

## EPA Should Proceed With A HDOH Low NO<sub>x</sub> Rule

### Industry Request

- *Deliver* benefits associated with an EPA-led national HDOH low NO<sub>x</sub> rulemaking
- *Develop* an appropriate EPA rulemaking schedule
- *Direct* OTAQ to work with us and other stakeholders, including CARB

### Rationale for EPA Leadership

- Essential to achieving a national program—that is our key goal
- Opportunity for an EPA win-win
  - *Streamline* current regulations to achieve cost savings and spur growth
  - *Achieve* real-world NO<sub>x</sub> reductions that will contribute to ozone and PM reductions
  - *Capitalize* on broad stakeholder support
  - *Leverage* OTAQ's expertise in crafting a smart rule
  - *Assist* California's ozone attainment (60-70% of California's VMT is from out-of-state vehicles)
- Without EPA leadership
  - HD NO<sub>x</sub> will remain ~30% of all transportation NO<sub>x</sub>
  - Substantial likelihood of multiple standards for products that operate in interstate commerce
  - Increased manufacturing and compliance costs; loss of competitiveness for U.S. based manufacturers

### Opportunity for Success

- Pick the low-hanging fruit: Over time EPA and CARB have added new HDOH requirements piecemeal; no comprehensive review in almost two decades.
- Leverage our technology to achieve reforms: An HDOH low NO<sub>x</sub> rule can provide the framework to leverage technology advancements to streamline, modernize, reform and reduce the costs of the current program.
- Deliver real-world reductions: An EPA-led approach can provide significant NO<sub>x</sub> reductions by refocusing emission standards from lab-based testing to real-world emission monitoring and control (while maintaining a 50-state harmonized program).
- Avoid pitfalls: It is essential for EPA to act to: avoid a patch-work of regulations; help those areas in need to move towards ozone attainment; reduce secondary PM emissions; maintain existing GHG/fuel efficiency standards; allow manufacturers to cost effectively develop high performing, reliable, durable, customer acceptable products that can be sold nationwide; provide manufacturers leadtime, stability and certainty.