and using our transient tests provides a tremendous amount of coverage on ensuring that we are, in fact, truly going to have engines that around 2 grams of NOx as we move into 2004.

MR. FRANCE: I understand.

Let me ask the question: You are suggesting, and I don't want to put you on the spot here but I would be interested in your reaction. You are implying that those provisions are unfeasible. What does that say to the consent decree companies that are complying?

MR. CHARBONNEAU: Chet, all I can tell you is we provided you input that says for these types of standards, this was not feasible to do. And provided the Agency information, I

really can't speak to what other the engine manufacturers have or have not told you. But you had a consistent message on that, and we provided information for you.

MR. FRANCE: Okay. Thanks.

MS. OGE: Can I follow-up on this?

To the extent that the consent decree companies will comply with the not-to-exceed requirements in the 2004 time frame, would then NAVISTAR, do you think, their position on the not to exceed as far as the technological --

MR. CHARBONNEAU: Just to be very --

MS. OGE: Because what would be happening at the point is that those companies that have agreed to meet the not-to-exceed, would produce very clean engines, cleaner than your statistics of the 2004 standards.

My question is: Would then NAVISTAR consider the technical feasibility?

MR. CHARBONNEAU: There is really -- there is two aspects to this: The aspect of the 2004 standard, my comments are that when you apply the not-to-exceed limits to the 2004 standards, you make the standard more stringent.

And that is the clear fact you are attending to.

The things that are not clear are with not-to-exceed limits, especially at the 25 percent level, the impact on things like performance, the ability of the vehicle to do the work it needs to do in conjunction with other aspects of transient responses are questionable in light of the 2004 -- basically the 2 gram NOx standard.

So just to be perfectly clear, one is the not-to-exceed does reduce the 2004 standard lower than we had agreed to before, and the not-to-exceed limits both have impact on the things that have to do with low transient response and economy, et cetera.

MS. OGE: Again, my question is: I thought you talked about -- are talking about visibility.

MR. CHARBONNEAU: Yes.

MS. OGE: And you did provide comments to the Agency on this issue. We do have a number of companies resulting in -- that have agreed to proceed with those not-to-exceed requirements. And they will be producing those

engines in 2002 time frame.

My question is: Would NAVISTAR at that point --

MR. CHARBONNEAU: Margo, yeah, my answer would be this --

MS. OGE: Consider the position, technical visibility, that's all I'm asking.

MR. CHARBONNEAU: All of the technologies are being utilized exactly the same. It is technologically feasible to accomplish it, and obviously NAVISTAR would accomplish it using the same technologies.

MS. OGE: Thank you.

Chet, any other questions?

MR. FRANCE: One other question. Pat, I am assuming -- this just dawned on me -- that the concept, maybe a way out of this is just making sure that we have have a robust NCP available for companies perhaps like NAVISTAR.

If there are other companies that are not going to meet those requirements, then that is what NCP's are supposed to accomplish. I presume that would be another alternative?

MR. CHARBONNEAU: That's possible. I

will get back -- once again, I'll get back to the responses.

Based on what we have done through our testing, the standard is going to get much tougher, and we believe that for 2004, it would now become a technical challenge. What I am not saying is that post-2004 is not the right thing to do.

MS. OGE: I have a question for Mr. Carter. Is ARB considering to address diesel fuel?

MR. CARTER: That's a loaded question.

MS. OGE: Okay.

MR. CARTER: Well, certainly for 2004 standards. We don't think that you need to do anything necessarily with the fuel, but certainly post 2004 we do. And certainly it would be advantageous to California if the fuel sulfur level was reduced on a national basis primarily because of the traffic, interstate traffic.

But as far as whether we in California would do something alone, I am not prepared to respond to that right now. I'm not

sure, to tell you the truth.

MS. OGE: Thank you.

Anymore questions?

Thank you very much.

(Bernadette M. Black, RMR, was excused from this proceeding and was relieved by Lisa C. Bradley, RPR, at 2:15 p.m.)

MS. OGE: I would ask two individuals that I guess -- one has been scheduled to testify at 3:15 and the other one just expressed an interest to testify. We would ask if both of them would please step forward, Ms. Julie Becker and Ms. Gina Porreco.

MS. OGE: Ms. Becker, good afternoon.

MS. BECKER: Good afternoon.

MS. OGE: Speak to the close to the microphone, please.

MS. BECKER: Good afternoon. My name is Julie Becker. I'm a public health professional who works with community groups throughout the Delaware Valley. We are a coalition of organizations dedicated to increasing awareness and directing action that reduce toxic risks to women and children's health from environmental contaminants.

Julie Becker - WHEN

I appreciate the opportunity to testify at this hearing on behalf of our coalition members and community groups.

I'd like to focus attention today upon the relationship between smog and health issues, specifically, asthma. The number of asthma sufferers has more than doubled since 1980 to more than 15 million individuals. Currently, almost 10 percent of America's children under the age of 18 is sickened with this common and costly disease. It takes a disproportionate toll upon African-Americans and Hispanics, primarily in urban areas. It is estimated that asthma accounts for more than half a million hospitalizations per year, the cost of more than $15 billion. Smog may account for nearly 6 billion asthma attacks per year that require approximately 150,000 emergency room visits at a cost of $4.5 billion.

One of the greatest contributors to smog comes from cars and trucks, an increase in sales of the largest SUVs, coupled with an increased emissions from these vehicles which are approximately three to five times more polluting than a regular car suggests that these vehicles are

Jina Porreco - Clean Air Network

contributing more than their fair share to the smog problem.

In order to begin to mitigate the health risks to women and their families, WHEN would like to encourage EPA to adopt the following: Reduce car emissions and particulate matters from diesel engines by 90 percent by 2007, reduce the sulfur levels in diesel fuels, and to require in-use and on-board diagnostic equipment in all heavy-duty trucks by 2004.

Potential costs for asthma-related illnesses will only increase unless we begin to adopt preventative measures. The most vulnerable of our population are the children who continue to confront the chronic disease head-on unless we put into place stronger standards.

The most stringent standards are another way to begin this process and must be adopted in order to lessen the health effects of smog on Americans. Thank you.

MS. OGE: Thank you.

Ms. Jina Porreco. Good afternoon.

MS. PORRECO: Good afternoon. My name is Jina Porreco with the Clean Air Network. I'm

Jina Porreco - Clean Air Network

here on behalf of 51 citizens, environmental and public health groups from across the country that couldn't be here today. Thank you for providing us an opportunity to voice our concerns about the need to reduce air pollution from trucks, buses, and support utility vehicles.

Air pollution is a major threat to public health in the US. One in three Americans live in areas that do not meet EPA's public health standards for air quality. Millions more live in areas that exceed acceptable toxic risks. Those more sensitive to the harmful effects of air pollution make up a large portion of the general population, children, the elderly, people with heart and lung disease and the poor. Nationwide, air pollutions sends more than 150,000 Americans to emergency rooms each year and causes more than 6 million asthma attacks. Even worse, particulate air pollution is responsible for cutting short lives of more than 40,000 Americans each year. In at least a handful of cities, up to 60 percent of fine particle pollution continue to be diesel exhaust. In addition to causing respiratory harm, it is also a significant source of air toxics that can cause

cancer. EPA has found emission from cars trucks and buses account for the bulk of cancer-causing pollution.

Despite the widespread health threats associated with chronic exposure to diesel pollution, we still encounter diesel buses, 18-wheelers, and trucks belching thick black smoke. The fact that such visible sources of air pollution are still uncontrolled illustrates EPA's great failures for the past three decades. In fact, our current diesel truck standards are lower than car standards of the mid-1970s.

As we enter the 21st century, we need a infrastructure that is clean, efficient, and doesn't pose a health threat. Technologies are available today that can significantly curb diesel emissions from trucks and buses. It is time that the manufactures are required to improve the diesel engines, much like car manufacturers had to do over the past three decades.

And while shining up the new fleet of diesel engines are clean, EPA must equally commit to cleaning up the existing fleet of diesel trucks and buses.

Jina Porreco - Clean Air Network

We are very pleased that EPA has finally taken steps to reduce air pollution from trucks, buses, and SUVs. We're particularly pleased with EPA's decision to close the loophole in Tier 2 that allows SUVs to emit up to five times more pollution than a car. We are also encouraged with EPA's proposal to set tough standards on trucks, buses, and diesel fuel.

However, we're concerned the time we are facing a stricter engine emissions standards and clean diesel fuel is unnecessarily long, thereby delaying any health benefits for nearly a decade.

Furthermore, we are concerned that EPA's Phase 2 may not adequate ensure that trucks comply with the standards over their lifetimes.

Specifically, we urge EPA to consider the following five points to strengthen the heavy-duty program:

Point 1, accelerate the time line for posing gas and diesel fuel. Under the Tier 2 auto pollution program, all cars and smaller SUVs will be required to meet clean car a standards by 2007. There's no technological need to give automakers another two years to clean up the largest and

dirtiest SUVs. All passenger vehicles should meet clean car standards 2007.

Number 2, tighten the heavy-duty particulate standards by 2004. Emission catalysts are available today that can reduce the particulate pollution by 50 percent. Urban buses are already required to meet the tougher particulate standard. For these reason, in the interim, all buses and trucks should be healthier standards of .5 grams per brake horsepower hour by 2004. Current particulate reduction should then be phased in by 2007. That would result in an additional 90 percent reduction by the 2004 standards.

Number 3, clean up diesel fuel for on- and off-road engines, as we feel the Tier 2 proposal significant added emission reduction benefits can be achieved if gasoline cars are brought into low-sulfur fuel. The same is true for the diesel engine. Rather than waiting until 2007 to clean up diesel fuel, EPA should favor lower sulfur diesel fuel between 2004 and 2007 and cap diesel sulfur at no more than 10 parts per million by 2007. Low-sulfur diesel is the only strategy for curbing diesel exhaust in existing trucks and buses. By not

putting in low-sulfur diesel before 2007, the existing fleet will remain largely uncontrolled for nearly another decade. Low-sulfur diesel fuel should be also be required for off-road diesel fleet. According to EPA's own estimates, off-road diesel vehicles, like construction equipment, account for 23 percent of all NOx pollution and 15 percent of VOC pollution nationwide. The off-road fleet is nearly 15 times more polluting than on-road engines, which account for 10 percent of NOx emissions and 1 percent of VOC emissions. We are alarmed to learn that EPA tends to exclude engines from the clean sulfur requirement. This would be a serious and negligent shortcoming of the diesel strategy.

Point number 4, adopt strong standards for 2007. EPA should set two-thirds standard at least as strict as .01 grams per brake horsepower hour and NOx standard of .2 grams per brake horsepower hour by 2007. These low emission levels could be enough with low-sulfur diesel fuel.

And finally, point 5, ensure that trucks stay clean once they are on the road. Diesel engines travel hundreds of thousands of miles over

Jina Porreco - Clean Air Network

their lifetimes. Tests performed on an engine before it leaves the plant often do not reflect on-road emissions caused by engines. For this reason, a car owners in cities throughout the country were required for over a decade to have their emissions checked to ensure they are meeting allowable pollution levels. And new cars are equipped with on-board diagnostic equipment. The same safeguards should be in place for large trucks. In order to ensure that clean trucks stay clean, in-use testing and on- board diagnostic equipment should be required for all heavy-duty trucks, both gasoline and diesels.

Thank you again for providing us an opportunity to voice our support and concerns about your proposed heavy-duty engine program. While we feel this is an important first step, we urge you to consider our recommendations for improving the effectiveness of your program.

Finally, we can't stress enough the importance of your finalizing the heavy-duty program before the end of 2000. Thank you.

MS. OGE: Thank you. Any questions?

(No response.)

MS. OGE: Thank you very much.

I'd like to call the next panel. Ms. Angie Farleigh, Ms. Emily Bertram, Mr. John Duerr, Mr. Kevin Stewart, and Mr. Alan Schaeffer. Please print your names on the cards in front of you.

Ms. Farleigh, we will start with you. Good afternoon.

MS. FARLEIGH: Good afternoon. My name is Angie Farleigh, and I'm a clean air activist for the U.S. Public Interest Research Group. US PIRG is the national lobby often for the state PIRGs, consumer and environmental group representing citizens in over 40 states across the country.

I greatly appreciate the opportunity to talk about the need to reduce air pollution from heavy-duty vehicles, especially the large passenger SUVs.

Across the country, air pollution is taking an enormous toll on public health. Nationwide air pollution sends more than a 150,000 Americans to emergency rooms each year and causes more than 6 million asthma attacks. During the summer smog season air pollution causes an asthma attack once every three seconds. Even worse,

particulate air pollution is responsible for cutting short the lives of more than 40,000 Americans each year. Heavy-duty vehicles, including diesel and gasoline powered vehicles over 8500 pounds, are the biggest causes of air pollution problems. In urban areas as much as 50 percent of the deadly particulate pollution we breathe comes from diesel vehicles. What's especially disturbing about diesel pollution is that it contains hundreds of toxic substances, and more than 30 health studies have linked diesel pollution to lung cancer.

The manufacturers of diesel engines and big trucks need to start using widely available technologies to reduce their pollution. Yet, we know that we cannot count upon them to do this voluntarily, nor can we rely on the manufacturers to obey the rules without strict monitoring and enforcement. Several people have already mentioned the landmark settlement last year when seven of the largest diesel engine manufacturers were discovered to be cheating on emission tests which resulted in an increase of smog pollution of over 1 million tons each year.

As some of you may know, PIRG campaigned

last summer in support of tougher emission standards for passenger vehicles and to close the SUV loophole that allowed SUVs to emit three to five times more pollution than a passenger car. We are, therefore, pleased with EPA's proposal to hold the largest passenger SUVs to the same tough Tier 2 standards as other passenger vehicles. We also agree with your goal to set tough standards on heavy-duty vehicles and fuels that power them, as well as to require strict tests to ensure compliance with the standard.

However, we are extremely concerned that the proposal is phased in over an unnecessarily long period of time resulting in delayed health benefits and that the proposal may not adequately ensure that the heavy-duty trucks comply with the standards throughout their useful life. Specifically, I will highlight five changes that should be made to strengthen the heavy-duty program.

First, the heavy-duty particulate standard must be tightened by 2004. And as Mr. Bertelsen testified earlier, MECA has shown that the technology is already available to cut particulate pollution from heavy-duty trucks to .05 grams per horsepower hour by using existing oxidation

catalysts. Yet the current proposal will have the public wait until at least 2007 before any reductions in PM from heavy-duty trucks would occur. This delay will contribute to the premature deaths of thousands of Americans.

Secondly, the time line for closing the SUV loophole must be accelerated. Under the Tier 2 program, all cars and small SUVs would be required to fully meet new car standards by 2007. The largest and dirtiest vehicles should not have an extra two years before they must fully comply with EPA standards. All passenger vehicles, regardless of size, should meet clean car standards by 2007.

Third, EPA must adopt strong standards by 2007. Pollution from heavy-duty vehicles is an urgent problem and must be addressed as soon as possible. There are several public studies that show that by using various combinations of existing technologies, manufacturers can reduction NOx emissions to below the standards without an increase in particulate matter. The EPA must forge ahead as the agency announced in its second phase strategy and adopt additional standards in 2007 that would require a 90 percent reduction beyond the 2004

standards of both PM and nitrogen oxides.

Also, in order to achieve necessary pollution reductions, the EPA must clean up diesel fuel. Pollution control systems can be truly effective only when they are coupled with low-sulfur fuels. In fact, current sulfur levels in diesel are so high, they actually prevent the use of most of the advanced pollution control technologies we have.

In order to ensure that diesel pollution equipment is effective, all diesel fuel sulfur levels for both on- and off-road diesel fuels should be capped at 10 parts per million sulfur by 2006 or before the 2000 standards go into effect.

Finally, the EPA must ensure that the trucks stay clean once they're on the road by requiring in-use testing and on-board diagnostics equipment from all heavy-duty trucks, both gasoline and diesels.

Once again, I thank you for allowing me to speak on this.

MS. OGE: Thank you.

Mr. Stewart, good afternoon.

MR. STEWART: Good afternoon. The American Lung Association of Pennsylvania, ALAPA,

appreciates the opportunity to present comments to the EPA concerning the proposed rule. My name is Kevin Stewart. I hold a Bachelor of Science Degree in chemical engineering from Princeton University, and as part of my duties I serve ALAPA as environmental specialist.

I'm here today not only to represent the Lung Association, but the interest of everyone who breathes outdoor air. In fact, I'm here primarily to help represent the interest of more than 30 million Americans who struggle with chronic lung disease, and of the one-and-a-third million or some Pennsylvanians who do. These are people most at risk for health problems precipitated by air pollution. Indeed, many of them are people who simply cannot depend on outdoor air quality without risking an unplanned trip to the hospital because of the effects of air pollution.

ALAPA was founded 107 years ago to combat tuberculosis, and we are now dedicated to the prevention of lung disease and the promotion of lung health. ALAPA commends EPA for issuing a good proposal; nonetheless, it can be strengthened in several ways. Ozone smog continues to be frequently

recorded at levels that are hazardous to health. Not only are more stringent vehicle and fuel standards a necessary part of the solution preventing thousands of cases of death and disease, but cost-effective technology soon will be available, and in some cases, already is available, to meet such standards. It is on this basis that ALAPA calls for the adoption and expeditious implementation of strong national standards for emissions from heavy-duty vehicles and for the fuel that is used to operate them. We also call on EPA to make sure that these vehicles comply with those emission standards for as long as the vehicles remain in use.

While I've deferred today to other representatives of American Lung Association who have submitted to the docket more detailed comments on the proposed rule, I will make several brief comments on the rule itself. But before that, I will strive to show you what the presence of these pollutants in the air we breathe means to the people of Pennsylvania.

Despite what progress we've made over the last 30 years, air pollution continues to be a

very real and very serious problem. Pennsylvania experiences dozens of days every year during which unhealthful ozone levels are record. My hometown of Lancaster, for example, experienced 25 days of unhealthful ozone this year and is now in violation of even the rather weak one-hour standard. Motor vehicles, along with the entire network that supports their use, are significant sources of air pollution ranging from ozone precursors to particulate matter to air toxics. And lest we lose sight of the fact, air pollution constitutes a real problem. It causes real suffering and even death to real people. Four groups are at special risk: infants and pre-adolescence children, the elderly, persons with asthma, and those with COPD, chronic obstructive pulmonary disease, chronic bronchitis, and emphysema.

In Pennsylvania, the populations of those at risk from ozone and particulate air pollution include two million children at or below the age of 13 and 1.7 million people aged 65 or above. Furthermore, ALAPA reiterates today that about 11 percent, 1 in 9, of the Commonwealth's citizens suffer from 1 or more major chronic lung

diseases and are particularly at risk from air pollution. Among them are the more than 700,000 individuals who suffer from COPD. And in addition, recent estimates show that some 800,000 citizens of this state has asthma. About 30 percent of these people are under 18, for whom asthma is the number-one for hospitalization due to chronic illness. It is also the number-one cause of school absences attributed to chronic conditions, leading to an average of a week and a half of school missed annually by each student who has asthma. Even more alarming, deaths from asthma have been climbing steeply, increasing by 117 percent nationwide, from 2,598 in 1979 to 5,637 in 1995, with the increase focusing among children and the elderly.

In Pennsylvania alone, studies show, ambient air pollution is responsible for hundreds of thousands of days with acute respiratory symptoms and/or restricted activity for tens of thousands of asthma symptoms days, for thousands of emergency room visits for respiratory problems and thousands of excess hospital admissions for respiratory diagnoses such as asthma, pneumonia, and COPD. And finally, air pollution from vehicles alone is also

responsible for hundreds of premature deaths in the Commonwealth every year.

As for my comments on the proposed rule itself, we at ALAPA have several concerns and think that the proposals can be strengthened in the following ways:

One, given the fact that the technology necessary for the largest support utility vehicles to meet the proposed standards is already available, within EPA's estimated cost range, and with the added benefit of significant reductions in emissions of air toxics, it is ALAPA's opinion that there is no reasons to delay implementation of the standards relative to those already set out for lighter SUVs in the Tier 2 proposal. Eight years, by 2007, is more than enough time to implement the new standards.

The heavy-duty fine particulate emission standard should be tightened at least 50 percent by 2004 rather than having the public wait until at least 2007 for any reductions with the concomitant illness and mortality.

Number 3, furthermore, under its proposed anticipated Phase 2 strategy, EPA should

set a nitrogen dioxide emission standard stricter than 0.2 grams per brake horsepower hour and a particulate matter emission stand stricter than 0.01 grams per brake horsepower hour, and should proceed to adopt these standards under an accelerated schedule, preferably by 2004, with the paired requirements that the best available control technology be used, and that low-sulfur diesel fuel, removing at least 90 percent of sulfur, preferably more, be put into place.

Number 4, there should be no sense to continue to allow sulfur levels in fuel to be as high as 500 parts per million when we know that such fuel wastes much of the investment spent on the cleaner burning technologies. We must work harder to get the highest sulfur fuels out of the market sooner.

Five, finally, EPA must take steps to ensure that in-use emissions from all heavy-duty vehicles, both gasoline and diesel, both highway and non-highway, actually meet the standards. The past behavior of some engine manufacturers notwithstanding, this is not a game. In-use testing and on-board diagnostics should also be required.

In conclusion, we know that ozone and particulate air pollution in Pennsylvania, much of it from vehicle emissions, adversely affects the health of substantial numbers, indeed millions of our citizens. And we know that those adverse health effects are substantial, resulting in thousands of hospital admissions, emergency room visits, and even deaths, with further costs of hundreds of thousands of disrupted lives and hundreds of millions, perhaps billions, of dollars. It is now clearly our national task to attain and maintain helpful air quality. The only way we can begin to do that is to recognize the full reality of air pollution problems and to face them unflinchingly.

There's one thought I'd like to leave you with, one to remind of. It's that air pollution not simply am inconvenience. Being unable to catch your breath is not an inconvenience. Trips to the emergency room, hospitalization, and deaths are not inconveniences. Remember, it's a health issue.

MS. OGE: Thank you.

Ms. Emily Bertram, good afternoon.

MS. BERTRAM: Good afternoon. My name is Emily Bertram, and I am the Delaware field

organizer for National Environmental Trust. National Environmental Trust is non-profit, non-partisan organization dedicated to educating the American public on contemporary environmental issues. Since it was founded in 1995, National Environmental Trust has worked to promote strong health, safety, and environmental protections on issues including food, air, drinking water safety, global climate change, and public right-to-know policies.

As the Delaware field organizer, I spend a great deal of time interacting with different communities throughout the state, particularly the cities of Wilmington and Newark. I have particular concern for the well-being of Delawareans and the preservation of the surrounding natural environment. Thank you for giving me the opportunity to voice my concerns about the need to reduce air pollution from heavy-duty vehicles.

In the state of Delaware, air pollution has taken an enormous toll on human health. In a mid-season report released in August 1999, ozone monitors in Delaware reported 54 exceedences of the eight-hour ozone health standard and a total of 12

days of unhealthy air. For example, the peak ozone level at Lums Pond, a recreational area in New Castle County, Delaware, was 119 parts per billion, a full 33 percent higher than the health standard. Peak ozone levels in the beach communities this summer were recorded at 104 parts per billion, while ozone levels in Wilmington, Delaware's largest city, were recorded at 98 parts per billion.

Heavy-duty diesel trucks and buses, as well as large SUVs, are among the biggest contributors to smog in Delaware. Delaware serves as a thruway for traffic traveling between the New York-Philadelphia and Baltimore-Washington metropolitan areas. Unfortunately, pollution from all the trucks, buses, and large SUVs on such highways as I-95 tends to be transported through the atmosphere and accumulates over the State of Delaware. Beach traffic in the southern part of the state also contributes to an overall increase in pollution levels in the summer months.

High pollution levels pose a serious health threat to Delawareans. Children, the elderly, and the asthmatics are particularly vulnerable to smog. According to a recent study,

smog sends 210 Delawareans to the hospital and causes 25,000 asthma attacks in Delaware each summer. Nationwide, asthma rates among children are up 75 percent since 1980, with 4.6 million children suffering from asthma. Smog is responsible for up to 10 percent of all hospital admissions during the summer months.

The Delaware field office of National Environmental Trust applauds EPA for their proposal to clean up the nation's largest and dirtiest vehicles. However, we would encourage EPA to consider the following changes in order to strengthen the heavy-duty program:

First, accelerate the time line for closing the SUV loophole. Under the Tier 2 auto pollution program, all cars and smaller SUVs will be required to meet clean car standards by 2007. However, under the heavy-duty vehicle proposal, automakers would have until 2009 to clean up larger SUVs. All passenger vehicles, no matter what their size, should meet clean car standards by 2007.

Second, tighten the heavy-duty particulate standard at least 50 percent by 2004. The current proposal would have the public wait

until at least 2007 before any reductions in particulate pollution from heavy-duty trucks would occur. This delay will contribute to the premature deaths of thousands of Americans.

Third, adopt stronger standards for 2007. Pollution from heavy-duty vehicles is an urgent problem that must be addressed as soon as possible. By 2007, smog-forming pollution and particulate pollution from heavy-duty vehicles should be lowered by 90 percent beyond 2004 standards.

Fourth, clean up diesel fuel. Pollution control systems can be truly effective only when they are coupled with low-sulfur fuels. To ensure that diesel pollution equipment is effective, all diesel fuel sulfur levels in both on-road and off-road diesel fuels should be capped at 10 parts per million sulfur by 2008.

Finally, ensure that the trucks stay clean once they are on the road. Lab tests rarely reflect the true on-road emissions. To ensure that clean trucks stay clean, in-use testing and on-board diagnostic equipment should be required for all heavy-duty trucks, both gasoline and diesel.

John Duerr - Detroit Diesel

These measures are critical to the protection of the public health and the natural environment.

Thank you.

MS. OGE: Thank you.

Mr. John Duerr. Good afternoon.

MR. DUERR: Good afternoon. My name John Duerr, and I'm here representing Detroit Diesel Corporation. Detroit Diesel is a major manufacturer of diesel engines used in a wide variety of on-highway vehicles. The rulemaking that is the subject of today's hearing proposes several new requirements for these engines.

We appreciate this opportunity to provide our views on this proposed rule. Let me begin by stating that Detroit Diesel fully endorses the comments of the EMA. Let me go on to state that Detroit Diesel generally supports EPA's affirmation of the 2004 standards and many of the other provisions included in this proposed rulemaking. I had hoped that we would be in a position to provide much more detailed comments at this hearing. Unfortunately, this is not the case.

This rulemaking was first made available

for public review on October 7th when it was posted on the EPA web site. Since then, we have been trying to review and digest nearly 600 pages of regulatory documents. This has not been an easy task. The proposed rule contains a number of very complex and interrelated provisions that greatly modify the existing regulatory program for heavy-duty engines. A number of the changes were incorporated in the proposed rule at the last minute and were not previously discussed with industry. The impacts of these changes are potentially far-reaching and difficult to evaluate. Further complicating our assessment of the proposed rule is the fact that the rule contains drafting errors, inconsistencies, and entire sections that lacks clarity.

DDC has three primary concerns with the current state of the rulemaking. First of all, the lack of adequate time for review and the inconsistencies in the rule leave us unclear about several of the provisions and the requirements we will need to meet under the proposed rule.

Secondly, certain requirements, as we understand them, may in fact lead to a greater level

of stringency than we had previously understood.

Furthermore, certain test requirements, while not necessarily adding stringency, add substantial cost with little or no emission benefit.

Finally, EPA has not provided any data or analysis that addresses the question of whether the 2004 standards are feasible with current levels of fuel sulfur while also meeting the extended useful life and supplemental test requirements. The lack of information on this critical issue puts us in an environment of making important decisions regarding feasibility without adequate information.

To help in clarifying the point about the lack of clarity in the proposed rule, let me provide a couple of examples which may seem small and detailed, but are actually critical to our understanding the requirements of this rule.

Consider the equation in Paragraph (e)(5) of Section 86.1360-2004 as shown here. This equation is to be used to compute the weighted average emissions for each regulated gaseous emissions over the proposed supplemental steady-state emission test. Leaving aside the fact that this equation will always return a value of

infinity, and thus is obviously incorrect, we note that the factor A(wm) used in this equation is identified as weighted mass emission level as defined in existing Section 86.1342. A(wm) as it is defined in 86.1342 is the weighted brake specific mass emissions from the cold/hot transient federal test cycle. Clearly, this is not an appropriate value for inclusion in computing emissions from the steady-state test. We also note that even though a particulate standard is proposed for the supplemental steady-state test, this section fails to describe how the weighted particulate emissions are to be computed.

A second example concerns Section 86.1008-90 which states that engines chosen for Selective Enforcement Audit testing are to be tested on the Federal Test Procedure described in Subpart N. The proposed rule adds several new supplementary test procedures to Subpart N. It is not clear if EPA intends to require that these new supplementary tests be run as part of any Selective Enforcement Audit. And if these supplementary tests are required to be run, EPA has not specified the ambient conditions and other test protocols to be

used when these supplemental tests are run as part of an audit. Further, there is no definition of how compliance with the newly proposed not-to-exceed and maximum allowable emission limits will be determined and how overall audit pass/fail decisions will be made. Without a clear understanding of how Selective Enforcement Audits will be conducted and judged, DDC cannot provide constructive comments nor can we as a company determine the impact of our products, and the feasibility of meeting the agency's expectations.

While these examples may seem to address fine technical points of the regulation, they are, in fact, important issues that may have substantial impact on our products and the stringency, feasibility, and cost-effectiveness of the rule. Furthermore, these examples are not isolated, but are representative of a great many cases where the proposed rules are incomplete or unclear. Because of the lack of clarity in the proposed regulations, we are having difficulty in understanding the agency's intent and thus are unable to comment meaningfully and constructively on the proposal. Indeed, unless steps are taken to redraft the

proposal so that the agency's intent is made sufficiently clear to allow interested parties to understand the proposal and provide meaningful comments, we believe the fundamental principles of due process will have been shortchanged. We know that EPA and the industry share a common interest in ensuring that the regulations that are finally promulgated are clear, correct, and unambiguous. To ensure that the public process is not shortchanged and that the final rule is free of uncertainty and inconsistency, we believe EPA must extend the comment period by at least 60 days and work closely with the various stakeholders during this period. These regulations will be in effect for several years. Surely, there is no reason not to take the time to make certain this rule is the best we can make.

While many of the details of the proposed rule are unclear, it is clear that EPA intends to impose several new testing requirements and associated emission limits. These include a supplementary steady-state emission test, maximum allowable emission limits, not-to-exceed emission limits, and load response testing. These additional

requirements will add considerably to the cost of engine development and certification and will extend the time needed to bring new low emission technology to market. Collectively, they constitute a belt and suspenders example of regulatory overkill. To reduce redundancy and improve the overall cost-effectiveness of the proposed rule, we believe that, at a minimum, the maximum allowable emission limit and load response test requirements should be eliminated and that the not-to-exceed provisions should be greatly simplified.

In conclusion, DDC requests additional time to provide constructive and complete input based on a clear understanding of the proposed requirements. We request that the agency carefully review the necessity of all the proposed additional testing requirements in light of the marginal emission benefits of these provisions.

Finally, we believe additional data gathering and information development is needed before it can be determined that the 2004 emission standards remain feasible when combined with extended useful life and supplemental test requirements and without any improvements in diesel

Alan Schaeffer - American Trucking Association fuel quality.

Detroit Diesel is continuing to review and study the proposal. We anticipate providing comments on as many of the critical issues as possible within the allowed comment period. If DDC concludes that the proposed rule increases stringency beyond the level that we have agreed to meet in October 2002 as result of our agreement, then DDC will object to this rule.

Thank you.

MS. OGE: Thank you.

Mr. Alan Schaeffer. Good afternoon.

MR. SCHAEFFER: Thank you. Good afternoon. My name is Alan Schaeffer and I'm vice president of highway environmental policies for the American Trucking Association located in Alexander, Virginia. Thanks for the opportunity to appear here today on the important issue of diesel engine emission standards. Just as a matter of record, ATA is a national trade association representing America's trucking industry. We represent over 3,000 members directly of all types and sizes of trucking companies throughout America. Within our federation of state affiliates, collectively that

Alan Schaeffer - American Trucking Association numbers jumps to 35,000 trucking companies nationwide.

I'm here today on behalf of the users of heavy-duty diesel trucks. Most of our members operate vehicles over 8500 pounds, and most of those are over 26,000 pounds in weight.

The trucking industry does the work that all of us in the economy demand, and everything you see here today and brought with you today, that you ate today, that you're wearing today, was brought to you by a truck. And because of that, our industry demands the most cost effective, fuel efficient, and lowest polluting technology available, and we believe that the engine manufacturers are delivering that technology.

Also, as matter of record, the trucking industry has a long record of responsibility supporting clean air standards. Let me highlight a few of those. We supported the change to lower sulfur diesel fuel back in 1993. We support limits on discretionary items. We support vehicle smoke emissions inspection programs at the state level. And we are here today to offer our support for the 2004 lower engine standards. We have been involved

Alan Schaeffer - American Trucking Association in the 1996 standard proposal and joined EPA at the press conference in Chicago, along with the engine manufacturers, to endorse more stringent lower emission standards in 2004, knowing full well that may increase the cost of the trucking industry. However, we felt that that was the responsible thing to do for the environment to help reduce pollution.

Our commitment has been heightened in the last six months. In June our executive committee adopted more aggressive policy urging states to begin enforcement against smoke emissions, and just on Sunday of this week we adopted a resolution supporting a national diesel fuel standard with details to follow.

And the commitment by the trucking industry has paid off. Today's new truck engines emits one-eighth of pollution of engines built just 10 years ago. That's a significant record.

Highway diesel truck emissions have played an important role in dramatically improving air quality overall in recent years. A lot of what we have heard today is the negative, that is, how bad things are; but consider the positive about air quality. In the period of 1970 to 1997, the first

Alan Schaeffer - American Trucking Association domestic product of the United States grew by 114 percent constant dollars. Our population grew by 31 percent. At same time our total criteria for pollutant emissions declined by 34 percent. Significant improvements have been made in air pollution, and the trucking industry is proud to contribute its fair share.

I'd like to address a couple aspects of the notice today. First of all, on the concept of feasibility, it was our view initially having assessed this proposed rule in the limited time we've had to do it, that in fact this is technically feasible milestone in 2004. However, I must admit to the agency that I'm becoming concerned that what appears to have been agreed on in 1997 in fact become a final rule, that the landscape has been dramatically altered since that time. And that landscape has been altered without public input from users, environmental groups, and others in the form of a decent decree process. And I guess we are concerned that the fact that we're hearing more and more from manufacturers about the new limits that the agency is imposing has, in fact, the effect of lowering the standard that is in federal rules

Alan Schaeffer - American Trucking Association today. That gives us great cause for concern. We don't manufacture or certify engines, we're only the ones that buy and use the engines. We have to rely on that kind of information. So we're concerned that there may be, not only a more stringent standard that will have impacts on fuel economy, durability, and et cetera, but we're also concerned about the process by which that standard appears to be altered. Because if in fact the agency is promoting a rule that is a lower standard than the standard that is published, as you know, the American Trucking Association has great concern about some of the processes with how the clean air standards are, in fact, established. And we share those concerns now on this specific rule.

We do agree with the agency's assessment at this point that no changes in diesel fuel specifications are required to meet 2004 standards. We, as I mentioned, have taken a position about future national fuel policy, we believe it should be a national standard that affects all diesel users, both on-road and off-road engines. So we support the agency assessment in that area.

With regard to the durability

Alan Schaeffer - American Trucking Association requirements, back in 1997, users of heavy-duty vehicles are very concerned about reliability, maintainability, and durability of those engines. And it has been pointed out earlier today, the engines are lasting longer than ever before, they're operating more efficiently, and emitting less pollution.

In going forward, it is our understanding that some new technologies will be employed that we have not seen before, exhaust gas recirculation being one of the primary ones of those. We argued very successfully back in that proposed and final rulemaking period to extend the useful life and durability requirements from 290,000 to 435,000 miles for the largest on-highway diesel engines. That was important to users then and it is important to users today that we retain that durability requirement.

As indicated in the notice, the agency anticipates the use of EGR will play a primary role, allowing manufactures to meet those 2004 standards. We very much like the idea of 435,000 mile requirement staying in place to make sure that these new and as-of-yet unproven systems are robust in

Alan Schaeffer - American Trucking Association

their design and performance throughout the lifetime operation of the engine. We don't want to see any backsliding of that number.

However, I have to go back to the point that that assessment was made under the circumstance without the settlement and under the certification and test procedure that we understood would be in place in '96 to '97 when the rule was enacted. And to the extent that it becomes more complicated as a result of the settlement, we don't believe that the agency can properly adjust what they have in federal rules right now with regards to durability based on something in the consent decree that, in fact, was not subject to public input, comment, and due process.

We're very concerned because the EGR systems, if they are not robust in their performance and durability, they have a potential to break down, become a maintenance headache and to reduce fuel economy, and that's a user issue. We don't want to be on the receiving end of that.

With regard to the agency's proposals for on-board diagnostic sensors for heavy-duty engines, we generally support that, providing the

Alan Schaeffer - American Trucking Association

proper SA standards are utilize that are consistent heavy-duty vehicle maintenance standards now. I'll give you some specific comments on that.

With regard to economic impact assessment, as I mentioned at the outset, the industry fully supported the 1997 final rule and lower standards, knowing full well that the increase of cost to folks that bought new heavy-duty diesel engines. It appears as though that the EPA just rerun the numbers and the numbers are higher to the tune of 74 percent increase in the case of lifetime operating cost and also increase in terms of the initial purchase price on these engines. So that raises some concern for us as well about how we got to those new numbers because it appears that the same technologies, i.e., EGR and turbo charge geometry were contemplated then and, in fact, are contemplated today. The only thing I can conclude is that the higher cost have come from additional certification testing requirements that were, in fact, imposed by consent decrees, which again raises the question about whether or not the users and other stakeholders had an opportunity to comment on issues that affect economic impact of this rule in

Alan Schaeffer - American Trucking Association

the proper setting.

Finally, with regard to future diesel engine emission standards, we are exploring within out membership right now that very question. In fact, we're just having our convention right now in Orlando and it is the topic of hot debate. We are not prepared at this point to render some kind of view of what the rate for any future standard should be. One thing that resinates very loud and clear with the nation's top trucking executives, and that is that we have done our fair share of cleaning up the air. We will do more, but we expect the agency to hold other sectors accountable. When you look at the charts within the proposed rule regarding the contribution of NOx and VOC emissions for heavy-duty diesel vehicles, we're talking 11 percent, 10 percent of NOx, 1 percent of VOC in 2000; and non-road engines, 23 percent NOx and 15 percent VOCs in 2000.

I drove up here today in a 1999 Honda Accord, which is a ULEV card certified vehicle. The majority of the trucks that I passed on Interstate 95 were late model, 1994, later model year trucks, best I could tell. And we have a hard time

Alan Schaeffer - American Trucking Association wondering about the equity with doing more to clean up the air while the non-road sector is doing, apparently, less and less. The agency is also failing to hold the non-road sect the same improvements in diesel fuel quality that they held the trucking industry to, and we think the time for that has come to an end, specifically, with railroad emissions. The trucking industry has been regulated since 1970 for emissions for new engines. Only last year, a full eight years after the enactment of the 1990 amendments, did EPA issue standards for locomotive engines and unfortunately did not see it fit locomotives would have to use the same level of diesel fuel that we're using today. So as I look out the window here, I see the trains going by the switching yard knowing that they're using diesel fuel that has significantly higher levels of sulfur and some of those are competing directly with trucks. We're not too happy about that.

So in conclusion, we appreciate the opportunity to appear here today to talk about the future diesel engine standards. We urge the agency to retain the numbers as you have them today. We'd like to hear some more dialog and understand more

Alan Schaeffer - American Trucking Association about the impact of the consent decree certification testing issues on the effective levels of standard. It appears to be that the standard might be in effect been lowered by the consent decree, and that can be a problem. We also want the agency to retain the 435,000 mile durability requirement. We don't want to see any negotiations with regards to useful life and diesel fuel modifications, and we think very much that the agency should focus more resources on controlling the bigger unregulated pieces of the pie, which is the non-road sources.

And just a final comment to address a large number of folks that testified this morning with regards to in-use emissions. EPA has been our primary motivator to get some help in this area, but I think it should be made clear that the issue about in-use enforcement is not the agency's prerogative; this is a state issue. And all I can say to that, to Bill Becker and the state folks is, where are you? The trucking industry is ready to work with you to have state emissions control programs. About 13 states have inspection maintenance programs right now. We think that criticism toward EPA should be directed toward the state. So if you want

Alan Schaeffer - American Trucking Association

to talk about that, our industry and ATA which represents responsible trucking companies, we agree with you, but get the gross emitters off the road and let's not indict the entire industry for the emissions of just a few. Thank you very much.

MS. OGE: Thank you. I will let Bill Becker know.

Mr. Duerr, thanks for your statements. I have a couple of questions for you. When did you first see the proposal? When did you have access to the proposal.

MR. DUERR: October 7th.

MS. OGE: October 7th, so you had almost 30 days?

MR. DUERR: Yes.

MS. OGE: How many times have your company and our staff got together for this past year to discuss this proposal, I mean, details, exhaustive details? Do you remember?

MR. DUERR: I don't remember.

MS. OGE: I would say many times.

MR. DUERR: I don't believe our company ever directly interacted, but we did participate in the manufacturers meetings.

Alan Schaeffer - American Trucking Association

MS. OGE: Let me say this. One of the reasons that we are late with this rule, Mr. Duerr, is because we have been meeting with your company and many other companies and we have many times for the past year to make sure that indeed the industry, your industry, was comfortable with the technical issues. To the extent that we had the package completely ready and we pulled out substantially around this in-use testing because we agreed with your industry that we need to spend a little bit more time. So I'm somewhat disappointed through this public hearing when I hear that you didn't have enough time to discuss issues, technical issues. And I would like speak about it outside of this public hearing. But for the record, one of the reasons that we are late is because of the substantial efforts this office has made, put forward, working with your industry.

Any questions?

MR. FRANCE: Mr. Duerr, in the context of concerns with lead time that's been expressed by a variety of individuals today, including EMA, I'd like a little bit of clarification from Diesel's perspective. Assume for a second that our intent

Alan Schaeffer - American Trucking Association was to capture the essence of the consent decree supplemental test requirements. So accept that as a premise. What is Detroit Diesel's prospective on lead time, specifically the limitation of the supplemental requirements.

MR. DUERR: Obviously, today under the consent decree, we're meeting those requirements.

MR. FRANCE: What will you do in 2004?

MR. DUERR: In 2004, I don't think we fully know what the impact of all these requirements will be at two and a half gram NOx level. We're still studying that.

MR. FRANCE: I understand. To the extent -- just accept the premise that the consent decree is consistent with the requirement bing 2004 under our rules, okay? What would you like to see the program look like in 2004 from a federal perspective?

MR. DUERR: I think I noted I would like to see the maximal allowable emission limits be eliminated, the low response test be eliminated.

MR. FRANCE: You're suggesting that we delete not to exceed?

MR. DUERR: No, we're suggesting

Alan Schaeffer - American Trucking Association
simplify not to exceed.
MR. FRANCE: To make it a minimal requirement in 2004?
MR. DUERR: Yes.
MR. FRANCE: How do we reconcile that with DMA's comments and others that we can't do that? How do you suggest that we go?
MR. DUERR: I don't understand your question.
MR. FRANCE: You're suggesting that we do make it mandatory in 2004.
MR. DUERR: We're not opposed to that, provided we can get clarity on the regulations.
MR. FRANCE: So from Detroit Diesel's perspective, you want to hold the agency to its former lead time concerns that were raised by EMA?
MR. DUERR: No.
MR. FRANCE: Thanks.
MS. OGE: Any other questions?
MR. HOROWITZ: Mr. Duerr, did you or anyone from DDC ever see any drafts of the regulations before October 9th, or that date you mentioned?
MR. DUERR: I believe there was a

Alan Schaeffer - American Trucking Association partial draft made available. I don't recall the time frame.

MR. HOROWITZ: Did you look through the draft at that point to see -- to look at these issues at that point? The issues you brought up today with the inconsistencies, did you have a chance at any prior drafts to look in detail at the drafts that it had inconsistencies?

MR. DUERR: We did review the draft we had received. But again, it was sort of out of context so we didn't see the full scope of what was being proposed. And we didn't at that time look through it in as much detail as we obviously are doing now.

MR. HOROWITZ: Thank you.

MS. OGE: Mr. Duerr, I would strongly recommend that you get in touch with Chet France sitting next to me. We will make ourselves available you and your staff to clarify any issues that you have raised today or you have.

MR. DUERR: We would like to do as soon as we can finish our review. We'll be happy to do that.

MS. OGE: Great.

Alan Schaeffer - American Trucking Association

Mr. Schaeffer: You mentioned about two things that I would follow-up with you. Again, I don't know how much you can disclose at this public hearing, but I would like to know when we can get more details. You mentioned a resolution ATA passed, I believe, last week on diesel fuel quality and I believe you also stated that there is going to be an upcoming meeting in Orlando, Florida -- the weather will be better there than it is here today -- where you're going to discuss, I believe, future engine standards with respect to 2007 standards. Would you give us a little bit more information if you can and also the timing when we can get more details on the decisions that the ATA is making on these two very important issues.

MR. SCHAEFFER: I just came from Orlando, and the weather was much nicer. We are in the midst of our annual meeting with the nation's top trucking executives, and the environmental policy committee on Sunday passed a resolution, basically a two-prong resolution. First, endorsing the concept of a national uniform diesel fuel standard for all diesel users, period. And the second aspect of that was that a task force was

Alan Schaeffer - American Trucking Association appointed to investigate all the underpinnings and probably more the issues that you're interested which is the numbers, what levels of sulfur, time frames, and other issues. But the committee felt strongly that the need to speak out now about our general support for a national standard and support for a standard that applies for all diesel users.

With regards to further views on 2007, we have a series of meetings next week. We have oil industry representatives and perhaps engine manufacturer representatives with some of our technical committees to try and sort out some of the issues there and try to understand more about the future, and I suspect that we will be ready by the end of the year to be much more specific about what our views are on 2007. But if you look at our past record, we have generally supported standards that are cost-effective that show improvements in fuel economy and durability and reliability and maintainability, and manufacturers have been able to deliver on those accounts. But it appears now that things are getting much more complicated, the standard is getting much lower, and the issues are becoming a bit more tenacious. There are lots --

Alan Schaeffer - American Trucking Association obviously, we don't have any influence on certification testing procedure, so we are trying to learn and understand what the impacts of those changes might have on the operators in terms of cost of new engines, cost of operation, and most importantly, the impact on fuel economy. The trucking industry is a very marginal industry. For every one dollar revenue we make, our companies put about two or three cents in their pocket. So you can see that an issue where an engine would cost a lot more or the fuel would cost a lot more could have a broad impact on the industry, and that's why we're putting our stake in the ground now. We think the agency should look more broadly to expand its efforts to control diesel emissions, not just on-highway, but off-highway. We believe that we're producing economies of scale and reducing emissions, diesel fuel standards perhaps of off-road sectors. But this industry is responsible. We breathe the same air that you do. We have no interest in a dirty environment. And we will be more specific later this year.

MS. OGE: Thank you. Thank you all for coming forward to testify this afternoon.

Bob Jorgensen - Cummins Engine Company

I'd like to proceed with our next panel. Mr. Bob Jorgensen, Jonathan Singer, Britta Ipri, Julie Becker, and Nancy Brockman.

Mr. Jorgensen, we'll start with you.

MR. JORGENSEN: Good afternoon. My name is Bob Jorgensen. I am the Director of Product Environmental Management for Cummins Engine Company. Cummins produces heavy-duty engines that are used in stationary and mobile off-highway applications as well as in on-highway vehicles. Cummins considers the delay in accomplishing the 1999 Technical Review to be a breach of faith with the diesel engine industry and a breach of the contract we entered into with the EPA as a result of the 1995 Statement of Principles.

By way of background, I'd like to state that Cummins takes great pride the emission reductions we've achieved in the products that we are currently producing, 75 percent reduction in NOx emissions, about 90 percent reduction in particulate emissions, and a like amount of volatile organic compounds.

This morning Mr. Castle from the National Resource Defense Council made note of his

Bob Jorgensen - Cummins Engine Company

responsibility for the NRDC campaign, dump dirty diesels. So we may take different steps to get there, I can tell you that myself and the other engineers at Cummins Engine Company have a very similar responsibility, and we don't take that lightly. I and other members of the Cummins community maintain a strong commitment to make further reductions of emissions of our product. And as the agency is aware, we are investing heavily in the development of emissions reduction technologies that have the potential to reduce pollutant emissions substantially from the today's low levels.

Cummins was among the industry participants that collaborated closely with both EPA and CARB in 1995 to reach agreement on a joint statement of principles. The SOP was a novel approach between the agency and the regulated parties designed to obtain commitment to reduce emissions very significantly from on-highway heavy-duty engines, while providing manufacturers the stability certainty, and lead time necessary to meet these stringent standards. The Statement of Principles was memorialized in writing, signed by EPA, the California Air Resources Board, and

Bob Jorgensen - Cummins Engine Company

industry representatives in mid-1995 and included a provision to conduct a Technical Review. In addition to the SOP, the obligation to conduct this review is also set forth in the 1997 rule final establishing the 2004 emissions standards. The SOP and the Rule called for the review of the stringent 2004 emissions standards to be completed by the end of 1999. This is, of course, the origin of the proposal before us today.

As you know, in 1995 all parties agreed that the stringency of the emissions standards definitely represented a significant technical reach for the companies. Therefore, the parties agreed that the purpose of the Technical Review was to provide an opportunity to review the progress of technology over the nine years between the setting of the standards and their implementation.

Furthermore, EPA and CARB and the industry never intended that the 1999 Technical Review to be conducted only in 1999. Rather, the date 1999 was selected as a not-later-than date for promulgation of the results of the Review in order to meat lead time requirements of the Clean Air Act. On the basis of where we find ourselves today, it is

clear the EPA has failed to adequately plan for the complexity of the issues that needed to be reviewed.

Not only did EPA fail to provide adequate time for the Review of the 2004 emissions standards, but it also exacerbated the time constraint problem by choosing to use the Technical Review as a vehicle for promulgating independent issues. EPA started late. The first public or private session that Cummins had with EPA was in late 1998. EPA also skipped steps in the Technical Review process. For instance, it failed to conduct workshops and other outreach typical of a rule this complex. Then faced with certain time constraints, EPA chose to add a series of unrelated and unanticipated technical issues to the review, for instance, on-board diagnostics and re-definition of the light-duty truck.

As an evidence of EPA's failure to adequately plan for and manage the 1999 Technical Review, EPA's notice for this session today was formally published in the Federal Register just last Friday, October 29, only two working days prior to this meeting.

And also as evidence of EPA's time

management problem, by the time written comments on the Technical Review are received on December 2, 1999, there will be only 29 days for EPA and then the Office of Management and Budget to review the comments received and to develop a final rule.

We are asking, what was EPA thinking when it failed to allow for the nominal 90-day review period typically afforded to OMB prior to promulgation of a final rule?

OMB did use nearly the full 90-day review period to review the NPRM that was released just last week.

In summary, and the repeat, Cummins is very concerned that EPA will not be able to finalize this review by year-end even after the agency has had no less than three years to prepare itself, given that we signed the SOP in 1995.

Cummins appreciates the opportunity to offer these remarks, and we intend to provide further comments prior to the close of the written comment period.

MS. OGE: Thank you.

Mr. Jonathan Sinker, good afternoon.

MR. SINKER: Good afternoon. My name is

Jonathan Sinker. I am the field organizer for the National Environmental Trust in Pennsylvania. The National Environmental Trust is a non-profit, non-partisan organization dedicated to educating the American public on contemporary environmental issues. Since it was founded in 1995 as the Environmental Information Center, NET has worked to promote strong health, safety, and environmental protections issues including global climate change, public right-to-know policies, and air and drinking water safety.

The Clean Air Act mandates that EPA set National Ambient Air Quality Standards that will protect public health. There is no doubt that the air in Pennsylvania is not protective of public health. According to a 1999 Clean Air Task Force report, there were 9600 respiratory related emergency room admissions and 370,000 asthma attacks that can be attributed to air pollution in Pennsylvania.

In 1998 Pennsylvania had 616 readings where the eight-hour standard was exceeded. Most Pennsylvanians are still regularly exposed to unhealthful levels of ozone. In the Philadelphia

area, if you live in Montgomery County the eight-hour standard was exceed on 19 different occasions; 14 times in Bucks County; 27 times in Philadelphia County; and 19 times in Delaware County. During the summer of 1998, 27 Pennsylvania Counties exceeded the eight-hour standard.

According the EPA, big diesel trucks emit about 10 percent of all NOx emissions nationwide and account for a high percentage of particulate emissions in urban areas. EPA's pollution trends report shows that diesel trucks collectively emit more NOx and particulates soot today than they did in 1970, when the Clean Air Act was passed. In addition, the State of California has labeled diesel particulate as toxic, and EPA researchers believe diesel exhaust is connected with human cancer.

NET joins the rest of the environment community in supporting EPA's proposed strategy to reduce emissions from heavy-duty vehicles.

NET calls on EPA today to:

One, accelerate the time line to close the SUV emissions loophole. Currently SUVs pollute three to five times more than passenger cars.

Because SUVs emit the lion's share of auto emissions, NET is asking for these vehicles to meet the clean car standard by 2007 as proposed under Tier 2, not 2009 as allowed by EPA's current proposal.

Number two, tighten heavy-duty particulate standards by at least 50 percent by 2004. Pennsylvanians should not have to wait until 2007 as allowed by EPA's current proposal to reduce particulate pollution. Enforcing a tighter standard earlier may delay the amount of premature deaths related to air quality.

Number three, set national standards for low-sulfur diesel fuel. Sulfur is poison to the pollution control devices on cars. To ensure the diesel pollution equipment is effective, all diesel fuel sulfur levels should be capped at 10 parts per million by 2006.

Number four, since seven of the major diesel engine companies were caught putting cheating devices on their engines that enabled them to pass pre-sale emission tests, but then pollute more on the road, a tighter verification process must be imposed. In-use testing and on-board diagnostic

Britta Ipri - Clear the Air Campaign

equipment should be required for all heavy-duty trucks, both gasoline and diesel to ensure clean trucks stay clean.

Number five, adopt strong standards for 2007. Pollution from heavy-duty vehicles is a serious problem that must be addressed as soon as possible. By 2007, smog-forming and particulate pollution from heavy duty vehicles should be lowered by 90 percent beyond the 2004 standards.

There can be no doubt about the public health need for cleaner motor vehicles.

NET reserves the right to submit written comments during the comment period. Thank you.

MS. OGE: Thank you.

Ms. Britta Ipri, good afternoon.

MS. IPRI: Good afternoon. Thank you for the opportunity to speak today. My name is Britta Ipri and I serve as the regional coordinator in the Mid-Atlantic for the Clear the Air Campaign. Clear the Air's primary focus is stationary sources of air pollution such as old, dirty coal power plants. However, as an advocate for clean air, one cannot deny that mobile sources of air pollution must be cleaned up if our region's air is to reach a

level that is healthy for everyone.

Each year in Pennsylvania, air pollution causes the premature death of more than 5,000 people and threatens the health of almost two million more who suffer from asthma and other respiratory illnesses.

When considering the mobile sources of air pollution, big trucks and busses, most of which use diesel fuel, are among the worst culprits. Unfortunately, because there is so many more trucks on the road today, manufacturers have done enough to curb pollution from these large diesel vehicles. In areas like Philadelphia, as much as half the particulate pollution that threatens public health comes from large diesel vehicles. More than 30 health studies have also linked diesel pollution and the hundreds of toxics it contains, to lung cancer.

The good news is that the technology to clean up diesel engines is available. We can afford to wait no longer before requiring manufacturers to use these technologies.

While I applaud the EPA for proposing this program to clean up pollution from these big and dirty vehicles, I would like to urge the EPA to

Britta Ipri - Clear the Air Campaign

make a few changes that would make this program even stronger.

First, I would urge the EPA to accelerate the time line for closing the SUV loophole. Under the Tier 2 auto pollution program, all cars and smaller SUVs will be required to meet clean car standards by 2007. However, under the heavy-duty vehicle proposal, automakers have until 2009 to clean up larger SUVs. All passenger vehicles, no matter how big or small they are, should meet clean car standards by 2007.

Second, the heavy-duty particulate standards must be tightened by 50 percent by 2004. The current proposal would not require any reductions in particulate pollution until 2007.

Third, smog-forming pollution and particulate pollution from heavy-duty vehicles should be lowered by 90 percent beyond the 2004 standards.

Fourth, diesel fuel must be cleaned up. Pollution control systems can be truly effective only when they are coupled with low-sulfur fuels. All diesel fuel sulfur levels should be capped at 10 parts per million sulfur by 2006.

Nancy Brockman - Wyncote Audbon Society

Last, the EPA must ensure that trucks stay clean once they are on the road. This should be done through in-use testing and use of on-board diagnostic equipment. These should be required for all heavy-duty trucks, both diesel and gasoline.

This program is a crucial part of cleaning up our regions' air. Only when our worst dirty-air culprits like large dirty diesel vehicles ar cleaned up can we begin achieve cleaner and healthier air.

Thank you once again for the opportunity to speak today.

MS. OGE: Thank you.

Ms. Nancy Brockman, good afternoon.

MS. BROCKMAN: Good afternoon. I'm here to speak on behalf the 2,000 members of the Wyncote Audubon Society, one of the nation's oldest bird clubs and as an asthmatic and the parent of an asthmatic child. I want to compliment the EPA for proposing to close the loophole for enormous, excessively polluting sport utility vehicles and for the move to cut nitrogen oxides emissions from big diesel trucks in half by 2004.

The air we are breathing today in

Nancy Brockman - Wyncote Audbon Society

Philadelphia is dangerous. This is according to EPA standards. The Delaware Valley is a severe non-attainment area. Between 1982 and 1992, the region lost over 25 percent of its total farmland. In that same period, there was a 33 percent increase in auto commuters in the area. The picture of the Greater Philadelphia region is one of shrinking green space and wildlife habitat, increased regional sprawl, and higher than deemed safe air pollution. A walk in Center City Philadelphia can choke the asthmatic and make a healthy person turn their head or cover their faces from the fumes pouring out from buses and trucks. Drive along any major regional highway and you will see dead trees and shrubbery lining the road, dead because of the toxic concentrations of air pollutants. Couple that with the trend toward increased auto dependency and the resulting increase in auto emissions, and we have a dangerous recipe for environmental and human health disasters.

The National Audubon Society's mission is to conserve birds and their habitats. Today, Audubon Societies are committed to bringing people closer to birdlife in order to build a deeper

Nancy Brockman - Wyncote Audbon Society

understanding of the powerful links between healthy bird populations, ecosystems, and ourselves.

Birds have been used to monitor the environment throughout history. Declines in bird population numbers and changes in species' ranges resulting from human-induced causes provide information crucial to environmental decisions. Birds integrate and accumulate environmental stresses over time because they are usually high in the food chain and have relatively long lifespans. Since birds are sensitive to stresses in predictable ways, they are often used as a proxy measure of environmental change.

We are now being warned, much as the canary warned miners of old of lethal gasses in deep shaft mines. Environmental changes are occurring at an alarming rate. Healthy bird populations are decreasing in the region. Fewer numbers of once numerous species are found as wildlife habitats disappear or become increasingly polluted. Acid rain changes the ecological balance in lakes and streams and affects the surrounding habitats. Air pollution kills trees and reduces food supplies for both indigenous and migratory bird populations.

Nancy Brockman - Wyncote Audbon Society

That portion of air pollution caused by cars, minivans, SUVs, and especially diesel vehicles is enormous and can be reduced. Each day we pander to large business interests, more species approach oblivion diminishing our world and our lives as they go. Too often the right move is unclear, but here we have all the components to make a substantial difference. We know what to do and how to do it. The benefits to reducing air pollution from these highly polluting vehicles well outweigh losses or inconvenience to businesses.

On a personal note, I wish to say that not only am I an asthmatic, but I am the parent of an asthmatic child. We all know the symptoms of asthma and are aware that asthma is substantially worsened by air pollution. Even with a decrease in air pollution over the last few years, medical experts still tell us that asthma, especially in children, is on the rise in the USA. I fear the possibility that future scientific studies will prove that the damage to human health from that combination of air pollutants found in vehicle emissions is more pervasive than originally thought.

At the Tier 2 hearings I told the story

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of how my son, now aged 15, was rushed to the hospital with chest pain, faintness, and the inability to breathe. His father and I went to the hospital to find him gasping for breath and scared. No child should have to feel his mortality at that age. He hates having exceptions made for his condition. It makes him feel different from most other kids his age. I hate that the quality of his life is compromised and perhaps permanently damaged.

This country has the technology and the power to make substantial changes for the better, now. We should not have to wait until 2007 to see noticeable results. Business will not make changes for the better without being forced to do so by the EPA because it is not cost efficient to do so. It is obvious that the cost of doing business has been more important to decision-makers than the cost to human health. Our collective priorities must change.

Personal responsibility should count for more than it does in today's society. Each one of us needs to accept personal responsibility for the type of vehicles we drive, the kind and number of miles we put on them, and the impacts of the

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resulting pollution. I believe that all gasoline vehicles, compact car through giant SUV, should be held to the same, more stringent emissions standards. If the emissions control devices on my car do not work correctly, I must have them fixed. Yet, most diesel big trucks don't even use the pollution control devices they could and should. If they did, they could be between 50 and 90 percent cleaner than they are today. I am astonished that in Philadelphia, our public transportation system can use a low-grade high polluting diesel fuel instead of the available but more costly high-grade lower polluting diesel fuel in the busses that serve the public. How is this possible? For these reasons I am heartened to see EPA taking the responsibility to implement tougher emissions standards for highway vehicles and engines.

Just a final note: With asthma on the increase in America, most notably in pre-school aged children, we run the risk of our future generations by not acting now. Much as I mourn the decline and loss of endangered bird species that continue to fall victim to human engineered environmental factors, I fear the irreparable damage to humans

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more.

MS. OGE: Thank you.

Any questions for the panel?

MR. FRANCE: Yes, just a couple. This is for Mr. Jorgensen. I think all of us wish that we were here in January 1999, but we're not. Before I ask a question, I do have to set the record straight. Mr. Jorgensen, you used a fairly strong language in terms of breach of faith, breach of contract, EPA has a time management problem. I like to remind you, first of all, consent decrees were not, any circumstances regarding consent decrees are not of our making. Those consent decrees were filed with the court late last year, were finalized I think in June or July this year. We made good-faith efforts to integrate those provisions in a logical way, at the same time trying to interact with the industry, I think, in an unprecedented way. I think we met more than 10 times with the industry. We've met individually with Cummins. We were on site at your facility about the details. On top of it, as Margo said before, on behalf industry's request, part of the delay in getting the rule was the lead provisions that you all asked us to streamline the

rule. So speaking from our perspective, a lot of the delay have been response to circumstances that were out of our control, but also in response to requests from the industry. So I'd like that entered on the record.

Let me ask the question. You keep citing the SOP, you suggested first the inference there is that we just reaffirmed the standard. Is that what --

MR. JORGENSEN: In the SOP, of course, it called for a revisiting or a re-analysis of the feasibility of the standards, and obviously it was possible to make them more stringent, make them as they were, or make them more stringent. But all those were possibilities that were listed both in the SOP and in 1997 final rule.

MR. FRANCE: How would you anticipate EPA dealing with the consent decrees supplemental test provisions, from Cummins' perspective.

MR. JORGENSEN: As far as incorporating them, we definitely expected that EPA would take that into account in the process. As a matter of fact, in the nearly dozen meetings that we refer to, the first was held, I believe, in December of 1998,

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and at that meeting, you know, the discussion had those elements in it. And at that point in time, the agency representatives talked about how the MPRM would normally be out in March and that we'd be having a hearing in April and that written comments would be due in May.

MR. FRANCE: Let me ask, so you anticipated us including not to exceed provisions as part of this rule?

MR. JORGENSEN: I would say certainly taking the consent decree into account. Now, whether or not it was the exact replica, that, I think was open for discussion.

MR. FRANCE: Absolutely. It still remains open for discussion in terms of the provisions. I'm asking in Cummins' perspective, the same line of discussion I had with Detroit Diesel. What is Cummins' perspective on the lead time issue that has been identified and also what is your company's intent complying with 2004?

MR. JORGENSEN: Of course, as you see, by our comments, we wish it was a moot point. We wish that the rule would have been finalized by year end such that the question of lead time would not

have been an issue. But we recognize and we noted with interest in the preamble to the rule how EPA acknowledges that it might not be possible to conclude the rule by year end and has thought about ways that we could still have an effect date of 2004, either through a voluntary agreement or whatever. And I think Cummins, I can say, is open to those kinds of discussions. And we wouldn't rule out that those discussions could lead to a conclusion that maintains the 2004 date. We wouldn't rule that out.

MR. FRANCE: What is Cummins going to do if we don't?

MR. JORGENSEN: Well, I can tell you that it's a very difficult and complex issue as to what happens if the December 31, 1999 deadline is met. And quite frankly, I don't really understand perfectly what happens to competitors that have not signed a consent decree. So it's very difficult for us to really answer that question. I'm very open to those kinds of discussions, though, but I think it's a very complex issue as to what happens to others. And in that light, it's very difficult for me to answer the question as to how Cummins will behave.

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MR. FRANCE: That's fair enough.

MS. OGE: I think that's fair. I would encourage you and other companies to give us comments on all these issues. And I think there are legal issues of lead time appropriateness for all of us to address and then there are issues of feasibility to do it. We would like comments on both issues. And how do we proceed forward with the best program in place in 2004 time frame to give us the clean air all of us are looking for. Thank you.

MR. JORGENSEN: You're welcome.

MS. OGE: Any other questions?

MR. HOROWITZ: Just a follow-up to Chet's point. Just to state for the record that you used the words breach of contract and breach of faith. And obviously, we, EPA, had no contract with any of the companies under the SOP. We wouldn't make contracts to put out rulemakings and finalize final numbers for emission standards without going through the notice and comment process. So I'm worried about the use of that term, but I understand the rhetorical charge. And also regarding breach of faith and not understanding complexity, obviously, the intervening events came out of consent decrees

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have unfortunately delayed them. As Chet said, that was not something that we anticipated in 1995.

MS. OGE: Anymore questions?

(No response.)

MS. OGE: Thank you. Thank you very much for coming forward.

We are doing great on time; we are early. We had a gentleman by the name Dennis Winters.

AUDIENCE MEMBER: He's not here.

MR. OGE: I would like to call the panel that was scheduled to testify at 4:15 if they are here. Valerie Sowell, Geoff Harden, Kathleen Erdei, Jason Rash, Ajayi Harris.

I'm told that Natasha Ernst is here. She was scheduled for the 5:15. If you would like to come forward, please do that. I'm reminded that Mr. Andrew Altman was not here earlier.

MR. RASH: He will be submitting comments in written form. He will not be testifying.

MS. OGE: Thank you.

We can start with Ms. Valerie Sowell. Good afternoon.

Valerie Sowell - Citizen

MS. SOWELL: Good afternoon. My name is Valerie Sowell. I'm a citizen of Philadelphia here. And I just want to thank you briefly for giving me an opportunity to voice my beliefs that we should reduce pollution in light trucks and SUVs. We've heard today about the devastating effects of air pollution in this community and in cities and towns across the nation. It seems clear to me that anything that triggers 40,000 deaths a year constitutes a dire public health crisis, and no effort should be spared to curb that crisis.

Furthermore, this particulate health threat is straightforward. We know the problem that air pollution triggers attacks of asthma and other respiratory ill effects. We also know the cure - we have to cut down on pollution. So I applaud the EPA for proposing the program that they have in an effort isolating the cure.

I do believe, though, that we have to go even further if we want to eradicate the public health crisis entirely. So I agree that first we should accelerate the time line for closing the SUV loophole. All passenger vehicles should meet clean car standards by 2007. Absolutely. We should

tighten the heavy-duty particulate standard 50 percent by 2004. The EPA must call for an additional 90 percent reduction of particulate matter and nitrogen oxide pollution by no later 2007. We have to clean up diesel fuel to go hand in hand with this. All diesel fuel sulfur levels should be capped at 10 parts per million by 2006. As well, we should ensure that trucks are not getting out of their obligations; they stay clean once they're on the road using in-use testing and on-board diagnostic equipment.

So we've isolated the cause. We've isolated the cure. The problem, of course, is not in doing that, but in following through. We have to make sure that the changes that we see are met.

And, you know, people in large groups tend to share inertia with this sort of thing. It's somebody else's responsibility or it's somebody else's fault, but really little as possible. And I learned something. I spent a year in Northern Ireland. Before I went there, I was researching the psychology of large groups and mob rule to guard away from the terrorists if I could. And I learned that when you're in the middle of a large group and

someone attacks you in a crowd, that you can't wail and say "Somebody help me. Oh, God, I'm in dire need of help. Help me, somebody." You have to grab someone's hand and make eye contact and say, You, in the blue shirt, call the police. You help me. You have to help me. I see you." And so you make eye contact. Only when a person is being spoken to will they listen.

So as the representatives of the EPA which will ultimately be responsible for this decision, I call you on with the power that you have to make these changes and care for our health. You can do it. You can tighten the loophole and you can look out for the public. You have the authority.

So thank you for giving me this opportunity to tell you that directly.

MS. OGE: Thank you. Thank you for the lesson. I'll remember that.

Mr. Geoff Harden, good afternoon.

MR. HARDEN: Good afternoon to you. My name is Geoffrey Harden, and I'm a citizen of Philadelphia concerned about smog from trucks and SUVs. By the way, I appreciate having this opportunity to talk to you and express my concern.

Geoffrey Harden - Citizen

I'm here as a citizen, but I want to offer my perspective on this issue as a urban bicyclist.

Practical concerns like economic necessity and consideration for the environment compel citizens like myself to use bicycles as an alternative transportation in cities across the US. We cyclists share the streets with these big trucks and SUVs. So making our way to work or school or home, we choke on the fumes from these dirty vehicles' tailpipes.

I ride my bike to work through Center City Philadelphia every morning. So I've gotten my share of exhaust pumped in my face by these big vehicles. Tailpipe fumes burn my eyes, my throat, and my lungs. It's nauseating. But what's really worse is the long-term effects of this smog, the untimely deaths of 40,000 citizens each year. Smog reduction is literally a question of life or death so the work must not been delayed. So I'm urging you to continue in the spirit of what you propose to clean up our air, forcing automakers to use readily available technology to reduce their deadly pollution, tightening the heavy-duty particulate standards by 50 percent by 2004, and limiting diesel

sulfur levels to 10 parts per million by 2006, and closing the SUV loophole by 2007.

Thank you again for your time.

MS. OGE: Thank you.

Mr. Jason Rash. Good afternoon.

MR. RASH: Good afternoon. My name is Jason Rash, and I am here representing the Board of Directors of the Greater Philadelphia Clean Cities Program. Great Philadelphia City Program is a public/private partnership dedicated to promoting the development and use of alternative fuels and alternative fuel vehicles in the Greater Philadelphia region.

The Greater Philadelphia Clean Cities program was established in 1993 and is widely recognized as one of the most successful United States Department of Energy Clean Cities Programs in the nation. Thanks to the efforts of its members, local governments, companies, and consumers in the Greater Philadelphia region are powering thier vans, trucks, cars and buses on alternative fuels such as compressed natural gas, propane, ethanol, methanol, and electricity. The results being improved air quality and a reduction in the reliance on foreign

oil.

While the Greater Philadelphia Clean Cities Program coalition enthusiastically supports EPA's proposed strategies to reduce emissions from heavy-duty diesel vehicles, it also calls on EPA to increase alternative fuels.

Transportation in America revolves around motor vehicles that run on gasoline and diesel; two fuels that despite advances made in catalytic and fuel cleaning technologies, will continue to contribute to the country's ground-level ozone problem well into the next century.

Furthermore, the world's oil supply is not limitless and is the source of great geopolitical instability. As a result, the United States is forced to spend billions of dollars each year importing over half of its oil, often from politically unstable regions of the world.

The public health hazard posed by ground-level ozone and the increasing reliance on foreign oil are serious threats to our nation's future. That is why the Greater Philadelphia Clean Cities Program is calling on EPA to increase its presence in the alternative fuel arena. Alternative

Natasha Ernst - Low Income Housing Activist

fuel vehicles can make considerably less pollution than conventional vehicles, some even have zero emissions, and alternative fuels such as compressed natural gas, electricity, and ethanol are in great abundance here in the United States.

The shift to alternative fuels will not take place over night, but it is imperative that it occur now. There is a willingness throughout the country to use alternative fuel vehicles, but its growth is contingent on EPA working with other governmental agencies and private industry to improve both alternative fuel infrastructure and vehicle development.

Thank you.

MS. OGE: Thank you.

Ms. Natasha Ernst. Good afternoon.

MS. ERNST: Good afternoon. My name is Natasha Ernst. I live in Philadelphia, and I work with low income housing tenants in Philadelphia. Thank you for this opportunity to voice my concerns about the need to reduce air pollution from trucks and SUVs.

A large part of Philadelphia's populations comprised low income households. These

Natasha Ernst - Low Income Housing Activist neighborhoods often look like post-industrial wastelands surrounded had by abandoned factories and warehouses. The schools there suffer from crumbling buildings and textbook shortages. People live in substandard housing. But in addition to all of these problems, growing numbers of especially African-American and Hispanic children in Philadelphia are also suffering from severe asthma.

A large quantity of the people I see every day have a child that has asthma or they themselves are asthma or another respiratory problem. I see these families striving to provide a better life for their children by finding a decent home, a good public school, and escaping the crime ridden neighborhood. However, no matter how hard these families work, they can't escape from air pollution.

The polycyclic organic material in Philadelphia's poorest area is more than 200 times the no-risk level, this according to the EPA. This is created by the burning of gasoline. SUVs burn more gasoline and are less fuel efficient than any other passenger vehicle. This air pollution directly impacts the health and well-being of

Natasha Ernst - Low Income Housing Activist Philadelphians, Philadelphians that are often too poor to ever be able to afford the luxury SUVs that are on the market today.

I'm asking EPA to put people above corporate profit. The increased profit of corporation, such as forward and GM, that exist as a result of the SUV loophole will result in more money being spent in medical costs, missed time at work, and decreased quality of live by low income working people and their children who suffer the real cost, the health costs, of air pollution.

In essence, by not strengthening the heavy-duty program, the adults and children of Philadelphia and the United States will be financing corporate profit.

The EPA now has the unique opportunity to put the public interest ahead of corporate profit by strengthening the heavy-duty program in areas such as closing the SUV loophole so all passenger vehicles meet the clean air standard by 2007, tightening the heavy-duty particulate standard by 50 percent by 2004, cleaning up diesel fuel, and ensuring that trucks stay clean once they are on the road.

Ami Doshi - NJ PIRG

Clean air is a public resource, not a corporate resource. And I applaud the EPA for working to protect it. Thank you for letting me speak about this important issue.

MS. OGE: Thank you. Any questions?

(No response.)

MS. OGE: Thank you very much.

Good afternoon.

MS. DOSHI: Good afternoon.

MS. OGE: Please state your name.

MS. DOSHI: My name is Ami Doshi, and I am with the New Jersey PIRG, the New Jersey Publish Research Group. Thank you for giving me an opportunity to voice my concerns for the need to reduce air pollution from trucks and SUVs.

In New Jersey and across the Country air pollution is taking enormous toll on public health. Nationwide air pollution sends more than 150,000 Americans to emergency rooms each year and causes more than 6 million asthma attacks according to a recent study by Act Associates, a reputable consulting firm. Even worse, particulate air pollution is responsible for cutting short the lives of more than 40 thousand Americans each year. Have

big trucks and buses, including diesel and gasoline powered vehicles over 8500 pounds, are among the biggest causes of our pollution problems. Ad manufacturers have done very little to curb their pollution. These big vehicles are a bigger pollution problem today than they were 30 years ago when the Clean Air Act was passed.

In urban areas as much as 50 percent of the deadly particulate pollution we have breathe comes from diesel vehicles. Making matters worse, this diesel pollution has been found to contain hundreds of toxic substances, and more than 30 health studies link diesel pollution to lung cancer.

It is high time for manufacturers of diesel engines and big trucks to use widely available technologies to reduce their pollution. Yet, we know from experience we cannot count upon them to do this voluntarily, nor can we rely on manufacturers to obey the rules with out strict monitoring and enforcement. Just last year these same diesel engine manufacturers were discovered to be cheating on emissions tests resulting in an increase of smog-forming pollution of over 1 million tons each year.

Ami Doshi - NJ PIRG

New Jersey PIRG applauds the EPA for proposing a forward-looking program to close the SUV loophole that allows SUVs to emit up to five times more pollution than a car, to set standards on trucks and the fuels that power them, and require strict tests to ensure compliance with the standards.

However, we are extremely concerned that the proposal is phased in over an unnecessarily long period of time resulting in delayed health benefits for the public and that the proposal may not adequately ensure that heavy-duty trucks comply with the standards throughout the time they are on the road. Specifically, we urge the EPA to considering the following changes to strengthen the heavy-duty program:

Number 1, accelerate the time line for closing the SUV loophole. Under the Tier 2 auto pollution program, all cars and smaller SUVs will be required to meet clean car standards by the year 2007. There is no technological reason to give automakers another two years to clean up the largest and dirtiest SUVs of all. All passenger vehicles should meet clean air standards by 2007.

Number 2, take in the heavy-duty particulate standard by 2004. According to the Manufacturers of Emissions Control Association, MECA, the technology is already available to cut particulate pollution from heavy-duty trucks by using existing catalysts. Yet the current proposal would have the public wait until 2007 before any reductions in particulate pollution from heavy-duty trucks would occur. This delay will contribute to the premature deaths of thousands of Americans.

Number 3, adopt strong standards for the year 2007. Pollution from heavy-duty vehicles is an urgent problem that must be addressed as soon as possible. The EPA must forge ahead with an additional 90 percent reduction of particulate matter and nitrogen oxide no later than 2007.

Number 4, clean up diesel fuel. Pollution control systems can be truly effective only when they are coupled with low-sulfur fuels. In fact, current sulfur levels in diesel fuel are so high, they actually prevent the use of the most advanced pollution control technology. In order to ensure that diesel pollution equipment is effective, all diesel fuel sulfur levels in both on-road and

off-road diesel fuel should be capped 10 parts per million sulfur by 2006.

And Number 5, ensure that the trucks stay clean once they are on the road. Lab tests quite often do not reflect the true on-road emissions. Often faulty pollution control equipment goes unnoticed by the truck owner. Moreover, in the past, engine manufacturers and users have seriously undermined emission standards by using cheating devices during testing procedures. In order to ensure that clean trucks stay clean, in-use testing and on-board diagnostic equipment should be required for all heavy-duty trucks, both gasoline and diesels.

Once again, I thank you for allowing me to speak on this important issue.

MS. OGE: Thank you.

Mr. Harris, Mr. Haupt, and Dennis Winters.

Good afternoon. Please state your name and your association for the record.

MR. HARRIS: My name is Ajayi Harris. That's A-J-A-Y-I. I live in West Philadelphia. Actually, I moved to the City to work with the PIRG

partly because a really big problem is Philadelphia has the fourth air quality in the country. Lots of urbanization, a lot of people living in densely populated area, so really a great opportunity to come and work in this city and address clean air issues. Particularly also on a personal level, I myself am an asthma sufferer myself, so I can speak from personal experience both on not only having to breathe as a problem, both whether I'm hanging out with friends or sitting behind a diesel truck that is just emanating tons and tons of smoke and pollution out of the back, whether it's a bus or diesel truck or take your pick, Mercedes Benz, whatever.

So it was a great opportunity for me to come and testify today and just to tell you all that as speaking from a personal experience it's tough being an asthma sufferer. And there are kids and adults out there that every day sulfur from this problem. I encourage the EPA to take action on this and really find the will and courage to really go out and implement these tougher standards. And I believe that's it. Thank you.

MS. OGE: Thank you for coming forward.

I will call again on Mr. John Langan, Mr. Dennis Winters.

What we will do is we will stay here until time has been scheduled for these individuals. So we ask that the court reporter to please stay with us. We can stand up and walk around. What I would suggest for us to do is to try to see if we can get together by 4:15 and see is if the individuals sign in here at 4:15. So let's take a break until 4:15.

(Brief recess.)

MS. OGE: We will ask Mr. Dennis Winters and Mr. Abram Haupt to come forward, please. Please print your names on the cards and state your names for the court reporter.

MR. WINTERS: Did you want us to speak in that order?

MS. OGE: State your name and spell it for the court reporter.

MR. WINTERS: My name Dennis Winters, D-E-N-N-I-S, W-I-N-T-E-R-S.

MS. OGE: Mr. Winters, good afternoon. Please start.

MR. WINTERS: Thank you. I'm an officer

of the Delaware Transit Users Group or DVTUG.

Delaware Valley Transit Users Group would like to thank the EPA for the opportunity to comment on efforts to reduce the pollution from heavy-duty diesel engines. Far too many people die and suffer each year because of the particulates and other emissions from diesel engines. The health of thousands of young and elderly in the Philadelphia area is compromised by this continuing source of air pollution. And what is not known about the consequences of this fine particle pollution is even more frightening. Who knows what carcinogens invade the eyes, nose, throat, and lungs riding these minute particles?

As a transit promoter, DVTUG is concerned, in particular, with the diesel-powered buses operating in the Philadelphia metropolitan area. Both over-the-road and local bus fleets are almost exclusively diesel powered. Because much of the pollution from diesels takes place as billowing clouds of black soot, it is one of the few remaining obvious sources of visible air pollution. Based on the number of complaints we receive, the continuing reliance of SEPTA and New Jersey Transit on

diesel-powered buses is a real impediment to gaining new transit users or even greater tolerance from the public who does not take transit.

The members of DVTUG hope that promulgating these regulations will now offset some of the external costs associated with the health costs and pollution and that the purchase price of new natural gas-powered buses will become more competitive with diesel vehicles. Perhaps then public transportation agencies, like this area's SEPTA and New Jersey Transit, will no longer cling to the excuse of price difference when choosing diesel-powered buses over much cleaner alternatives.

MS. OGE: Thank you.

Mr. Abram Haupt.

MR. HAUPT: Do you want me to state my name?

MS. OGE: Please.

MR. HAUPT: My name is Abram Haupt, A-B-R-A-M, H-A-U-P-T. I'm a concerned citizen and I'm testified with the Pennsylvania Public Interest Research Group. I'm going to tell you a brief little story today. I'm a college student and concerned citizen and I'm here to testify in support

of the new proposed emission standards on cars and SUVs, but I am a SUV owner. Basically, I am particularly concerned about the fact that SUVs are given a lethal loophole in our current standard system and are allowed to pollute substantially more than the average vehicle. I purchased my SUV in the fall of '96, and one thing I find remarkably striking is the fact that through my entire purchasing process, I was never informed of the potentially polluting, or I should say the polluting ramifications of this vehicle. This was, of course, before I became an environmentalist.

And the point of this story is that auto companies have a responsibility to provide environmental responsible vehicles and oil companies have an obligation to sell low-sulfur fuel because the average citizen is usually not aware of these things when he or she purchases a vehicle. When the typical American purchases a vehicle, they do not know that 40,000 Americans died prematurely last year due to air pollution. Proof of this is the huge rise in SUV sales over the last decade.

Concluding, corporate America has an obligation to create vehicles and fuel safe for all

Americans, and they have the obligation to do it now. If we do not act immediately on this issue, the respiratory functions of hundreds of thousands of Americans within the next few years may be at stake.

MS. OGE: Thank you. And this concludes the public hearing today. Thank you for coming forward to testify.

(Pubic hearing concluded at 4:20 p.m.)

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C E R T I F I C A T I O N

I HEREBY CERTIFY that the foregoing proceedings of the United States Environmental Protection Agency Public Hearing of November 2, 1999, were reported fully and accurately by me, and that this is a correct transcript of the same.

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Bernadete M. Black, RMR
and Notary Public

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Lisa C. Bradley, RPR
and Notary Public