



# Regulatory Advisory

June 2013



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## **Truck and Bus Regulation: Compliance Extension for Manufacturer Delays**

The purpose of this advisory is to clarify requirements of the extension for manufacturer delays in the Truck and Bus regulation (regulation). This advisory clarifies the requirements, the length of the temporary extension and how compliance is determined.

### **Background**

The Truck and Bus regulation requires diesel truck and bus owners to take steps to reduce their engine emissions. Nearly all trucks and buses with a manufacturer's gross vehicle weight rating greater than 14,000 pounds that operate in California are required to be upgraded to reduce exhaust emissions between 2012 and 2023. To comply with these requirements, fleet owners can upgrade existing engines by installing particulate matter (PM) filters that are Verified Diesel Emission Control Strategies approved by Air Resources Board (ARB), or by upgrading to cleaner engines or vehicles.

The manufacturer delay extension specified in section 2025(p)(8) relieves the owner from immediate compliance with applicable PM filter requirements if the PM filter or the engine/vehicle originally equipped with a PM filter is purchased at least four months prior to the initial compliance deadline and has not been received due to a manufacturer delay. Fleet owners must meet the applicable reporting and record keeping requirements of sections 2025(r) and (s) to use the extension.

### **Manufacturer Delay Extension Applicability**

The extension applies to equipment purchases that are made on or before September 1 before the initial compliance date. If the delivery of a replacement vehicle (or replacement engine) that is originally equipped with a PM filter or the delivery of a retrofit PM filter is delayed by the manufacturer, the vehicle that is to be replaced or retrofitted is relieved from immediate compliance and may continue to operate temporarily without a PM filter until the replacement vehicle/engine or PM retrofit is delivered. Orders for PM retrofits or new vehicle purchases are typically delivered by the manufacturer within four months of the order; however, for some specialized vehicles or during periods of high demand delivery has taken longer. Therefore, ARB will consider the temporary extension period to end May 1 of the compliance year, and the vehicle/engine that was planned to be replaced or retrofitted may not continue to be operated after May 1 until the fleet is brought into compliance.

### **Contractual Agreements**

The contractual purchase agreement used to qualify for the manufacturer delay extension must be a written and legally binding contract signed on or before

September 1 before the initial compliance date. The purchase contract must identify the specific replacement vehicle, engine or PM filter retrofit that is ordered, the date of the purchase, and it must be for immediate delivery. Letters of intent or other agreements that are not binding until other decisions are made, or do not commit to the purchase of a specific item before September 1, are not sufficient to qualify for the extension. Furthermore, if an owner claims the manufacturer delay extension and later cancels the original purchase agreement used to qualify for the extension, the claim for the extension will be treated as invalid, and the fleet owner will be out of compliance as if the agreement was never executed. The manufacturer delay extension cannot be claimed if the product that was originally ordered is discontinued, or if the original purchase agreement is modified after September 1.

### **Reporting requirements**

Affected owners must report by January 31 of the applicable compliance year to claim the manufacturer delay extension for the affected vehicle. The owner must report information about the vehicle to be replaced or retrofitted and the date the order was made. The owner must also keep records of the purchase and make the records available to ARB staff upon request. The owner has 30 days from receipt of the replacement vehicle, engine or retrofit to report the appropriate changes to the fleet to demonstrate compliance. In the case of a PM filter retrofit or engine replacement, the owner must update the vehicle information to identify the new engine and/or PM filter installed in the affected vehicle. In the case that the vehicle is replaced, the owner must report information about the replacement vehicle and the date the original vehicle is sold, scrapped or retired.

### **Compliance Determination**

During the manufacturer delay extension period, compliance for owners that use the PM filter phase-in option or other flexibility options in the regulation may treat the vehicle that qualifies for the manufacturer delay extension the same as if it is equipped with a PM filter. In addition, owners that use the manufacturer delay extension may still qualify for credits where a PM filter retrofit is required by January 1, 2014, as long as the PM filter is installed before the manufacturer delay extension ends.

For manufacturer delays that meet the criteria specified above, and public funds contribute towards the purchase, compliance will be determined the same as if the equipment was delivered by the January 1 compliance date. As with other publically funded vehicles and PM filter retrofits, the vehicle that is being replaced, repowered, or retrofitted will not be counted as part of the fleet that needs to be equipped with a PM filter when determining compliance with flexibility options.

### **Contacts for Additional Information**

You can obtain additional information, at [www.arb.ca.gov/dieseltruck](http://www.arb.ca.gov/dieseltruck), or you may call 866-6DIESEL (866-634-3735), or by email at [8666diesel@arb.ca.gov](mailto:8666diesel@arb.ca.gov).