

Testimony of
Miles Keogh
on behalf of the
National Association of Clean Air Agencies
before the
U.S. Environmental Protection Agency
on the

Proposed Repeal of Emission Requirements for Glider Vehicles, Glider Engines, and Glider Kits Docket ID No. EPA-HQ-OAR-2014-0827

December 4, 2017 Washington, DC

Good morning. I am Miles Keogh, Executive Director of NACAA – the National Association of Clean Air Agencies. I appreciate this opportunity to provide NACAA's testimony on the U.S. Environmental Protection Agency's (EPA) Notice of Proposed Rulemaking (NPRM), Repeal of Emission Requirements for Glider Vehicles, Glider Engines, and Glider Kits, as published in the Federal Register on November 16, 2017 (82 Fed. Reg. 53,422). NACAA is the national, non-partisan, non-profit association of air pollution control agencies in 41 states, including 116 local air agencies, the District of Columbia and four territories. The air quality professionals in our member agencies have vast experience dedicated to improving air quality in the U.S. This testimony, which provides technical information about the potential implications of the proposed rule, is based upon that experience. The views expressed in this testimony do not represent the positions of every state and local air pollution control agency in the country.

As primary implementers of the Clean Air Act, states and localities have the statutory responsibility for "air pollution prevention (that is, the reduction or elimination, through any measures, of the amount of pollutants produced or created at the source) and air pollution control at its source."

To carry out this responsibility, our member agencies must, among other important obligations, establish and implement strategies to attain and maintain health-and welfare-based National Ambient Air Quality Standards (NAAQS).

Given this important responsibility, and the expertise they have gained in fulfilling it, state and local air quality agencies are well positioned to respond to EPA's request in its NPRM for "comment on the relative expected emissions impacts if the regulatory requirements at issue here were to be repealed or were to be left in place."<sup>2</sup>

The emission standards and other requirements applicable to heavy-duty gliders included in the final Phase 2 truck rule close a "loophole" for glider vehicles and glider kits beginning in January 2018. This loophole allows used diesel engines, with no limit on age, to be installed into new glider kits without meeting the current engine standards. Closing this loophole will prevent hundreds of thousands of tons of nitrogen oxides (NO<sub>x</sub>) and particulate matter (PM) from being emitted into the air each year. The proposed rule would allow that loophole to remain open and result in increased air pollution in every part of the country.

According to EPA data from a July 2016 sensitivity analysis of glider impacts, because the current emission standards for  $NO_x$  and PM are at least 90 percent lower than the most stringent previous standards,  $NO_x$  and PM emissions from any glider vehicle equipped with a pre-2007 engine are at least 10 times higher than emissions from

<sup>&</sup>lt;sup>1</sup> Clean Air Act §101(a)(3)

<sup>&</sup>lt;sup>2</sup> EPA NPRM, <u>Repeal of Emission Requirements for Glider Vehicles, Glider Engines, and Glider Kits</u>, p. 53,447 (November 16, 2017)

any equivalent vehicle that is produced with a brand new engine. The agency has noted, however, that most gliders now being produced use engines originally manufactured before 2002, with neither exhaust gas recirculation nor exhaust aftertreatment, and, therefore, with  $NO_x$  and PM emissions 20 to 40 times higher than current engines, and even greater if the engine is miscalibrated. These adverse emission impacts are further exacerbated by increasing sales of glider vehicles, which have been estimated to have grown by an order of magnitude since the 2004-to-2006 timeframe, from a few hundred such vehicles a year to an estimated 10,000 or more per year in 2016.<sup>3</sup> Further, the results of recent testing by EPA released on November 20, 2017 not only underscore the emission impacts estimated by the agency in 2016, but also show that glider emissions could be even greater than estimated last year.<sup>4</sup>

Based on the July 2016 sensitivity analysis, assuming glider vehicle production does not exceed 10,000 per year, EPA has also estimated that, as promulgated, the glider provisions of the Phase 2 rule will yield, in 2025,  $NO_x$  reductions of over 190,000 tons per year (tpy) and PM reductions of over 5,000 tpy.<sup>5</sup> In 2040, this benefit is expected to increase to over 318,000 tpy of  $NO_x$  reductions and 8,500 tpy of PM reductions.<sup>6</sup>

Particularly with respect to NO<sub>x</sub>, these are very substantial reductions and ones upon which many state and local air agencies in every part of the nation are now relying to help fulfill their clean air obligations – not only for the ozone and PM NAAQS, but also for toxic air pollution and regional haze. In its August 2016 *Response to Comments* on the final Phase 2 rule EPA estimates that the NO<sub>x</sub> and PM emission reductions associated with the applicability of the regulatory requirements to MY 2017 glider vehicles would prevent between 350 and 1,600 premature deaths over the lifetime of those vehicles.<sup>7</sup> If the regulatory requirements that will result in these reductions are repealed, those emissions will be allowed to go into the air to the detriment of clean air and public health across America.

Every single state in the country will benefit environmentally and from a public health perspective from the emission reductions to result from the glider requirements in the Phase 2 rule. Every single state in the country will accrue more polluting emissions if these requirements are repealed. Those seeking to reduce emissions in order to fulfill their statutory obligations to attain and maintain the NAAQS, or to remain in good stead, may be forced to seek reductions elsewhere.

EPA acknowledges in the NPRM that states will be required to make up for the lost reductions when it explains how the NPRM comports with various relevant Executive Orders, in this case E.O. 13045 on the Protection of Children from Environmental Health Risks and Safety Risks: "Areas that need to reduce criteria air pollution to meet the NAAQS will still need to rely on control strategies to reduce emissions. To the extent that states use other mechanisms in order to comply with the NAAQS, and still achieve the criteria pollutant reductions that would have occurred under the [glider provisions of the Phase 2 rule], this proposed rescission will not have a disproportionate adverse effect on children's health."

It may be difficult for states to find reductions to compensate for the magnitude of the emissions that will occur as a result of this NPRM and could potentially mean more regulation and higher costs for stationary sources, possibly power plants, manufacturing facilities and small businesses, among others. To put this in perspective, for a glider equipped with a compliant engine the cost per ton of NO<sub>x</sub> removed is approximately \$670, based on heavy heavy-duty engine control technology required to meet MY 2012 and later standards. By comparison, the cost of various emission control technologies currently being, or already, implemented in various parts of the country is

<sup>&</sup>lt;sup>3</sup> EPA and NHTSA's Response to Comments for Joint Rulemaking, pp. 1960-1961 (August 2016)

<sup>&</sup>lt;sup>4</sup> EPA's <u>Chassis Dynamometer Testing of Two Recent Model Year Heavy-Duty On-Highway Diesel Glider Vehicles</u> (November 20, 2017)

<sup>&</sup>lt;sup>5</sup> EPA and NHTSA's <u>Response to Comments for Joint Rulemaking</u>, p. 1962, Table A-1 (August 2016)

<sup>&</sup>lt;sup>6</sup> EPA and NHTSA's Response to Comments for Joint Rulemaking, p. 1962, Table A-1 (August 2016)

<sup>&</sup>lt;sup>7</sup> EPA and NHTSA's Response to Comments for Joint Rulemaking, p. 1965 (August 2016)

<sup>&</sup>lt;sup>8</sup> EPA NPRM, <u>Repeal of Emission Requirements for Glider Vehicles</u>, <u>Glider Engines</u>, <u>and Glider Kits</u>, p. 53,448 (November 16, 2017)

considerably higher – for industrial, commercial and institutional boilers, the cost effectiveness of low- $NO_x$  burners is \$750 to \$7,500 per ton of  $NO_x$ , of selective non-catalytic reduction \$1,300 to \$3,700 per ton and of selective catalytic reduction (SCR) \$2,000 to \$14,000 per ton; for SCR for combustion turbines, \$2,010 to \$19,120 per ton; for Tier 2 light-duty vehicle emission and gasoline sulfur standards, \$2,100 per ton; and for 10-parts-per-million sulfur gasoline, \$4,500 per ton.<sup>9</sup>

In some cases, though, there are no alternatives for making up those lost reductions at any cost, either because there are no industries to regulate or because even if every stationary source in an area were controlled down to zero emissions there would still be a need to reduce mobile source emissions in the area in order to attain and maintain the NAAQS.

Finally, in its NPRM, EPA also seeks comment on "whether, if the Agency were to determine not to adopt the interpretation of CAA sections 202(a)(1) and 216(3) being proposed here, EPA should nevertheless revise the 'interim provisions' of [the] Phase 2 rule, 40 CFR 1037.150(t)(1)(ii), to increase the exemption available for small manufacturers above the current limit of 300 glider vehicles per year." NACAA notes that any increase above the 300-gliders-per-year allowance provided for in the Phase 2 rule will result in an increase in  $NO_x$  that, for the reasons stated above, many states and localities can ill afford.

NACAA will continue to study the proposed rule and offer any further comments in writing by the January 5, 2018 deadline. In the meantime, we appreciate the chance to provide comments today and look forward to working with EPA on this important issue.

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<sup>&</sup>lt;sup>9</sup> Figures provided by the Northeast States for Coordinated Air Use Management, from or based on EPA Regulatory Impact Analyses and other data