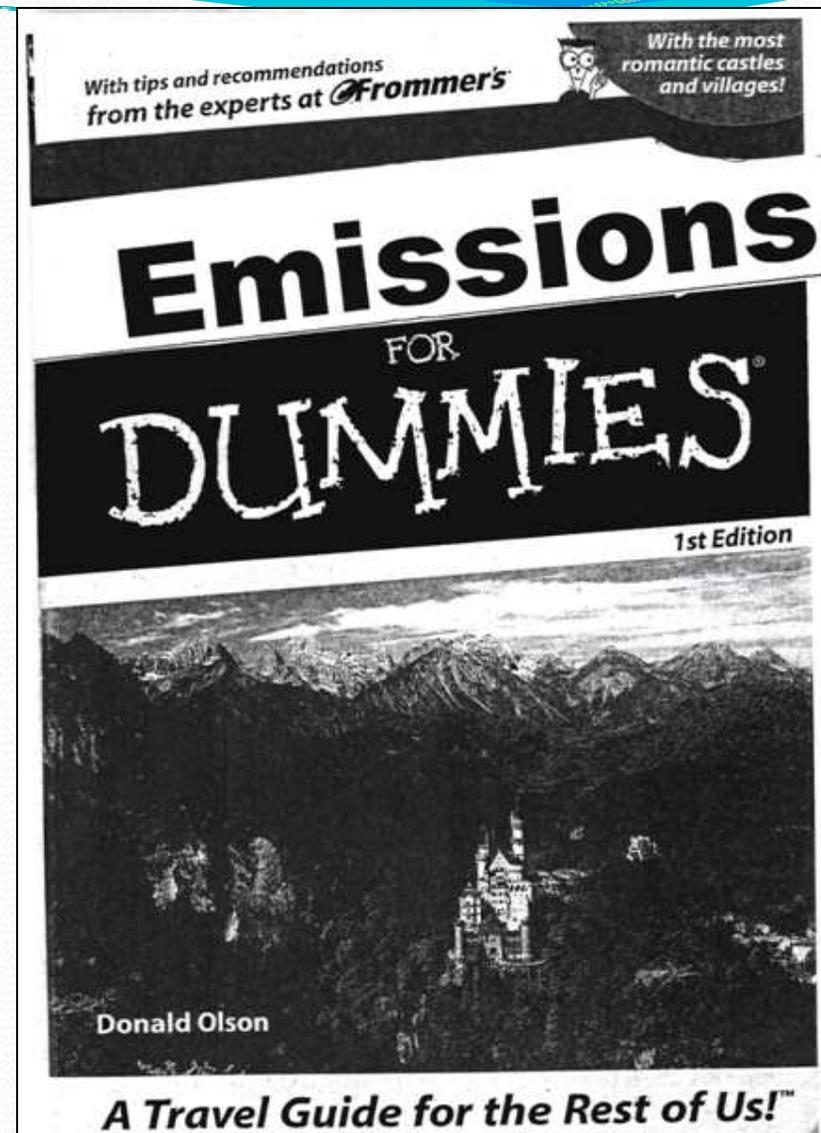


A Simpler Look:

Creating cleaner air in California through simple, unified, incentive-based diesel regulations.

The current complex diesel regulations could not be written in a book like this.

The current three regulations should be titled: “Emissions for PhDs.”





The Overview

Replace current Off-Road, On-Road & Portable Diesel Regulations Framework with:

Step 1: Fleet Average Engine HP-Age

Step 2: Diesel Technology Incentive Funds

Step 3: Fleet Air Emissions Grading

Step 1:

Fleet Avg. Engine HP-Age

Simplify and allow flexibility in achieving compliance by looking at fleet average engine HP-age.

- **Proposed Framework:**

If an **off-road fleet's average** engine horsepower age is 12 years old or newer, it is in compliance.

- Engine HP-Age = HP x Age

- **Rationale:**

- Newer technology = cleaner technology.
- Recoup investment in cleaner technology.

Simplified Record Keeping

Using Fleet HP age eliminates need for:

- Hour meter record keeping,
- Low use credits or exceptions,
- 25hp-49hp registration, and
- Fleet size distinction.

DOORS-Based

Compliance tracking through DOORS, using current DOORS generated calculations:

- DOORS Fleet Compliance Summary
 - Calculates HP Age

Registration Key to Compliance

ALL BUSINESSES that run diesel-powered machines
must register in the DOORS program or an
equivalent.



Step 2: Diesel Technology Incentive Funds (DTIF)

Incentivize investment in cleaner technology through:

- Usage fees on Tiers 0-2 (fees fund DTIF.)
- Credit DTIF to fleets annually based on their total HP.
 - No accrual of DTIFs
 - Must be used in year granted

DTIF Example

$$\begin{aligned} & (\text{Total DTIF's paid prior year}) \div (\text{Total statewide HP}) \\ & = \\ & \text{\$X per HP} \end{aligned}$$

- \$30MM in DTIF's paid in 2011
- 20MM statewide HP (DOORS)
- Fleet Y = 3,000 HP
- \$1.50 DTIF per HP
- Fleet Y = \$4,500 in DTIF's to be used in 2012

Step 3:

Fleet Air Emissions Grades

- Provide the public with comparative rating system that commends fleet owners who are in compliance, and identifies others for assistance (*simple A to F scale*).
- Publicly accessible, searchable database of fleet grades (e.g., www.cleantheair.cal.gov).

Exceeding Grades

- Fleets with grades that indicate exceeding current HP-Age standards (“A” or “B”):
- Certificate of Commendation from CARB
- “Honor Roll” listing in database

Failing Grades

Fleets with a failing emissions grade (“D” or “F”):

- Referred to ombudsman (*industry advisor*) to assist with attaining minimum fleet HP-age standard

Final Thoughts

- **A Simpler Look** is scalable: stationary, marine, agriculture, logging, etc.
- **A Simpler Look** allows for flexibility to respond to changing economic conditions without destroying the regulated industry.

Conclusion

A Simpler Look allows fleet owners to be socially responsible while still being able to compete in a competitive low-bid market.