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*Comment Received From: Marc Connerly
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Public Information Campaign, Not More Standards!

Additional submitted attachment is included below.



March 9, 2023

California Energy Commission
715 P Street
Sacramento, CA 95814

Re: Replacement Tire Efficiency Program

The California Tire Dealers Association (CTDA) represents California's 3,600 tire dealers, as well as tire distributors, manufacturers, and related businesses. The association's mission includes protecting and promoting the well-being of the California tire industry by providing a unified voice.

CTDA has reviewed the proposed Replacement Tire Efficiency Standards (Docket 20-TIRE-01), and we herein offer our observations and comments.

Introduction

CTDA appreciates and supports efforts to conserve natural resources and protect the environment, while simultaneously considering impacts on the economy, jobs, consumer safety, practicality, and enforceability of standards and regulations.

Our collective mindset is to seek win-win outcomes that balance the complex and sometimes conflicting interests of business, environmental and regulatory stakeholders.

Safety

Our number one concern with the proposed standards is consumer safety. Lower rolling resistance can only come from reduced tread depth. Reduction in tread naturally correlates to reduction in traction and reduced adherence to the road in wet conditions and increased stopping distance in instances of sudden braking.

Furthermore, the thinner treads will mean that tires will need more frequent replacement. The result will be more dangerous tires on the road, either because consumers are not accustomed to more frequent tire changes and inadvertently drive their tires beyond the recommended wear or because they cannot afford to replace their tires and make the decision to "push their luck" on dangerously thin treads.

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Tire Waste

The second unintended consequence of the proposed standard is the impact on California's waste tire volume. This standard will result in significantly increased tire waste disposal, a serious issue that is impacting the entire state and high density areas in particular.

Cost to Low-Income Consumers

Low-income consumers will be most impacted by the more expensive tires, and likely will be more prone to drive on dangerously thin tire treads, "pushing their luck" until a potentially fatal blowout occurs.

We also have the following concerns with specific provisions of the proposed standard:

Tire Sign. Each physical retail location must prominently display a tire replacement sign displaying the price of any replacement tire and also include California Tire Efficiency Rating and potential to reduce fuel consumption, the potential driver cost savings and general environmental benefits. The sign shall display the web address and provide a QR code linking to the Energy Commission's Replacement Tire Efficiency Program search page. The signs must meet certain, dimension, point type and height requirements.

Concerns

Pricing information on Sign – Displaying pricing information for each replacement tire is unworkable for dealers. Some retail tire dealers have hundreds of tires in stock and prices change regularly due to economic factors. The tire dealer would literally need a sign for each tire, meaning hundreds of individual signs and every time prices change, they would have to replace sign. This is not practical.

Sign effectiveness. There are so many signs that already required to be posted by dealers, such as Bureau of Automotive Repair sign, Prop 65 signs, smog check signs, brake station signs, storage signs, battery fee signs, video recording signs, ADA signs, etc and permit postings such as business licenses, fire permits, air quality management permits and the list goes on. There is a Proliferation of signs currently required to be posted by dealers and the question becomes – How effective would another sign be?

The sign requirement may end a being an opportunity for predatory attorneys to file frivolous lawsuits against small businesses because the sign wasn't in the proper location?

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Tire Energy Efficiency Disclosure. Upon request of a customer, a tire dealer shall provide the customer with a Tire Energy Efficiency Disclosure for any replacement tire that the tire retailer offers for sale. The Tire Energy Efficiency Disclosure shall display the tire brand name, rolling resistance star rating, treadwear and traction rating the peak traction rating, the operating cost and QR code to the Energy Commission's Tire Replacement Program.

Concerns

Independent Verification of Disclosure. Does the dealer have to independently verify every tire energy efficiency disclosure to make sure its accurate or can they rely of the tire manufacturer disclosures and pass information along? Who is ultimately responsible for this information? Will tire dealers be subject to frivolous lawsuits for passing the energy information to the consumer, if inaccurate? It would be impractical to require a retailer to independently verify such tire energy disclosure information on every tire to sells.

Existing Inventory of Tires. Do tire dealers have to stop selling noncompliant efficiency rated tires on January 1, 2025? How do tire dealers handle exiting tire inventory that is noncompliant after the deadline to comply? Will tires manufactured before the deadline be exempt?

How to Identify & Confirm CA Tire Compliant Tires. How do tire dealers easily ascertain and verify that the tires are CA compliant. Will tire manufacturers be required to mark tires as CA compliant? If so, with what type of markings? If not, how will the tire dealer ascertain and verify compliance?

Customer Tire. If a customer purchases and brings their own non-compliant tire to the dealer, can the tire dealer install tire without violating the law and incurring penalties?

Documentation. What documentation and records will be necessary for the tire dealer to show that they are in compliance?

Enforcement. Will the CEC be enforcing this new law or other agencies such as the BAR enforce?

Replacement Tire Sold over Internet & through Print Catalog. Any webpage that displays the price of one or more replacement tires offered for sale in California must display concurrent with the price, the efficiency star rating and the link to the Energy Commission's webpage. The disclosures must also be provided in print catalogs. The disclosures must meet certain point type and character requirements.

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Concerns

Exemptions for certain auto repair dealers that occasionally replace tires. Auto body shops, smog check test/repair shops, preventative maintenance facilities and other small mechanic shops on occasions will replace a tire upon a consumer request. The primary business of such facilities is not selling tires. Requiring these types of businesses to meet the same requirements as those that in the primarily business of selling tires in not appropriate. The CA Air Resources Board, took such types of low volume businesses in consideration when they developed the “check and inflate “ tire regulations and provided exemptions for certain businesses. Title 17 section 95550.

An alternative to an exemption is to revise the definition of tire dealer to include only those that are primarily in the business of selling tires which would exempt the occasion tire replacement situations.

Exemptions for Fleet work/Commercial Business Arrangements. Will there be exemptions for tire dealers who have commercial business agreements with other commercial businesses for tire replacement on a continuing basis?

For these reasons, we strongly encourage the California Energy Commission to reconsider the standards as proposed and focus on a consumer education campaign about the pros and cons of low rolling resistance tires, without implementing onerous and potentially dangerous standards.

We are available to discuss this matter further and may be reached at mconnerly@connerlyandassociates.com.

Regards,

Marc Connerly, Executive Director

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