State of California
AIR RESOURCES BOARD

**Final Statement of Reasons for Rulemaking,
Including Summary of Comments and Agency Response**

PUBLIC HEARING TO CONSIDER THE ADOPTION OF CALIFORNIA CERTIFICATION PROCEDURES FOR LIGHT-DUTY ENGINE PACKAGES FOR USE IN LIGHT-DUTY SPECIALLY CONSTRUCTED VEHICLES FOR 2012 AND SUBSEQUENT MODEL YEARS

Public Hearing Date: November 17, 2011
Agenda Item No.: 11-9-2

I. GENERAL

The Staff Report: Initial Statement of Reasons for Proposed Rulemaking (Staff Report), entitled "Proposed Regulations and Certification Procedures for Light-Duty Engine Packages for Use in Light-Duty Specially Constructed Vehicles for 2012 and Subsequent Model Years," released September 28, 2011, is incorporated by reference herein.

In this rulemaking, the Air Resources Board (ARB or Board) approved the adoption of a new regulation and associated certification procedures for new light-duty engines for use in specially constructed vehicles (SPCNSs, such as kit cars), title 13, California Code of Regulations (CCR), sections 2210 through 2218. The new regulation and associated certification procedures establish optional requirements that will allow manufacturers to certify engine packages that, when placed into a SPCNS, would meet new vehicle emission standards and enable the vehicle to meet Smog Check requirements.

On September 28, 2011, ARB published a notice for a November 17, 2011 public hearing to consider the proposed regulatory action. The Staff Report was also made available for public review and comment beginning September 28, 2011. The Staff Report provides the rationale for the proposed amendments. The text of the proposed new regulation in title 13, California Code of Regulations (CCR), sections 2210 through 2218, and the incorporated “California Certification Procedures for Light-Duty Engine Packages for Use in Light-Duty Specially Constructed Vehicles for 2012 and Subsequent Model Years” (incorporated certification procedures) were included as Appendices to the Staff Report. These documents were also posted on ARB’s website for the rulemaking at http://www.arb.ca.gov/regact/2011/spcn11/spcn11.htm . All background materials relied upon to estimate air emissions and public health impacts in the Staff Report were made available to the public at http://www.arb.ca.gov/msprog/onroad/spcns/spcns1085.htm .

On November 17, 2011, the Board conducted a public hearing and received oral and written comments. At the conclusion of the hearing, the Board adopted Resolution 11-38 that covered the proposed adoption of title 13, CCR new sections 2210 through 2218 and the incorporated certification procedures that were initially proposed by staff and described in the Notice of Public Hearing (45-Day Public Notice) and Staff Report, along with modifications suggested by staff in a document entitled "Staff's Suggested Modifications to the Original Proposal" that was distributed at the hearing and that was Attachment C to the Resolution.

In accordance with Government Code section 11346.8, Resolution 11-38 directed the Executive Officer to adopt the new regulation and the incorporated certification procedures, as proposed by staff, and as modified in accordance with Attachment C to Resolution 11-38, and to determine if additional modifications to the originally proposed regulation and incorporated certification procedures were appropriate, and if the Executive Officer so determined, to make the modified regulatory language available for public comment for a period of at least 15 days before taking final action to adopt the regulation. The Executive Officer was also directed to consider such written comments that were submitted during the public comment period, to make such modifications as may be appropriate in light of the comments received, or to present the regulations to the Board for further consideration if warranted in light of the comments.

Resolution 11-38 further directed the Executive Officer to prepare and approve written responses to comments received, including comments raising significant environmental issues, as required by Government Code section 11346.9, Public Resource Code section 21080.5(d)(2)(D), and the California Code of Regulations, title 17, section 60007, to determine whether there are feasible alternatives or mitigation measures that could be implemented to reduce or eliminate any potential adverse environmental impacts, to make findings as required by Public Resources Code section 21081 if the proposed amendments would result in one or more significant adverse environmental impacts, and to take final action to adopt the proposed new regulation in title 13, California Code of Regulations sections 2210 through 2218 and the incorporated certification procedures as modified in the publicly noticed 15-day changes.

Subsequent to the hearing, staff proposed modifications to the regulatory text and incorporated certification procedures. The most significant of these post-hearing modifications was to amend the exhaust and evaporative emissions standards applicable to 2015 and subsequent model-year certified engine packages to be consistent with the "LEV III" Amendments to California's Low-Emission Vehicle (LEV) regulations that were presented for the Board's consideration on January 26, 2012. That rulemaking action was filed with the Office of Administrative Law on June 25, 2012.

The text of all the modifications to the originally proposed amendments was made available on August 8, 2012 for a supplemental 15-day comment period by issuance of a "Notice of Public Availability of Modified Text." The "Notice of Public Availability of Modified Text" listed the ARB Internet site from which interested parties could obtain the

complete text of the regulation that would be affected by the modifications to the original proposal, with all of the modifications clearly indicated. These documents were also published on ARB's webpage for this rulemaking http://www.arb.ca.gov/regact/2011/spcn11/spcn11.htm. The 15-day comment period originally was scheduled to end August 23, 2012, but on August 16, 2012, staff issued an additional notice extending the comment period to August 31, 2012. The deadline was extended because one proposed modification to the regulatory language had unintentionally been omitted from the original August 8, 2012, notice. One written comment was received during this 15-day comment period.

After considering the comment received during the 15-day comment period, the Executive Officer issued Executive Order R-12-011, adopting title 13, CCR, sections 2210, 2211, 2212, 2213, 2214, 2215, 2216, 2217, and 2218, and the incorporated certification procedures.

This Final Statement of Reasons (FSOR) updates the Staff Report by identifying and providing the rationale for the modifications made to the originally proposed regulatory text, including non-substantial modifications and clarifications made after the close of the 15-day comment period. This FSOR also contains a summary of the comments received by the Board on the proposed amendments and the modifications and ARB's responses to those comments.

Documents Incorporated by Reference.

The regulation and the incorporated certification procedures adopted by the Executive Officer incorporate by reference the following documents:

(1) "California 2001 Through 2014 Model Criteria Pollutant Exhaust Emission Standards and Test Procedures and 2009 Through 2016 Model Greenhouse Gas Exhaust Emission Standards and Test Procedures for Passenger Cars, Light-Duty Trucks, and Medium-Duty Vehicles," as amended March 22, 2012.

(2) "California 2015 and Subsequent Model Criteria Pollutant Exhaust Emission Standards and Test Procedures and 2017 and Subsequent Model Greenhouse Gas Exhaust Emission Standards and Test Procedures for Passenger Cars, Light-Duty Trucks, and Medium-Duty Vehicles," as adopted March 22, 2012.

(3) "California Non-Methane Organic Gas Test Procedures," as amended March 22, 2012.

(4) "California Evaporative Emissions Standards and Test Procedures for 2001 and Subsequent Model Motor Vehicles", adopted August 5, 1999, as last amended March 22, 2012.

These documents consist of exhaust and evaporative emission standards and associated test procedures applicable to 2001 and subsequent model light-duty vehicles. Each instance of incorporation identifies the incorporated document by title and date. The documents are readily available from ARB upon request and were made available in the context of this rulemaking in the manner specified in Government Code section 11346.5(b). Therefore, all of the incorporated documents are reasonably available to the affected public from commonly known sources.

Fiscal Impacts of Proposed Changes. The proposed regulation establishes *optional* certification procedures for new light-duty engine packages for use in light-duty specially constructed vehicles. The regulation does not require manufacturers to certify such engines, hobbyists to purchase such engines, or installers to install such engines into light-duty specially constructed vehicles in California. The proposed regulation is therefore not expected to result in an increase in costs for state or local agencies. The California Bureau of Automotive Repair may experience a minor increase in the number of inspections it conducts at referee stations, but any impacts are expected to be absorbed within current budgets.

Pursuant to Government Code sections 11346.5(a)(5) and 11346.5(a)(6), the Executive Officer has determined that the proposed regulatory action will not create costs or savings to any state agency or in federal funding to the state; costs or mandate to any local agency or school district whether or not reimbursable by the state pursuant to Part 7 (commencing with section 17500), division 4, title 2 of the Government Code; or any other nondiscretionary cost or savings to local agencies.

Consideration of Alternatives. The only alternative considered by staff was to take no action, i.e., not to establish a new certification procedure. This alternative was rejected because it would not allow ARB to evaluate the emissions from new light-duty engine packages for use in in light-duty specially constructed vehicles, manufacturers would not be able to certify and sell such low-emitting engine packages, and kit car hobbyists would not be able (beyond reading manufacturer-supplied literature) to differentiate low-emitting engines from higher-emitting or uncontrolled engines, and further not be able to purchase an engine that had demonstrated emission compliance to a regulatory agency. Moreover, under the no action alternative, those hobbyists that chose lower-emitting engines would receive no registration benefit for doing so; they would have to compete for Certificate of Sequence numbers with all the hobbyists choosing cheaper, higher-emitting engines.

For the reasons set forth in the Staff Report, in staff's comments and responses at the hearing and in this FSOR, the Board has determined that no alternative considered by the agency or brought to the attention of the agency would be more effective in carrying out the purpose for which the regulatory action was proposed or would be as effective and less burdensome to affected private persons than the action taken by the Board.

II. MODIFICATIONS MADE TO THE ORIGINAL PROPOSAL

A. MODIFICATIONS APPROVED AT THE BOARD HEARING AND PROVIDED FOR IN THE 15-DAY COMMENT PERIOD

Subsequent to the November 17, 2011 public hearing, staff proposed modifications to the regulatory text and incorporated certification procedures. These modifications were explained in detail in the Notice of Public Availability of Modified Text that was issued for a 15-day public comment period that began on August 8, 2012, and ended on August 31, 2012. In order to provide a complete FSOR for this rulemaking, the most significant modifications and clarifications are summarized below:

Definitions [13 CCR section 2211]
The definition of "Motor vehicle inspection and maintenance program" was added to clarify the program cited in amended section 2214(h). (2211(a)(11))

The definition of "Smog Check inspection" was added to clarify the requirements of and to provide consistency with sections:2212(g)(1), 2212(g)(8), 2212(h)(5), 2214(h)(1), 2214(h)(2)(A)-(C), 2214(h)(3), 2215(b)(2), 2215(b)(3),2215(d)(1), 2215(d)(2)(B), 2215(d)(3)(B), and 2215(o)(2)(C). (2211(a)(13))

The definition of "Useful Life" was amended to clarify that certified engine packages certified to the Low Emission Vehicle (LEV) II standards are subject to a period of 120,000 miles or 10 years for exhaust and crankcase emissions, and that certified engine packages certified to the LEV III standards are subject to a period of 150,000 miles or 15 years for exhaust and crankcase emissions for certified engine packages certified to the LEV III exhaust emission standards. (2211(a)(16))

Emission Standards, Test Procedures, Package Requirements, and Reporting Requirements for Engine Packages for Specially Constructed Vehicles [13 CCR section 2212]

Sections 2212(c) and 2212(c)(1) have been amended to clarify that certified engine packages must not exceed applicable Low Emission Vehicle (LEV) II or LEV III exhaust emission standards. [1]

[1] As adopted by the Board on March 22, 2012, the LEV II exhaust emission standards and associated test procedures are applicable to 2012 through 2014 model year certified engine packages. The LEV III exhaust emission standards and associated test procedures are applicable to 2015 and subsequent model year certified engine packages; however, manufacturers have the option of certifying 2015 through 2019 model year certified engine packages to the LEV II exhaust emission standards. Any 2020 and subsequent model year certified engine packages must be certified to the LEV III exhaust emission standards. The LEV III standards were proposed by ARB staff in a separate rulemaking action that was presented for the Board's consideration on

New sections 2212(c)(1)(A), (c)(1)(B), and (c)(1)(C) were added to specify the LEV II or LEV III emission standards applicable to 2012 through 2020 and subsequent model year (MY) certified engine packages.

Section 2212(c)(2) has been modified by inserting “certified” before “engine package” to further clarify that the “50ºF Exhaust Emission Standards” apply to certified engine packages, and by inserting “the following” before “exhaust emission standards” to clarify that the applicable exhaust emission standards are specified below in section 2212(c)(2).

New section 2212(c)(2)(A) has been added and the existing table in 2212(c)(2) modified to clarify that that the “50ºF Exhaust Emission Standards” for certified engine packages subject to the LEV II exhaust emission standards are applicable to 2012 through 2014 MY certified engine packages and also 2015 through 2019 MY certified engine packages certified to the LEV II exhaust emission standards in section 2212(c)(1)(A). The table has also been amended by clarifying the test procedures applicable to the LEV II 50ºF Exhaust Emission Standards.

New section 2212(c)(2)(B) has been added to specify the “50ºF Exhaust Emission Standards” for certified engine packages subject to the LEV III exhaust emission standards and to also specify the test procedures applicable to the LEV III 50ºF Exhaust Emission Standards.

Section 2212(c)(3) has been modified by adding “and Highway NMOG and NOx Standard” to “Highway NOx Standard” to reflect the fact that the LEV III standard for emissions measured on the modified federal Highway Fuel Economy Test specifies a maximum standard for emissions of both non-methane organic gases (NMOG) and oxides of nitrogen (NOx).

New section 2212(c)(3)(A) modifies previously proposed section 2212(c)(3) by clarifying that 2012 through 2014 MY certified engine packages are subject to the LEV II Highway NOx standard in title 13, CCR section 1961(a)(6).

New section 2212(c)(3)(B) has been added to clarify that 2015 through 2019 MY certified engine packages that are certifying to the LEV II exhaust emission standards in section 2212(c)(1)(A) are subject to the LEV II Highway NOx standard in title 13, CCR section 1961(a)(6).

January 26, 2012 to consider “LEV III” amendments to the California Low-Emission Vehicle (LEV) regulations. That rulemaking action was filed with the Office of Administrative Law on June 25, 2012.

New section 2212(c)(3)(C) has been added to clarify that 2015 and subsequent MY certified engine packages that are certifying to the LEV III exhaust emission standards in section 2212(c)(1)(C) must demonstrate compliance with the Highway NMOG + NOx standard specified in section 2212(c)(3)(C).

The existing table in section 2212(c)(3) that specified the Highway NOx standard for certified engine packages has been amended by substituting 0.09 g/mi NOx for the 0.07 g/mi NOx value that was included in the original table for certified engine packages certifying to the LEV II exhaust emission standards. The table has also been amended by adding a column for "NMOG + NOx" emissions applicable to certified engine packages certifying to the LEV III exhaust emission standards, by adding the Highway NMOG + NOx standard for certified engine packages certifying to the LEV III exhaust emission standards, by indicating that the durability basis for the LEV III Highway NMOG + NOx standard is 150,000 miles. Finally, the table has been amended by deleting the footnote stating that the applicable exhaust emission standard for NOx at the full durability mileage under the highway fuel economy test (HFET) is 1.33 times the NOx standard at the full durability mileage under the Federal test procedure (FTP). This footnote is no longer needed because the exhaust emission standard for NOx at the full durability mileage is included in the table.

New section 2212(c)(4)(A) modifies previously proposed section 2212(c)(4) by clarifying that 2012 through 2014 MY certified engine packages and 2015 through 2019 MY certified engine packages that are certifying to the LEV II exhaust emission standards in section 2212(c)(1)(A) must also demonstrate compliance with section 1961(a)(7), title 13, CCR which references 13 CCR 1960.1(r).

The existing table in section 2212(c)(4) that specified the Supplemental Federal Test Procedure (SFTP) for Off-Cycle Emission Standards in 13 CCR 1960.1(r) has been modified by adding a column for medium duty vehicles (MDV) with Loaded Vehicle Weight between 3751 and 5750 pounds and specifying applicable standards for such vehicles. The table was further amended by amending the standards applicable to MDVs in the 5751-8500 pound Loaded Vehicle Weight range to be consistent with the values in 13 CCR 1960.1(r).

New section 2212(c)(4)(B) has been added to clarify that 2015 and subsequent MY certified engine packages that are certifying to the LEV III exhaust emission standards in section 2212(c)(1)(C) must demonstrate compliance with the specified SFTP standard.

Section 2212(c)(5) has been modified by adding new subsection (A) to clarify the test procedures for determining compliance with the LEV II exhaust emission standards and to update the last amended date of the "California Non-Methane Organic Gas Test Procedures," from July 30, 2002 to March 22, 2012. New subsection (B) has been added to specify the test procedures for determining compliance with the LEV III exhaust emission standards.

Sections 2212(g)(1), and (g)(8) have been modified by substituting “Smog Check” for “emission” inspection to clarify that the specified components (malfunction indicator light or MIL, connector) must be readily identifiable to an inspector who is performing a Smog Check inspection.

Section 2212(h)(5) has been modified by deleting text referring to “enhanced area” Smog Check inspection and by adding text specifying that the installation instructions must provide that the evaporative canister and vapor lines are capable of, and be accessible for, off-board low pressure evaporative testing as part of a Smog Check inspection and by clarifying that the installation instructions must state that the fuel cap and fuel filler neck must be capable of being tested as part of a Smog Check inspection or be equivalent to that manufactured by a large volume original equipment manufacturer for 2006 MY or later.

Emission Control Labels – Certified Engine Packages for use in Specially Constructed Vehicle Engines [13 CCR section 2213]

Section 2213(c)(2)(B) has been modified by adding new subsection 1. to clarify the guidelines applicable to certified engine packages certifying to the LEV II exhaust emission standards in sections 2212(c)(1)(A), 2212(c)(2)(A), 2212(c)(3)(A), and 2212(c)(4)(A), and adding new subsection 2. to clarify the guidelines applicable to certified engine packages certifying to the LEV III exhaust emission standards in sections 2212(c)(1)(C), 2212(c)(2)(B), 2212(c)(3)(C), and 2212(c)(4)(B).

Section 2213(c)(2)(D) has been modified to clarify the date that the “California Environmental Performance Label Specifications for 2009 and Subsequent Model Year Passenger Cars, Light-Duty Trucks, and Medium-Duty Passenger Vehicles” was last amended was March 22, 2012.

Defects Warranty Requirements for Certified Engine Packages for Use in Specially Constructed Vehicles [13 CCR section 2214]

Section 2214(d)(2) was modified by clarifying that only warranted parts scheduled for regular inspection for maintenance reasons as specified in the written instructions are required to be warranted for the warranty period in 2214(b)(2).

Sections 2214(e), 2214(g), and 2214(h)(1) were modified by adding “adopted” before the date the “California Certification Procedures for Light-Duty Engine Packages for Use in Light-Duty Specially Constructed Vehicles for 2012 and Subsequent Model Years” is ultimately adopted.

Section 2214(h) was modified by editing the title of the section from “Vehicle Inspection Program” to “Motor Vehicle Inspection and Maintenance Program.”

Sections 2214(h)(1), (h)(2), (h)(2)(A), (h)(2)(B), (h)(2)(C), and (h)(3) were modified by adding “Smog Check” before “inspection” to further clarify that the requirements in section 2214 apply to specially constructed vehicles that fail to pass Smog Check inspections.

Section 2214(h)(2)(A) was modified by adding “improper installation” as a condition that would allow a certified engine package manufacturer to deny a warranty claim for a “high-priced” part.7

Section 2214(h)(2)(B) was modified to clarify that the owner of a certified engine package that fails to pass a Smog Check inspection shall be responsible for diagnostic and repair expenses, up to the maximum repair costs permissible under the motor vehicle inspection and maintenance program.

Section 2214(h)(3) was modified to clarify that it applies to the owner of a certified engine package in a light-duty specially constructed vehicle that fails a Smog Check inspection, and to remove mention of cost limits for repairs of warrantable defects, which are administered and enforced by the Bureau of Administrative Repair (BAR).

Section 2214(i) was modified by adding improper installation of an engine as a condition that would allow a certified engine package manufacturer to deny warranty coverage provided the manufacturer could demonstrate the improper installation was the direct cause of the need for the repair or replacement of any warranted part.

Section 2214(m)(2)(B) was modified by deleting the unnecessary term “emissions” appearing between “motor vehicle” and “inspection and maintenance program.”

Performance Warranty Requirements for Certified Engine Packages for Use in Specially Constructed Vehicles [13 CCR section 2215]

Sections 2215(b)(2) and (b)(3) were modified by deleting the unnecessary phrase “established under section 44012 of the Health and Safety Code (“inspection”).” following “Smog Check inspection.”

Section 2215(b)(3) was further modified by adding “Smog Check” prior to “inspection” to further clarify that the coverage of the performance warranty extends to passage of a Smog Check inspection by a SPCNS with a certified engine package.

Section 2215(c)(1) was modified by substituting “[insert date]” for “DATE” after the reference to the “California Certification Procedures for Light-Duty Engine Packages for Use in Light-Duty Specially Constructed Vehicles for 2012 and Subsequent Model Years,” and by deleting the unnecessary text “applicable regulations in article 2 of this subchapter.”

Section 2215(c)(2) was modified by substituting “[insert date]” for “DATE” after the reference to the “California Certification Procedures for Light-Duty Engine Packages for Use in Light-Duty Specially Constructed Vehicles for 2012 and Subsequent Model Years.”

Section 2215(d)(1) was modified by adding “improper installation” as a condition that would allow a certified engine package manufacturer to deny an emission performance warranty claim if the manufacturer demonstrates that the failure of the inspection was directly caused by the improper installation.

Sections 2215(d)(1), (d)(2)(B), and (d)(3)(B) were modified by adding “Smog Check” prior to “inspection” to clarify that the coverage of the performance warranty extends to passage of a Smog Check inspection by a SPCNS with a certified engine package.

Section 2215(o)(2)(C) was modified by adding “Smog Check” prior to “inspection” to clarify that the coverage of the performance warranty extends to passage of a Smog Check inspection by a SPCNS with a certified engine package.

Requirements for Installers of Certified Engine Packages for Use in Specially Constructed Vehicles [13 CCR section 2218]

Section 2218(b)(2) was modified to clarify that upon ARB’s request, installers of certified engine packages must immediately provide records documenting the proper assembly of each SPCNS.

No modifications are proposed to either the “Warranty Reporting Requirements for Certified Engine Packages for Use in Specially Constructed Vehicles” [13 CCR section 2216] or “Recall Procedures for Motor Vehicle Engines Certified for Use in Specially Constructed Vehicles” [13 CCR section 2217].

The following is a summary of the proposed substantive modifications to the originally proposed incorporated certification procedures and staff’s rationale for making them.

Modifications to Incorporated Certification Procedures

The preface to the incorporated certification procedures has been modified to clarify that the term “Executive Officer” means the ARB Executive Officer or his or her authorized representative or designate.

The title of the incorporated certification procedures has been modified to be consistent with title 13, CCR sections 2212(d), (f), and (h); 2214(e), (g), (k), and (l)(1); and 2215(c)(1) and (c)(2).

Emissions Standards

Section 2 of the procedures has been modified by adding “title” before “13 CCR.” Section 2 has also been modified to clarify that the exhaust and evaporative emission standards applicable to certified engine packages are specified in title 13, CCR sections 2212(c)(1) through (4) and section 2212(d), respectively, and by deleting the existing

Subsection 5(b)(1)(A) has been modified by adding text to clarify that the maintenance and use instructions provided by certified engine package manufacturers must state that the nozzle access zone and the filler neck area, including the filler neck face, shall be free of sharp projections or edges which could foreseeably damage the bellows and faceplates of fuel vapor recovery nozzles during fueling activity.

Subsection 5(b)(1)(C) has been modified by deleting “an enhanced area” before “Smog Check inspection on the vehicle”, and “Enhanced area is defined in section 3340.1, title 16, CCR” to clarify that the manufacturer-provided instructions should inform installers and owners that a certified engine package must be installed in such a manner to enable the vehicle to undergo Smog Check inspections.

Subsection 5(b)(5) has been modified by adding text to incorporate by reference 40 Code of Federal Regulations (CFR) Section 86.004-38, as it existed on November 17, 2011.

Emissions Control System Warranty Statement

Section 10 of the procedures, “California Emission Control Warranty Statement, Your Warranty Rights and Obligations” has been modified to require that the emission control warranty statement provided with each certified engine package state that the improper installation of a certified engine package will allow a manufacturer to not cover the engine under its emission control system warranty.

Section 10 of the procedures, “Manufacturer’s Warranty Coverage” has been modified by substituting “SPCNS with certified engine package” for “emissions control system (enter warranty type: Parts, Performance, etc.)” and by adding “passes the Smog Check inspection” to clarify the scope of the manufacturer’s emission control system warranty.

Section 10 of the procedures, “Owner’s Warranty Responsibilities” has been modified to include improper installation as a condition that would allow a certified engine package manufacturer to deny an emission performance warranty claim.

B. OTHER MINOR CHANGES

Staff also made minor, non-substantive modifications throughout the regulation to provide additional clarity. Other non-substantive changes included correction of spelling and grammatical errors, and deleting extra spaces in the text. These modifications were included in the double strikeout/underline version of the regulatory text that was provided for public comment with the 15-day Notice.

C. NON-SUBSTANTIAL MODIFICATIONS

Subsequent to the 15-day public comment period mentioned above, staff identified the following additional non-substantive changes to the regulation:

- Section 2211: Corrected the numbering of definitions 18 through 21.
- Section 2212(i): Corrected the spelling of the word "package".
- Incorporated certification procedures, Section 4.(b): Deleted stray "s".

The above described modifications constitute non-substantial changes to the regulatory text because they more accurately reflect the numbering of a section and correct spelling and wording errors, but do not materially alter the requirements or conditions of the proposed rulemaking action.

III. SUMMARY OF COMMENTS AND AGENCY RESPONSES

A. Responses to Comments Received During the 45-Day Comment Period and at the Public Hearing

Written comments were received during the 45-day comment period in response to the November 17, 2011 public hearing notice, and written and oral comments were presented at the Board Hearing.

Listed below are the organizations and individuals that provided comments during the 45-day comment period:

Commenter	Affiliation
Harvey, Randall	General Motors (GM)
Rodgers, Jay	Local Motors (Local Motors)
Rudy, Sara	Ford Motor Company (Ford)

Set forth below is a summary of each comment regarding the regulatory action and the agency response to that comment, including an explanation of how the regulation was changed to accommodate the comment or the reason(s) for not making a change to the regulation. Comments not involving objections or recommendations specifically directed toward this rulemaking or to the procedures followed by ARB in this rulemaking are not included. The comments have been grouped by topic whenever applicable. When comments have been grouped, a brief summary of the comment is given to relay the content of all the comments in the group. All other comments are taken verbatim from documents submitted during the 45-day comment period, or from the November 17, 2011 Board Hearing transcript.

1. Comment: ARB received comments of general support for the proposed regulation and associated certification procedures for SPCNS engine packages. (Local Motors, GM)

   Agency Response: ARB appreciates the support for this optional regulation and certification procedure for SPCNS engine packages.

2. Comment: Ford believes that the regulation needs to be simple and cost effective in order to be successful. Ford is concerned that the proposed regulation, especially the warranty provisions, may increase the cost of this program such that it does not justify the business case to provide these "clean" engines, leaving purchasers to buy uncontrolled engines, and register their vehicles by utilizing California Health and Safety Code, Section 44017.4 (enacted by Senate Bill SB 100). (Ford)

   Agency Response: The regulation establishes an optional procedure that provides manufacturers a path to manufacture and sell new light-duty engines for use in light-duty specially constructed vehicles; manufacturers are not required to manufacture or sell such engines if they determine that doing so is not warranted based on compliance costs or other considerations. As discussed in the Executive Summary section of the Staff Report, the proposed regulation will not affect the current registration process for SPCNs or affect the 500 vehicle limit or model year assignment process allowed under SB 100 (Johannessen).

3. Comment: Ford is concerned about being responsible for the Performance Warranty, which requires any vehicle under warranty to be fixed so that the vehicle passes Smog Check, when Ford did not install the engine in the vehicle. Ford's production processes have many checks and balances to ensure the quality of our vehicles, so we are comfortable providing Performance Warranty on the vehicles that we produce. However, Ford has no control, except providing written instructions, on an installer of our engine. Yet, these proposed regulations expect Ford to ensure that the vehicle passes Smog Check. We believe that there should be a shared responsibility for the Performance Warranty between the engine manufacturer and the

installer / ultimate purchaser. At a minimum, a manufacturer must be able to deny warranty for improper installation. Ford requests that the regulation be revised to add improper installation as a reason to deny warranty; for example, in Sections 2214(h)(2)(A), 2214(i), 2215(d)(1). (Ford)

Agency Response: The regulation does prescribe warranty-related obligations on both an engine manufacturer and on an installer (see Sections 2216 to 2217, and 2218, respectively). The regulation prescribes greater obligations on engine manufacturers because ARB expects many manufacturers will certify engine packages that are derived from engines incorporated in previously certified motor vehicles. For example, the General Motors E-ROD engine package is derived from a California-certified 2010 Camaro vehicle.

Staff agrees with the commenter, however, that the improper installation of an engine is a condition that would allow a certified engine package manufacturer to deny warranty claims, and has modified sections 2214(h)(2)(A), 2214(i), and 2215(d)(1) to address the comment.

4. Comment: Ford opposes the ARB's proposal for the start of the warranty period. The warranty period should begin when the engine is sold, not up to two years later. If a consumer buys a product, the warranty begins from the date of purchase, even if that consumer does not use or install the product right away. For example, an engine purchaser may store the engine in an environment that impacts the engine and / or emission control system, or may install the engine and use the vehicle off-road, before registering the vehicle for on-road use. The engine manufacturer should not have to extend the warranty for an additional two years. Although the ARB has proposed an alternative 5 years or 50,000 miles warranty from the date of purchase, this exceeds the Health and Safety Code warranty period in Section 43205(a)(2) and (3). Ford requests that the regulation be revised to start the warranty from the date of purchase, rather than up to two years later.

Agency Response: No change was made in response to this comment. The regulation prescribes that the defects and performance warranties commence either on the date the SPCN is registered use in California or two years after the engine purchase date, whichever occurs first; or alternatively, on the purchase date of the certified engine if the manufacturer warrants the certified engine package for a period of five years or 50,000 miles, which ever first occurs. The commencement of the warranty periods was specifically enacted based on staff's recognition that hobbyists often require several years to complete SPCNs; and ARB therefore delayed the commencement period of the warranty periods to reflect this fact, to ensure that hobbyists that purchase certified engine packages will not be denied warranty coverage based on the period of time between the purchase of the engine and its installation into a

SPCN, and during which period the engine will most likely only be in storage. ARB believes it would be too onerous on the SPCNS hobbyist to start the warranty period from the date of purchase of the engine package. In any event, a certified engine manufacturer can deny warranty coverage for engines that are abused, neglected, improperly installed or improperly maintained.

The commenter correctly notes that Health and Safety Code sections 43205(a)(2) and (a)(3) prescribe warranty periods of three years or 50,000 miles, whichever first occurs; as described in section III.B.4 of the Staff Report, ARB specifically proposed the alternative 5 year or 50,0000 mile warranty coverage period in recognition of the fact that hobbyists often require several years to complete SPCNSs. This alternative warranty coverage period presents no conflict with Health and Safety Code sections 43205(a) or (b) which prescribe minimum warranty coverage requirements applicable to OEM manufactured light-and medium-duty vehicles and vehicle engines, as the alternative warranty coverage period prescribes optional certification procedures for light-duty engine packages for use in light-duty specially constructed vehicles.

5. Comment: The proposed regulation requires the manufacturer to run an evaporative emissions tests. Ford does not believe evaporative tests run by the manufacturer on a slave vehicle will be representative of the specially constructed vehicle, which calls into question the value of requiring the manufacturer to run evaporative emissions tests. Evaporative testing is very burdensome, including the development of a fuel tank temperature profile, a 2-day diurnal test, and a 3-day diurnal and running loss test. Ford requests that an alternative, based on good engineering judgment and approved by the Executive Officer be accepted, in lieu of testing. (Ford)

   Agency Response: No change was made in response to this comment. ARB believes evaporative emissions from SPCNSs could be significant, and therefore adopted evaporative emission testing as part of the regulation and certification procedures. The Agency disagrees with the commenter's belief that evaporative tests conducted on a slave vehicle will not be representative of evaporative emissions from a specially constructed vehicle. The regulation requires manufacturers to demonstrate compliance with evaporative emission standards on a "worst case" vehicle, which will provide ARB assurance that the certified engine package, if installed properly, will comply with evaporative emissions standards within any vehicle that is within the weight and size limits identified by a certified engine manufacturer. To give greater flexibility and reduce burden on manufacturers seeking certification for an engine package, ARB included an option, subject to Executive Officer approval, to use carry-over data from a previously certified vehicle having a similar engine configuration to the certified engine package.

B. Responses to Comments Received During the 15-Day Public Comment Period

As shown in the table below, only one commenter submitted timely, pertinent comments in response to the 15-Day Notice and notice extending the 15-day comment period to August 31, 2012.

List of Individuals and Businesses Submitting Written Comments Received During the 15-day Comment Period

Commenter	Affiliation
McFarland, Jim	Specialty Equipment Manufacturers Association (SEMA)

Each of SEMA's objections or recommendations regarding the proposed action, together with an agency response providing an explanation of how the proposed action has been changed to accommodate the objection or recommendation or the reasons for making no change, is provided below.

Suggested Test Procedures for Specially Constructed Vehicles

1. Comment: "As an alternative, although still being considered and concluded by ARB staff, it will be possible to use an OEM engine as an emissions certified engine not from a certified vehicle. This approach includes stand-alone (crate) engines, complete with all required emissions equipment, certified in a vehicle representative of the specially-constructed vehicle category in which it will be installed and used. SEMA suggests that these engines be required to meet California's new vehicle emission standards, using the Federal Test Procedure (FTP) for the model year in which the specially constructed vehicle (SCV) is registered."

   Agency Response: Staff generally agrees with this comment and has specified that certified engine manufacturers must demonstrate compliance based on FTP testing. However, as discussed further below, utilizing FTP testing alone is not sufficient. For example, the FTP drive cycle is only intended to measure exhaust and running loss evaporative emissions, and does not address other sources of evaporative emissions (e.g., diurnal evaporative emissions).

2. Comment: "SEMA has been and will continue to be a strong supporter of the provisions provided for in S.B. 100. SEMA also understands the necessity for having acceptable alternatives in place that enable future additional SCV registrations in California. Given the fact future BAR smog test emissions levels might not be attainable with the previously-discussed retrofit kit, SEMA believes OEM engines from otherwise certified vehicles would be a viable option. It appears this approach is acceptable to ARB, based on the E.O. it issued for the GM LS engine from a production 2010 Chevrolet Camaro."

Agency Response: This comment is not specifically directed to the proposed regulation or to the procedures followed by ARB in in proposing or adopting the proposed regulation. However, ARB confirms that it has issued aftermarket parts exemptions for General Motors LC9-5.3L and LS3-6.2L V8 E-ROD Kits cited in the Staff Report (p. 8). The aftermarket parts exemptions limit the installation of the E-ROD kits into 1995 and older model year vehicles, and require complete removal of the stock engine, including its exhaust and evaporative canister and replacement with the E-ROD engine package.

Allowance for Engines Used in Currently Certified Model Year Vehicles

3. Comment: "In comparing the emissions performance of engines from a certified vehicle with engines not from a certified vehicle, SEMA believes the latter will involve a much more complex and costly certification process. CARB is currently concluding a process by which stand-alone engines may be certified that is more difficult and costly than approving engines from certified vehicles, largely because of potential problems matching a range of SCVs to comparable OEM vehicles. Enabling use of an engine from any previously certified vehicle bypasses this problem. While SEMA does not oppose the possibility of certifying engines for purposes of the SCV program, we believe that the most expedient way to move this program forward would be to first allow engines from certified vehicles. Based on CARB's currently-proposed method of engine certification, allowing engines from certified vehicles is clearly a more cost-effective approach that still addresses the issue of reduced emissions from SCV packages.

   SEMA believes that using engines from any certified current model year vehicle would provide options to the builders/owners of SCVs that offer the potential for meeting emissions requirements on a more affordable and effective basis. In addition, it would also allow for a wider variety of engine brands, something that the current engine approval process excludes.

   SEMA has encouraged other OEMs to participate in this program, hoping to make other brands of engines available to owners of future-built SCVs. These invitations have been extended so that future SCV owners will have a choice of engine brands that can enable matching engine brands with SCV brands; e.g., a Ford engine in a Ford branded vehicle, a Chevrolet engine in a Chevrolet branded vehicle, etc. Even though some SCV owners will not have a preference, we're confident that most will.

   Under the recently proposed amendments to this program, CARB has elected to create an engine certification program aligned more with how the OEM certifies engines rather than what is economically feasible for small company engine builders. Specifically, such requirements as mandating emissions levels not to exceed LEVII and LEVIII for SCVs built both now and in the future [Attachment 2, 15-Day Modifications, Section 2212(c)(1)(A)] will prevent existing engine builders from providing powertrain packages that do not include OEM components and

systems geared to meeting these standards. That fact alone suggests the benefit of using previously certified OEM engines in future SCVs, not just certified crate engines of the type for which GM has recently obtained CARB compliance."

Agency Response: No change was made in response to this comment. The proposed regulation establishes an optional certification procedure for new light-duty motor vehicle engine packages for use in light-duty specially constructed vehicles. The proposed regulation neither requires nor prohibits manufacturers from certifying certified engine packages based on engines used in previously certified vehicles. In fact, as discussed in the Staff Report, the General Motors E-ROD kits are derived from engines that are largely similar, but are not identical to the engines utilized in certified light-duty vehicles.

ARB disagrees with this comment to the extent that it recommends allowing engines used in currently certified light-duty vehicles to be used in SPCNSs, without further testing because that proposal would not sufficiently reduce emissions. The proposed regulation and associated certification procedures allow manufacturers of engines used in a certified in a light-duty vehicle to pursue SPNCS engine package certification, and allow engine manufacturers to rely in part on existing engine certification data. However, additional tests in a worst-case vehicle are necessary to ensure the engine package is sufficiently low-emitting in the many possible configurations into which an SPCNS engine could be installed.

California light-duty vehicle emission certification is based on the entire vehicle's emissions, including evaporative emissions, not just the vehicle's engine emissions. Light-duty emissions certification is completed through stringent tests of durability and emissions on a certification vehicle (a vehicle that represents the planned production vehicle). That is, manufacturers must test certification vehicles that are equipped with specific engines, transmissions, and emission control systems to demonstrate that their vehicles meet applicable certification requirements, including not emitting above specified levels of exhaust and evaporative emissions for the vehicle's useful life. Manufacturers must also comply with on-board diagnostic system and anti-tampering requirements.

Since the engine packages certified through these SPCNS regulations are not specific to any one vehicle, the certification must be applicable to a wide range of vehicles. In order to ensure compliance with emissions standards, the regulation requires certification testing be done with an engine installed in a "worst case" configuration (in terms of emissions) on a slave vehicle. When selecting the worst case vehicle, the manufacturer is to consider the following criteria: engine displacement, vehicle test weight, vehicle road load, vehicle frontal area, calibration, emission control system configuration and calibration, transmission, and engine speed to vehicle speed (N/V) ratio. Typically, the worst case vehicle is the vehicle with the highest vehicle road load within the highest test weight class as a "worst case" vehicle. Worst case vehicle testing is important for

certification of these engine packages for SPCNSs, because, as stated previously, of the unique and specialized nature of the vehicles. The "worst case" vehicle is not required to be related to a certified vehicle. Although the new certification path will open the possibility for manufacturers to develop engines specifically for SPCNS, staff expects many manufacturers to create engine packages from a previously certified vehicle, much like General Motors has done with their E-ROD engine package derived from a 2010 certified Camaro. Manufacturers pursuing this approach will be able to use carry-over data, hence reducing test costs.

Even if a certified engine package is significantly similar to an engine used in a certified new motor vehicle, there are changes required so that engine package can be used as "stand-alone". Engines are "optimized" to a specific vehicle configuration; production engines in certified vehicles are not designed to be a universal fit into any vehicle. In order an engine to operate efficiently in variety of configurations, such as would occur in SPCNS vehicles, many modifications must be made, and these may include employing different exhaust system components (catalysts, oxygen sensors), cooling system changes, and others. As discussed in the Agency Response to Comment 10, the OBD and engine management system software must be programmed for several differences including less stringent emission thresholds monitoring, and no evaporative system and transmission-related malfunction monitoring.

Projected Excess Emissions from SPCNSs

4. Comment: "It must also be emphasized, as SEMA believes and has pointed out on numerous occasions, SCVs are driven minimally when compared daily drivers, often less than 1000 miles/year. Their contribution to the emissions inventory is negligible at best. A requirement for near-term SCV builds (2012 – 2014) to meet LEVII emissions levels seems unnecessarily strict for vehicles that are operated so infrequently."

   Agency Response: No change was made in response to this comment. Even though SPCNSs are typically driven fewer miles than a new vehicle, their emissions are significantly greater than those from 2010 model year passenger cars. As described in the Staff Report (page 40), although a SPCNS travels on average much less than a typical passenger car, its per-mile emissions are much higher (a typical SPCNS emits 1.3 to 3.4 times the amount of NOx and HC emissions per year as an average new model year 2010 passenger car). Therefore, it is important to limit SPCNS emissions as much as possible.

   In addition, staff developed the proposed regulation to require that certified engine packages be as clean as possible, i.e., as equivalent to new certified light-duty vehicles as possible, to prevent subverting the existing new light-duty certification program. If the proposed regulation allowed emissions to be much higher than new certified light-duty vehicles, and therefore allowed engines to be certified without many of the relatively complex and expensive emission controls

required on modern LEV II and III vehicles, it could create a loophole through which many, relatively high-emitting engines could be built, certified, and then possibly installed in vehicles that operate much more than 1,000 miles per year.

Finally, it is important to note that the proposed regulation and certification procedures merely establish optional procedures that allow manufacturers to manufacture and sell certified engine packages and for hobbyists to purchase and install such packages in SPCNS. The regulation also will not affect the current registration process for SPCNSs or affect the 500 vehicle limit or model year assignment process allowed under SB 100 (Johannessen).

Evaporative Emission Standards and OBD System Requirements

5. Comment: "Further, SEMA believes that the imposition on future-built SCVs of evaporative emissions standards applicable to certified engines will require OBD systems and related components neither practical or (in some cases) possible with these vehicles. This problem has already arisen with current SCV evaporative control systems, as pointed out during completion of the amnesty retrofit kit program. Since GM refused to include specifically-sized fuel tanks in their E-rod package, evaporative control systems were reduced to meeting OBDI requirements, the limit for these type vehicles. SEMA recommends that a sealed fuel system (OBDI) be acceptable for future-built SCVs, as was previously approved by CARB in the aforementioned amnesty program (GreenRod project).

   Agency Response: No change was made in response to this comment. The Agency Response to Comments 8 and 9 are incorporated by reference herein. As explained above, the proposed regulation requires certified engine packages to demonstrate compliance with evaporative emission standards to ensure certified engine packages are as equivalent to new certified light-duty vehicles as possible, to prevent subverting the existing new light-duty certification program.

   As part of the proposed regulation, ARB relaxed the OBDII requirements for SPCNSs versus what would be required for new production vehicles so that they would be feasible and practical for SPCNS engine package manufacturers to meet. ARB took into account that engine packages could be used with a variety of fuel tanks and transmission configurations. For example, recognizing that engine packages could be installed with a variety of fuel tanks in various configurations, the proposed regulation does not require any evaporative system monitoring, but instead requires manufacturers to provide detailed fuel tank size and material instructions, SAE-compliant fuel lines, and a compliant on-board vapor recovery system. The OBD II relief provided is as listed in Table 3.5 of the SPCNS staff report and includes (but is not limited to) the following:

- Flexible location of malfunction indicator light;
- Reduced in-use monitoring frequency;

- Less stringent emission thresholds for several monitors including the misfire monitor, cylinder air-fuel imbalance monitor, and cold start emission reduction strategy monitor;

- Exemption from all evaporative system monitoring; and

- Exemption from transmission related malfunction monitoring.

Stringency of Certification Requirements

6. Comment: "SEMA also believes that CARB's decision to include durability testing for worst case SCVs strengthens SEMA's argument that this unnecessary burden should not apply to limited-use vehicles and provides yet another financial burden on small company engine builders. In fact, while it may not be in the spirit of the current engine certification language, the net effect of this overall certification process will likely prevent many of these businesses from participating in the program at all, thus enabling the OEM to enjoy a monopoly in providing approved SCV engines and raising costs to the vehicle owner.

   Requirements for OBD measurement of air-fuel imbalance, enabling cold-start emissions reductions, and providing comprehensive component monitoring (Section 2212(5) (g) (5, 6, &7) is further evidence the new certification requirements are geared to OEM practice and technologies. It appears likely that the amended regulations run parallel with new OEM engine and vehicle certifications and appear more aggressive in areas that include engines and engine component warranties, warranty periods, owner responsibilities and how future SCVs will be evaluated in the California smog-check program.

   As pointed out earlier in these comments, two SCVs were fitted with what became CARB E.O. compliant engines from the GM E-rod line. Both vehicles passed their respective smog-check tests at BAR referee stations and were witnessed by numerous BAR referees. The measured emissions were sufficiently low to suggest these SCVs would have passed not only current smog-check requirements but could be projected to do so for years to come. Again, these engines were certified in an OEM vehicle and represent the category that SEMA has suggested should be permitted for use in current and future SCVs.

   Again, SEMA believes that what CARB is currently proposing, because it is a distinct departure from their "Initial Statement of Reasons" document released October 4, 2011, closely parallels the requirements set forth for OEM engine certification. Without a doubt, these requirements are economically prohibitive for SCV engine builders of the type represented by SEMA. As amended by CARB staff and currently formatted (Amendment 2, 15-Day Modifications), the certification procedure essentially forecloses an opportunity for these small businesses to provide certified SCV engines.

SEMA suggests that one alternative to building complete, emissions-compliant engines would be to allow the current CARB E.O. program to apply to the installation of emissions-certified parts on certified OEM engines. SEMA believes there is nothing in the current regulations that would prevent products carrying a CARB E.O. from being used on these engines. These types of parts, when E.O. certified on an engine in a vehicle already CARB-certified by the OEM, should be acceptable for use on the same certified engine for use in SCVs. This is the current E.O. process by which performance parts are certified for use in late-model vehicles. At worst, this would at least allow small business engine builders some level of participation in the SCV engine market, short of providing certified engines on their own.

In conclusion, SEMA believes that the program now proposed by CARB (Amendment 2, 15-Day Modifications) is a clear departure from what was proposed by CARB staff in October 2011(CARB Staff Report: Initial Statement of Reasons) and promoted through several workshops. We believe that this program would be best served by returning to the provisions provided for in the October 2011 document. To that end, we stand ready to assist CARB staff in any way that benefits the goals of all parties involved."

Agency Response: No change was made in response to this comment. The Agency Response to Comments 6 through 10 are incorporated by reference herein.

The commenter first claims that the requirements of the proposed regulation and associated certification procedures are so strict that only vehicle OEMs will be able to meet them, which effectively provides vehicle OEMs a monopoly in providing certified engine packages, imposes excessive costs for small company engine builders, and raises costs for SPCNS vehicle owners. ARB acknowledges that the proposed certification requirements are rigorous, but has explained that those requirements are needed to ensure that certified engine packages are as equivalent to new certified light-duty vehicles as possible. ARB disagrees that only vehicle OEMS will be able to meet the proposed regulation's requirements or that the requirements will impose increased costs for small company engine builders or kit car hobbyists. The proposed regulation establishes an *optional* certification procedure that can be utilized by any entity that elects to certify new light-duty motor vehicle engine packages for use in light-duty specially constructed vehicles, including any "small company engine builders" that demonstrate compliance with the regulation's requirements. The proposed regulation also will not impose increased costs for small company engine builders or kit car hobbyists because engine builders and hobbyists are not required to certify, purchase or use certified engine packages. For instance, hobbyists may instead elect to purchase other engines or use the SB100 registration process.

The commenter describes a SPCNS that met Smog Check test requirements without being subject to durability testing and OBD requirements, and hence claims that such requirements are unnecessary. ARB disagrees. ARB's current new vehicle emission standards are very stringent and incorporate comprehensive durability and emissions related testing requirements. The Smog Check program, by contrast, is designed to identify high-emitting vehicles where the emission system is malfunctioning or the engine has been tampered, and is not as rigorous or as stringent as new vehicle certification testing requirements. This difference in stringency between the two programs is evidenced in part by these comments.

ARB disagrees with the commenter's statement that the proposed regulation (incorporating the modifications identified in the Notice of Public Availability of Modified Text that was issued for a 15-day public comment period that began on August 8, 2012, and ended on August 31, 2012), "is a clear departure from what was proposed by CARB staff in October 2011(CARB Staff Report: Initial Statement of Reasons) and promoted through several workshops." ARB staff clearly communicated that it proposed to modify the proposed regulation and associated certification procedure to incorporate emissions standards and related requirements that would be proposed in a future rulemaking action promulgating new low emission vehicle "LEV 3" standards applicable to light-duty vehicles in a document entitled "Staff's Suggested Modifications to the Original Proposed Regulation and Certification Procedures" that was distributed at the November 17, 2011 public hearing (and is Attachment C to Resolution 11-38) and during the Board's November 17, 2011 public hearing (See pages 14-15 of the transcript of the Board's November 17, 2011 public hearing).

Regarding the commenter's suggestion "to allow the current CARB E.O. program to apply to the installation of emissions-certified parts on certified OEM engines," ARB notes that the proposed regulation and associated test procedure will not affect ARB's issuance of exemptions for aftermarket parts designed for installation on certified engine packages. *See* section 2214(d)(9) and (d)(10) of the proposed regulation. However, to the extent that the comment suggests that an exempted aftermarket part provides equivalent emissions reductions to the proposed regulation, ARB disagrees. The proposed regulation was developed to ensure that certified engine packages are as equivalent to new certified light-duty vehicles as possible, to prevent subverting the existing new light-duty certification program. In contrast, the aftermarket parts program only ensures that emissions from a modified vehicle or engine will not reduce the effectiveness of any required pollution control device or will not cause baseline vehicle or engine emissions to exceed applicable standards.