

March 22, 2022

Liane M. Randolph, Chair California Air Resources Board 1001 I Street Sacramento, California 95814

Subject: CARB's Small Off-Road Engine Regulations - Emergency Relief Needed

Dear Chairwoman Randolph,

The RV Industry Association (RVIA) takes this opportunity to inform you that last week manufacturers of recreational vehicles were informed by the leading supplier of RV SORE (Cummins) that, due to significant changes to the emissions standards approved by the Board last December, they will be unable to supply the RV industry with compliant products for the 2024 model year (a copy of the letter<sup>1</sup> is attached).

CARB's revised SORE regulation and the subsequent business decision by Cummins will have grave consequences for California residents, California businesses, and RV manufacturers throughout the U.S. As indicated in our August 31, 2020 letter to Staff, 100% of Class A and C motorhomes and 75% of Class B motorhomes sold in California are equipped with generators. Approximately 75% of these rely on gasoline-fueled SORE and 3.5% rely on LP-fueled SORE. All told, there are roughly 10,000 RVs sold annually in California with generators. RVs need generators to power air conditioners, appliances and lighting when grid power is not available. Absent generators, we anticipate over one billion dollars in lost sales in California for just the 2024 model year. This loss of product will impact RV manufacturers in the U.S. and will have dire consequences for California-based dealers and their many employees.

In our August 31, 2020, letter to Staff, we cautioned Staff noting that, should CARB go forward with its proposed emissions standards, Cummins would likely drop RV SORE from their product portfolio and focus its efforts elsewhere. Here is the excerpt from that letter:

As noted above, virtually all generators supplied to the RV industry come from Cummins Onan. It is RVIA's understanding that while compliance with the proposed 3 g/kWh HC + NOx standard for 2023 engines  $\geq 225$  cc - < 825 cc may be technologically feasible, it is unlikely to be complied with by Cummins Onan given the cost of developing a compliant engines cannot be supported by the very small RV generator business in California. To avoid a situation where RV manufacturers are unable to purchase compliant SI engine-based generators starting in 2023, we urge CARB to establish a standard that does not jeopardize the ability of RV manufacturers to source generators for the 2023 and later timeframe. It is important CARB understand that the SI engine product produced to support the RV industry is unique to the RV industry. The cost of developing compliant products for our small industry cannot be spread across other industries. If the cost of compliance cannot be supported by sales to our industry, the manufacturer will simply drop the product from its portfolio and focus its efforts elsewhere. Were this to happen, it would seriously impact our industry and consumers.

<sup>&</sup>lt;sup>1</sup> See attached March 2022 letter from Jennifer Hodson, Sales and Marketing Director, Mobile Power Business, Cummins Inc.

In our August 31, 2020, letter to Staff, we also discussed extensively our concerns with the proposed ZE standard (now set to take effect in 2028). We continue to believe that zero emission alternatives to traditional gas-powered RV generators will only make sense if and when the engine used to propel the motorhome down the road is replaced with an electric drivetrain. We do not know when this time will come. It is not mandatory that RVs be electrified for propulsion. We think 2035 is the earliest we will see electric RVs hit the market in any significant way.

If RVs are going to continue to be offered for sale in California beyond the 2023 model year (which is just a little over one year from now), CARB will need to provide suppliers of gas generators additional time to comply with the more stringent standards that were approved by the Board last December. Absent this, residents of California will either go outside California to purchase RVs or purchase diesel-powered units which are not covered by the SORE regulation. Neither outcome benefits California.

At the hearing in December, you and other members of the Board directed Staff to address our concerns. Specifically, you directed Staff to undertake a technology review in the 2025-2026 timeframe. Unfortunately, this review will not address the immediate issue that is before us relative to MY24 emissions compliance, and it is unlikely to be timely enough to avoid issues in 2028 relative to the ZE mandate. As such, we ask you to direct Staff to take the steps necessary to ensure that your proposed amendments do not leave our industry without products to sell in model year 2024 and later.

As we suggested in our letter to you last November, we recommend Staff make an effort to differentiate fixed-mount stationary generators used in RVs from the portable generators which were the main focus of the regulatory measure. We recommend that these fixed-amount RV generators be granted more time to comply with both the 2024 as well as the 2028 standards. Specifically, we recommend that you establish in the regulation a new definition for "Fixed Mount Generator" that would read as follows:

**Fixed Mount Generator:** A generator which is intended for installation in a vehicle or similar mobile application for the purpose of directly providing energy for functions other than the propulsion of that vehicle or mobile application. The generators are integrated into the vehicle's mechanical and electrical systems (e.g., built-in exhaust system, fuel systems, house wiring, etc.) such that the generator cannot be separated or used apart from the vehicle in a portable generator type application. These generators are designed for use only in a vehicle.

We ask that, for fixed mount generators, compliance with the MY 2024 standards be delayed until MY2028 and that compliance with the ZE standards be delayed until MY 2035 unless the planned technology review indicates that affordable zero emissions systems for the RV sector will be readily available at an earlier date.

Given Staff has yet to publish the 15-day changes that the Board directed be issued, there exists an opportunity to quickly address this matter and provide our industry with the regulatory certainty needed to meet the needs of the California market. We ask that you direct Staff to take immediate action to rectify this situation before the dire consequences that lie ahead are fully realized.

We appreciate your time and consideration and look forward to answering any questions that you or Staff may have regarding this matter. To reach me, please call me (571) 665-5860 or email me at mochs@riva.org.

Sincerely,

Michael Ochs

Michael Ochs Director, Government Affairs cc:

Dorothy Fibiger, Ph.D., SORE Lead, California Air Resources Board