DOCKETED	
Docket Number:	20-TIRE-01
Project Title:	Tire Efficiency Order Instituting Information Proceeding
TN #:	236665
Document Title:	Replacement Tire Efficiency Program Order Instituting Information Proceeding Staff Workshop Notice 2-18-21
Description:	February 18, 2021; 10:00 a.m.
Filer:	Spencer Kelley
Organization:	California Energy Commission
Submitter Role:	Commission Staff
Submission Date:	2/5/2021 2:10:51 PM
Docketed Date:	2/5/2021

CALIFORNIA ENERGY COMMISSION
1516 Ninth Street
Sacramento, California 95814

energy.ca.gov

CEC-70 (Revised 1/2021)

IN THE MATTER OF: *Replacement Tire Efficiency Program* *Order Instituting Information Proceeding*	Docket No. 20-TIRE-01 NOTICE OF REMOTE-ACCESS WORKSHOP RE: Replacement Tire Efficiency Program

Notice of Staff Workshop
February 18, 2021
10:00 a.m.
Remote Access Only

The California Energy Commission (CEC) will host a remote-access workshop to discuss information regarding the Replacement Tire Efficiency Program (program) pursuant to an Order Instituting Information Proceeding (OII) adopted on November 10, 2020, (https://www.energy.ca.gov/filebrowser/download/2387). The order directs the CEC to gather and assess information related to the fuel efficiency of replacement tires for passenger vehicles and light-duty trucks that are sold in California. A quorum of commissioners may participate in this workshop, but no votes will be taken.

The workshop will be held remotely, consistent with Executive Orders N-25-20 and N-29-20 and the recommendations from the California Department of Public Health to encourage physical distancing to slow the spread of COVID-19. The public can participate in the workshop consistent with the direction in these Executive Orders. Instructions for remote participation via Zoom are below.

Agenda
The workshop will include presentations and discussions by CEC staff and stakeholders on the following replacement tire topics:

- Existing tire standards and testing procedures for tires installed as original equipment and replacement tires.
- Performance testing of low rolling resistance tires and test methods to measure efficiency, safety, and durability.

- Market research on tire sales, costs, lifespan turnover, efficiency options, safety and recycling.

- Evaluation of potential vehicle fuel economy, cost savings, benefits to the grid and greenhouse gas emissions and pollutant reduction from low rolling resistance tires.

- Consumer education and choices, tire efficiency data availability, and communication of efficient tire attributes to consumers.

The CEC is interested in receiving data and information regarding fuel efficient tires for passenger and light-duty vehicles from all stakeholders. A more detailed request for information is attached as Exhibit A to this notice. The CEC encourages stakeholders to submit responsive information either as written comments in advance of the workshop or orally during public comment, as provided below.

A detailed meeting agenda will be posted prior to the workshop in the docket and at the Replacement Tire Efficiency Program web page (https://www.energy.ca.gov/tire).

Background

The CEC is mandated to adopt and implement a statewide program for replacement tires for passenger cars and light-duty trucks, to ensure that replacement tires sold in California are at least as energy efficient as the tires sold as original equipment on the vehicles. Assembly Bill 844 (Nation, Stats. 2003, ch. 645) (AB 844) directs the CEC to adopt this program based on a January 2003 CEC report that concluded that "energy efficient tires have the potential to significantly reduce fuel consumption by California drivers." The program, codified at Public Resources Code sections 25770-25773, amended the Warren-Alquist Act and directs the CEC to develop and maintain a database for tire efficiency information; set minimum standards for the fuel efficiency of replacement tires; and develop consumer information requirements including readily accessible point-of-sale information. Following adoption and implementation, the CEC is required to review and revise the program at least every three years.

Since the CEC's last workshop for the program in 2008, many international markets for passenger vehicle replacement tires have introduced or implemented programs for fuel efficient tires. Automakers also install fuel efficient tires as original equipment to maximize the fuel efficiency ratings of new vehicles. There is significant data and much to learn from these international programs and experts across industry, government, consumer and environmental groups. To develop and implement an effective tire efficiency program in California, the CEC requires the participation and input in this proceeding from stakeholders who have expertise in this field. The information collected in this OII will assist with the development of proposed regulations to achieve greater vehicle efficiency through energy efficient replacement tires. Please find more information about this order at the Replacement Tire Efficiency Program web page (https://www.energy.ca.gov/tire) or in the published OII (https://www.energy.ca.gov/filebrowser/download/2387).

Public Comment

Oral comments will be accepted at the end of the workshop. Comments may be limited to three minutes or less per speaker and one person per organization. If participating via Zoom's online platform, use the "raise hand" feature so the administrator can announce your name and

Note: California Energy Commission's formal name is State of California Energy Resources Conservation and Development Commission.

unmute you. If you are participating by telephone, press *9 to "raise your hand" and *6 to mute/unmute. See detailed remote attendance instructions below.

Written comments must be submitted to the Docket Unit by 5:00 p.m. March 11, 2021. Written and oral comments, attachments, and associated contact information (including address, phone number, and email address) will become part of the public record of this proceeding with access available via any internet search engine.

For the Replacement Tire Efficiency Program Order Instituting Information and this Staff Workshop, the CEC encourages use of its electronic commenting system. Visit the https://www.energy.ca.gov/tire page or https://www.energy.ca.gov/proceedings/e-filing-and-e-commenting, which links to the comment page for this docket. Enter your contact information and a comment title describing the subject of your comment(s). Comments may be included in the "Comment Text" box or attached as a downloadable, searchable document in Microsoft® Word (.doc, .docx) or Adobe® Acrobat® (.pdf) file. The maximum file size allowed is 10 MB.

Written comments may also be submitted by email. Include docket number 20-TIRE-01 and DATA & INFORMATION COLLECTION FOR THE REPLACEMENT TIRE EFFICIENCY PROGRAM in the subject line and email to docket@energy.ca.gov.

A paper copy may be sent to:

California Energy Commission
Docket Unit, MS-4
Docket No. 20-TIRE-01
1516 Ninth Street
Sacramento, California 95814-5512

How to Request Confidentiality:
The executive director of the CEC has responsibility for determining what information submitted with an application for confidentiality will be deemed confidential. Parties who seek such a designation for data they submit must make a separate, written request that identifies the specific information and provides a discussion of why the information should be protected from release, the length of time such protection is sought, and whether the information can be released in aggregated form. The term of confidentiality is granted on a case-by-case basis.

Certain categories of data provided to the CEC, when submitted with a request for confidentiality, will be automatically designated as confidential and do not require an application. The types of data that are eligible and the process for obtaining this confidential designation are specified in the California Code of Regulations, Title 20, Section 2505(a) (5).

Participants who submit an application for confidentiality are also encouraged to provide a summary of any sensitive or proprietary information in a nonconfidential form that may be discussed publicly in this proceeding.

Note: California Energy Commission's formal name is State of California Energy Resources Conservation and Development Commission.

Public Advisor and Other CEC Contacts

The CEC's Public Advisor's Office provides the public with assistance in participating in CEC proceedings. For information on participation or to request interpreting services or reasonable accommodations, please contact Public Advisor Noemí O. Gallardo at publicadvisor@energy.ca.gov, by phone at (916) 654-4489, or toll free at (800) 822-6228. Requests for interpreting services and reasonable accommodations should be made at least five days in advance. The CEC will work diligently to accommodate all requests.

Direct media inquiries to mediaoffice@energy.ca.gov or (916) 654-4989.
Direct technical subject inquiries to Tim Olson at tim.olson@energy.ca.gov or (916) 654-4528.

Remote Attendance

The meeting may be accessed at https://join.zoom.us by entering the unique Meeting ID and password listed below. To comment, use the "raise hand" feature. To participate by telephone, see instructions below.

Workshop Link:
https://energy.zoom.us/j/94700369426?pwd=UUE5a3F1ZnNCeExxc29LN05VZ2FlUT09

Workshop ID: 947 0036 9426
Workshop Password: 891968

To Participate by Telephone, dial (877) 853-5257 or (888) 475-4499 (toll free). When prompted, enter the Meeting ID: 947 0036 9426. To comment, dial *9 to "raise your hand" and *6 to mute/unmute your phone line. International numbers are available: https://energy.zoom.us/u/ac9AN1oMHR.

Availability of Documents

Documents and presentations for this staff workshop will be available at docket number 20-TIRE-01, https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=20-TIRE-01, or at https://www.energy.ca.gov/tire.

When new notices, orders, documents or other information relating to this OII including this staff workshop is posted, an email will be sent to those on the Tire list serve. To receive these notices, also subscribe at the Replacement Tire Efficiency Program web page, https://www.energy.ca.gov/tire. Manage existing list serves or sign up for others at CEC List Servers, https://ww2.energy.ca.gov/listservers/index_cms.html.

Dated: February 5, 2021 (of signing), at Sacramento, California

Hannon Rasool

Hannon Rasool
Deputy Director, Fuels and Transportation Division

List Servers: Tire, Transportation, Alt-fuels, Rulemaking

Note: California Energy Commission's formal name is State of California Energy Resources Conservation and Development Commission.

Exhibit A:
Request for Information Regarding Tire Efficiency

The California Energy Commission (CEC) adopted an Order Instituting Informational Proceeding (OII) in November 2020 that directs staff to gather specific information on tires and their energy efficiency in support of the Replacement Tire Efficiency Program. This request for information seeks to gather key data and information outlined as critical in the OII including:

- Sales of tires, cost of tires, efficient technologies, tire safety, tire life, and tire recycling.
- Performance testing of low rolling resistance tires sold in the North American, Asian and European markets since 2012, the last year that the CEC conducted independent tire testing.
- Market research on options to display tire efficiency data at physical or online points-of-sale in California.
- Any other information related to tire efficiency, safety, and durability necessary to develop recommendations for rating and setting standards for fuel efficient, low rolling resistance tires.

The CEC is interested in gathering data and information on the fuel efficiency of tires that are designed for passenger cars and light-duty trucks pursuant to AB 844. The program to be adopted by the CEC will be limited to replacement tires sold in California, but the CEC is also interested in collecting relevant data and information regarding tires installed as original equipment on vehicles.

The CEC staff therefore requests information from key stakeholders to generally address the topics above. In addition, staff are soliciting specific responses to the following questions in order to gather the information. Stakeholders are encouraged to respond in written format and with data that they may have available. The CEC can provide guidance if responders need clarification on specific data to submit.

1. **Standards and Testing**
    a. What mandatory standards exist for original equipment manufacturer (OEM) tires sold in California?
    b. What mandatory standards exist for replacement tires sold in California?
    c. What voluntary standards exist for OEM tires sold in California?
    d. What voluntary standards exist for replacement tires sold in California?
    e. How do OEM and replacement tire suppliers show compliance with existing mandatory or voluntary standards?
    f. What testing procedures exist for OEM tires?
    g. What testing procedures exist for replacement tires?

2. **Tire Marketplace**
    a. Are there common ranges of tire rolling resistances? What are the market shares of these relatively good, better, and best rolling resistance tires? Please include a description or indication of how you are classifying good, better, and best.

b. What are effective methods to inform a rating system, including tire efficiency ratings, and consumer awareness? How could a database be used to support consumer education?
c. What are influencing factors of manufacturing cost and retail costs in tires? What are the key features that differentiate costs? To what extent do tire costs and features influence changes in installation costs?
d. What is the profit margin for each level of the replacement tire supply chain?
e. Who are the major stakeholders in the supply chain (manufacturers, suppliers, distributors, others)?

3. California Market and Submarkets

a. How many passenger vehicles, both new and used, have been sold annually in California for the past five years? What is the market share by vehicle manufacturer?
b. Should the CEC evaluate all tire sub-categories (for instance, all season radials, winter, performance/specialty tires, low volume and/or others)? If so, why and how many tires have been sold in the past five years for each sub-category? Are the definitions of tire sub-categories consistent across manufacturers?
c. What is the market composition of California replacement tires by sub-category?
d. How many replacement tires are sold in California annually and what has been the historical trend? What has been the annual turnover rate of replacement tires in California? Do you believe that any models of tires are offered for sale only in California, and if so what tires and why?
e. What percent of replacement tire sales in California is comprised of low rolling resistance tires? Please describe or indicate how you are defining low rolling resistance tires for this response. Is the definition of low rolling resistance consistent across manufacturers?
f. What is the typical lifespan of new OEM tires? What is the typical lifespan of replacement tires?
g. Describe tire products sold in California that account for factors such as extreme heat and cold, temperature fluctuations, road conditions and composition, materials selection and tire composition, and impacts on efficiency.
h. What factors determine tire lifespan? To what degree do each of these factors influence the tire lifespan (including number of miles driven, road surface conditions, driver behavior, tire material makeup, tread wear depth/design, vehicle fuel efficiency, consumer purchase decisions, etc.)? How would these factors influence tire efficiency? Is there a difference between the evaluation by manufacturers of these factors?
i. Are low rolling resistance tires available across different tire sub-categories? Is there a cost difference of low rolling resistance tires and other tire sub-categories?
j. How many tire manufacturers sell tires in California and what is the market share by manufacturer?
k. How many manufacturers offer low rolling resistance replacement tires and what is the market share in California?
l. What is the makeup of retail sales for California replacement tires?
    i. Number of retailers and installers and market share
    ii. Physical brick and mortar, online or combination
    iii. Consumer segment emphasis reflected by sales

Note: California Energy Commission's formal name is State of California Energy Resources Conservation and Development Commission.

m. Is the California replacement tire market and sales data similar or different than other U.S. states? Canada? Europe? Asia?
n. Where are replacement tire manufacturing plants located that sell tires in California? What factors have determined tire manufacturing location? Are there any replacement tire manufacturers located in California? Explain why or why not?
o. How do automakers source original tires for new vehicles and what level of quality or cost is considered?
p. What are the major barriers to wide application of the most efficient, low rolling resistance tires?

4. Technology

a. What are the associated costs of manufacturing with improving tire rolling resistance?
b. How long does it take to launch a new tire model? How long does it take to launch a design modification to an existing model line?
c. What are recent tire safety initiatives and improvements?
d. What are key indicators when measuring tire performance, including tire wear? Which materials are required during manufacturing?
e. What key technologies are in development or in the market that drive improvements to tire rolling resistance? What are the key tradeoffs in materials, cost, and performance that come with these technologies?
f. What are the relationships between rolling resistance, other key performance characteristics, and cost?
g. What are the major barriers to wide application of the most efficient, low rolling resistance tires?
h. What methods are used for verification of emissions reductions and fuel economy?
i. How is tire lifespan measured? With regards to tire lifespan please describe the rated life, manufacturing principles, recycling, and environmental impacts.

5. Technology Evaluations

a. Are there industry standards for conveying tire performance? Are there commonly understood grades of performance and categories that are used with OEMs or customers?
b. What are tires currently tested for – for example, tread, durability test, mileage/distance test, etc.? How are tires currently tested?
c. To what extent are tires tested at laboratories calibrated to U.S. standards? To what extent are they tested versus international standards?
d. Are there any large data sets of tire performance available publicly or confidentially?
e. Are there international standards, policies, testing and enforcement mechanisms for fuel efficient replacement tires?
    i. What is the European Union (EU) tire regulation policy design and effectiveness?
    ii. Are there any evaluations of the impact of European tire performance standards on the European and international market?
    iii. How can the EU third party tire laboratories and test procedures be considered for California?

Note: California Energy Commission's formal name is State of California Energy Resources Conservation and Development Commission.

f. The Canadian government has funded research finding that the U.S. and Canada form one integrated market. Do you agree or not, and why? To what extent is the U.S. market also integrated with the EU and Asian markets?
g. What key studies have been conducted to evaluate replacement tire standards and the value of improving the fuel efficiency of replacement tires?
h. To what extent does the tire industry use third party test laboratories? To what extent does the tire industry use in-house testing?
i. Does each tire manufacturer have in-house testing capabilities?
j. How many major third party test laboratories are in California and the United States?
k. What commonly applied testing standards are utilized for tire performance, specifically rolling resistance, tire life, tire wear, ability to recycle, toxics, noise, and wet grip? What is the cost and length of time to run a test?
l. What is the greenhouse gas and toxic contaminant impact of entire lifecycle of low rolling resistance versus radial tires reflecting recycling and post lifespan uses?
m. What potential greenhouse gas (GHG) and air pollution reductions would occur from California standards, ratings, and/or incentives that increase the deployment of low-rolling resistance tires in the replacement market?
n. Will increased manufacturing and/or deployment low rolling resistance replacement tires have other environmental impacts? If so, what impacts and why?
o. What methods have been developed to verify fuel economy benefits of low rolling resistance tire uptake?
p. What existing standards, incentives and/or consumer information programs are most effective at reducing GHG emissions and achieving consumer savings, and why? Would any adjustment(s) be necessary to implement in California?
q. Describe GHG and air quality impacts associated with tire wear and emissions, and the issues associated with increased pollution from highway proximity.
r. To what degree can low rolling resistance tires be segmented in the lifecycle vehicle energy efficiency ratio analysis to determine a potential monetary incentive through the Low Carbon Fuel Standard?
s. What methods have been developed to verify fuel economy benefits of low rolling resistance tire uptake?

6. Consumer Benefits and Experience

a. What information do manufacturers provide to help consumers select tires (for example, fuel efficiency, road conditions, and other tire characteristics)?
b. How is tire information provided to consumers (for example, during online shopping, brochure, verbal point of sale, not provided)?
c. What information do retailers and installers provide to consumers to help them find tires that are the best suited for their needs? Are cost, rolling resistance, wet grip, warranty, road hazard policies, tread wear and traction ratings, low rolling resistance, noise, environmental benefits, vehicle resale and other characteristics easily accessed or readily available?
d. What are the main characteristics that consumers look for when buying tires? What priority is rolling resistance compared to price and other characteristics?
e. What sales strategies are used to trigger replacement tire purchases? What are the replacement tire trends and purchasing habits for California customers?

Note: California Energy Commission's formal name is State of California Energy Resources Conservation and Development Commission.

f. How are overseas consumers reacting to labeling programs in the EU, Japan, and any other similar programs?
g. Are there unique trends and preferences with electric vehicle tire replacements in comparison to combustion vehicle tire replacements?
h. Please describe vehicle miles traveled by tire sub-category.
i. Would the increase in deployment of low rolling resistance tires stimulated by standards ratings and incentives affect low income and/or disadvantaged communities, and if so, how?
j. Are there unique trends and preferences for older vehicle tire replacements?
k. Are there any trends in tire purchasing, with different tire sub-categories of performance growing or shrinking in overall market share?
l. Does geography play a role in tire selection or differ between regions in California?
m. What triggers, influences and/or motivates consumers to buy replacement tires?
n. What are the payback periods for consumer tires?
o. Are there unique trends and preferences for lower income customers?
p. Do the preferences in tire selection differ with planned and unplanned tire replacement?
q. How frequent is the purchase of a single tire, two tires, three tires, and four tires in a single transaction?
r. What benefits and concerns do community groups have, if any, about tire efficiency standards?
s. What are the equity impacts to consider regarding replacement tire costs, including low rolling resistance tire options?
t. How might low income and disadvantaged communities benefit from expected fuel efficiency and reduction in pollution from energy efficient tire uptake?
u. Describe the potential impacts from individual drivers/vehicles with and without low rolling resistance tires.
v. How much benefit would a rating system and greater consumer awareness achieve? What types of program would be most effective, and why?

Note: California Energy Commission's formal name is State of California Energy Resources Conservation and Development Commission.