

July 6, 2021

Mr. Daniel Hawelti Staff Air Pollution Specialist, On-Road Heavy Duty Diesel Section California Air Resources Board 1001 I Street Sacramento, CA 95814

via electronic submission at: https://www.arb.ca.gov/lispub/comm/bclist.php

Dear Mr. Hawelti:

The RV Industry Association (RVIA) appreciates this opportunity to comment on the latest Proposed Amendments to the Heavy-Duty Engine and Vehicle Omnibus Regulation. RVIA is the national trade association representing the diverse manufacturing businesses which manufacture more than 98 percent of all recreational vehicles (RVs) produced in the United States – including motorhomes, travel trailers, fifth-wheel travel trailers, folding camping trailers, and truck campers.

The RV industry has a substantial economic impact in the state of California, totaling nearly \$9 billion annually. It supports more than 47,000 jobs in California and represents almost \$3 billion in wages, bringing in more than \$1.1 billion in tax revenues to state and local governments in California.

In 2020, a total of 5,209 motorhomes were shipped to California by RVIA's manufacturer members. These shipment statistics make California the second largest motorhome market in the country, trailing only Florida. Of the 5,209 motorhomes shipped to California, 1,666 were powered by diesel engines.

By way of background, within the motorhome category, there are three sub-categories -- Class A motorhomes, Class B motorhomes, and Class C motorhomes.

Class A Motorhome



Class A motorhomes are built on either a heavy-duty gasoline or diesel chassis. In 2020, 1379 Class A motorhomes were shipped to CA. Of these, 38.5 percent or about 530 units were equipped with heavy duty diesel engines.

Class B Motorhome



A Class B motorhome is built using a cargo van as the base.

In 2020, 37.5 percent of all Class B motorhomes were equipped with diesel engines, for a total of 466 Class B diesel motorhomes shipped to California.

Class C Motorhome



Class C motorhomes usually use an extended van or pickup truck chassis with an attached cab. 670 Class C motorhomes with diesel engines were shipped to California last year.

Virtually all of the 1200 diesel engines fitted in Class A and C motorhomes are supplied by Cummins, Inc. Cummins has informed motorhome manufacturers that it will not be able to offer compliant diesel engines to the motorhome industry in 2024 and 2025 because of the Omnibus Low NOx rule. Absent these engines, our industry and, in particular, California-based dealers stand to suffer at least a \$200 million loss in revenue.

We are aware that Cummins and CARB have been discussing potential strategies to resolve this dilemma. However, as written, the proposed fix in CARB's latest amendments fails to provide Cummins the certainty needed to commit to building engines for the RV industry, as the total costs of the mitigation strategy measures are unknown. Furthermore, CARB's proposal to cap credit costs at \$4000 per medium heavy-duty engine (MHDD) far exceeds CARB's earlier projected cost increases for MHDD vehicles like motorhomes. Table IX-34 in the Statement of Reasons projected an increase in purchase price of \$2,469. This is what the RV industry expected to be the impact of the Omnibus Low NOx rule, not \$4000, and certainly not \$4000 plus some additional unknown mitigation expense and unknown expense for heavy heavy-duty engines (HHDD).

Motorhome manufacturers are making engine purchase decisions now for their future Model Years, so regulatory certainty is needed immediately. They cannot wait for the issue to be addressed some time down the road by either CARB or Cummins.

Given the information discussed above, and recognizing that motorhomes are only operated on average about 2,000 mile per year (a fraction of the annual miles traveled by typical commercial trucks)¹, RVIA believes that MHDD and HHDD motorhome engines should be exempt from the regulation for the 2024 and 2025 model years. Without such an exemption, the RV industry and

¹ See EPA's Phase 2 HD GHG Final Rule

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its customers will be unfairly harmed by the measure, either via extraordinary cost increases or lack of product.

We would also ask for an opportunity for some of RVIA's motorhome manufacturer members to meet with CARB staff to more fully discuss the devastating impacts this proposal may have on the RV industry.

Sincerely,

R. Michael Ochs

Director of Government Affairs, RVIA

Michael Ochs