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James D. Boyd
Commissioner
California Energy Commission
1516 9th Street
Sacramento, CA 95814-5512

DOCKET 07-FET-1
DATE <u>DEC 21 2007</u>
RECD. <u>DEC 21 2007</u>

RE: Fuel Efficient Tire Proceeding (Docket #07-FET-1)

Dear Commissioner Boyd:

The Rubber Manufacturers Association¹ (RMA) and its members appreciated the opportunity to participate in the Tire Fuel Efficiency Workshop held on Friday, December 7, 2007. We are committed to participating as stakeholders in the rulemaking processes to implement AB 844. On behalf of the US tire industry, I am pleased to submit these written comments for the record.

AB 844 Structure and Provisions

The Replacement Tire Efficiency Program created under AB 844 contains two main components: the consumer information program and related provisions (Section 25771) and tire efficiency standards (Section 25772 and 25773). The first component, referred to as "Phase I" by CEC staff, directs CEC to develop and adopt

- (a) *A database of a representative sample of replacement tires sold in the state, based on test procedures adopted by the commission;*
- (b) *Based on the data collected pursuant to subdivision (a), a rating system for the energy efficiency of replacement tires sold in the state, that will enable consumers to make more informed decisions when purchasing tires for their vehicles*
- (c) *Based on the test procedures adopted pursuant to subdivision (a) and the rating system established pursuant to subdivision (b), requirements for tire manufacturers to report to the commission the energy efficiency of replacement tires sold in the state.*

(AB 844 Section 25771)

These provisions clearly identify four work products for CEC: (1) adopt test procedures; (2) establish a database of a representative sample of replacement tires; (3) *based on the*

¹ The Rubber Manufacturers Association (RMA) is the national trade association representing more than 100 companies that manufacture various rubber products. These member companies include every major domestic tire manufacturer including: Bridgestone Americas Holding, Inc., Continental Tire N.A.; Cooper Tire & Rubber Company; The Goodyear Tire and Rubber Company; Michelin North America, Inc.; Pirelli North America; Toyo Tire (U.S.A.) Corporation and Yokohama Tire Corporation.

database, develop a rating system for the energy efficiency of tires; and (4) *based on the test procedures and rating system*, develop requirements for tire manufacturers to report to CEC the energy efficiency of replacement tires sold in the state.

These provisions also clearly lay out an appropriate order for accomplishing these tasks: (1) test procedures; (2) database; (3) rating system; (4) reporting requirements. The RMA believes that this is a technically logical sequence of work efforts and that the CEC is obligated to follow the order prescribed in the statute for fulfilling these requirements. We are concerned that CEC staff are proposing to establish reporting requirements independent of the rating system. The legislation clearly requires that a rating system be established prior to reporting requirements and that the reporting requirements be based on the rating system.

Step 1: Select a Test Procedure

Test Procedure Discussion and RMA Recommendation for SAE J1269

Selecting an appropriate test procedure for assessing tire rolling resistance depends, necessarily, on the type of data sought and purpose the data will serve. From a testing standpoint, tire rolling resistance is a function of speed, inflation pressure, tire load and test surface. A tire has no one unique rolling resistance value – depending on the test conditions, different rolling resistance coefficients are observed. For tire comparison purposes, a standard reference condition data point is either directly tested or calculated to allow comparisons among tires (commonly referred to as SRC). Typically, rolling resistance is reported as a rolling resistance coefficient (RRc). In its pure form, the RRc is a unitless value. However, it is commonly reported as kilograms per tonne.

Two main test procedures are used in the US tire and automobile industry today: SAE J1269 and SAE J2452. Adopted in 1979, SAE J1269 is a single speed (50 mph) and variable load (base load is 80% maximum tire load) test procedure. The original version of SAE J1269 provides data at 4 points (passenger tires) or 6 points (light truck tires). A regression model using the 4 or 6 test points allows calculation of the rolling resistance coefficient at the SRC. SAE J1269 is well established and relied upon in the tire and automobile industry and has been accepted practice for assessing tire rolling resistance in the US for nearly 30 years to collect uniform data on tire rolling resistance, assess load and pressure effects and other purposes. The single point test method variation of SAE J1269 was added in 2005 to enable efficient and cost-effective comparisons among various tire models for regulatory development purposes.

SAE J2452, adopted in 1999, was designed to address vehicle manufacturer needs in vehicle fuel economy modeling. SAE J2452 includes variable loads, inflation pressures and speeds. SAE J2452 testing yields a complex matrix of data points that are useful as inputs in vehicle fuel economy computer models. Original equipment tire manufacturers conduct SAE J2452 testing as part of sales agreements with vehicle manufacturers. SAE J2452 data are used by vehicle manufacturers for modeling vehicle fuel economy for

compliance with the federal Corporate Average Fuel Economy (CAFE) requirements. SAE J2452 data can also be used to model rolling resistance at the SRC.

While SAE J2452 yields more complex data for vehicle modeling purposes, it does not provide data superior to SAE J1269 for tire rolling resistance assessment and *tire comparison purposes*. The CEC/Smithers testing project showed that SAE J2452 data were highly correlated with SAE J1269 data in assessing rolling resistance at the SRC, which validates the use of SAE J1269 single point test variation for regulatory development purposes.

RMA recommends that CEC adopt the SAE J1269 single point test variation as the reference test procedure as the test method for regulatory development under AB 844. However, it must be noted that SAE J1269 provides several alternative equivalent testing options, e.g., force, torque, power consumption, etc. CEC should not differentiate among these equivalent options in its use of J1269, because they are *equivalent*. Tire manufacturers should be able to choose among the equivalent options to best reflect their testing capabilities and machine availability.

International Test Procedure Development through ISO

As a global industry, it is important for tire manufacturers to pursue adoption of a single international test procedure for assessing tire rolling resistance. As we discussed at the December 7 workshop, the global tire industry is working through the International Standards Organization (ISO) to develop and adopt a global single point test procedure to assess tire rolling resistance for regulatory development and compliance purposes worldwide. This new test procedure is on an expedited schedule through ISO and is expected to be adopted in 2009. Currently, the ISO committee is working to correlate tire testing laboratories globally, assess the industry state of the art with respect to testing capability, including accuracy and repeatability, and create laboratory self-certification requirements to ensure uniformity and compatibility of data. Upon its completion, the ISO test will augment the understanding of rolling resistance sampling and assist policy makers, including CEC, in creating appropriate regulatory programs.

The US tire industry supports migration to use of the ISO test procedures once they are adopted by ISO. It is important to note that this migration would not hinder progress or delay regulatory development or implementation. SAE J1269 test data and a rating system based on that data can be correlated to migrate to the new ISO test procedure. The additional quality assurance and laboratory alignment aspects of the new ISO test procedure will enhance the regulatory program developed under AB 844. The US tire industry, through RMA, will keep CEC apprised of ISO-related developments.

Step 2: Establish a Database of a Representative Sample of Replacement Tires

According to AB 844, the CEC is required to establish a database of a representative sample of replacement tires based on the test procedures adopted by the Commission. The CEC recently concluded a \$400,000 testing program to begin to establish that

database. The testing, conducted by Smithers Scientific Services, Inc., assessed the rolling resistance of 149 tire models, using the SAE J1269 single point test procedure.

A component of the CEC testing program was designed to study two popular tire sizes in depth to gain understanding of tire rolling resistance behavior within those sizes, across brands, manufacturers, speed ratings, load ratings and service applications. The two sizes were chosen because they were popular tire sizes (based on 2004 RMA tire size popularity data) that are original equipment tire sizes on the most popular vehicles registered in California (based on 2004 California vehicle registration data). The first size, P195/65R15, represents the smaller end of the tire size spectrum and is the original equipment tire size on several very popular compact vehicle models, including Honda Accord, Toyota Corolla, Dodge Status, Nissan Altima, Pontiac Sunfire and Saturn L Series. The second size, P265/70R17, is the original equipment tire size on a number of popular sport utility vehicles (SUVs) and light trucks, including for example Ford F150, Chevy Silverado, Chevy Avalanche, Cadillac Escalade, Dodge Ram Pickup 1500 Series, Ford Expedition, GMC Sierra Pickup and GMC Yukon. This second size represents the other side of the tire size spectrum in the consumer tire market.

A second component of the CEC testing program assessed how tire rolling resistance varies with tire size. Here, a single tire model (Firestone F380) was evaluated for tire rolling resistance in 28 distinct tire sizes. Together, these two test component can serve as the backbone for creating a database of a representative sample of replacement tires sold in California. Graphically, these data illustrate study depth in two sizes across several tire lines and depth in tire sizes across a single tire line. See [Figure 1](#):

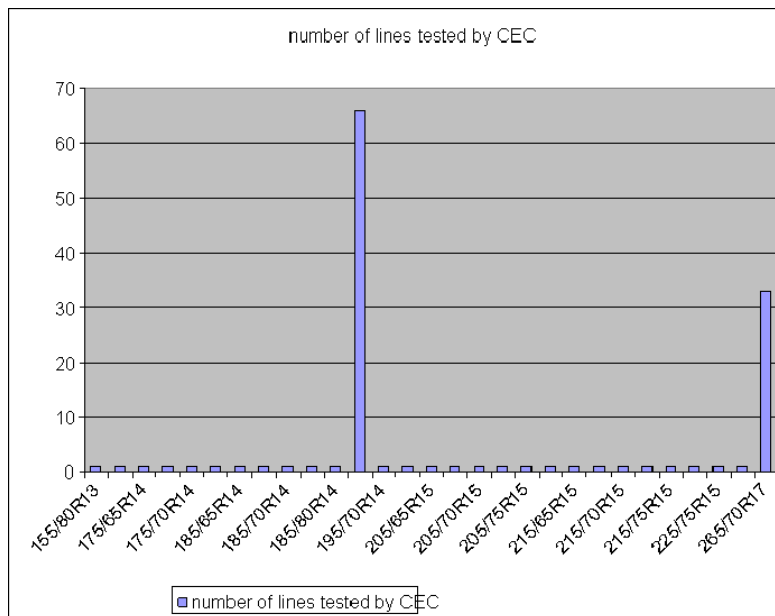


Figure 1. Number of Tire Lines Tested by CEC

When supplemented by additional data, the cumulative data can be used to create a statistical model to characterize the consumer replacement tire marketplace in California.

RMA members have diligently collected tire rolling resistance data for over 600 additional tires in order to complete this task. With the addition of the RMA data, the cumulative tire size distribution in the database is illustrated in [Figure 2](#).

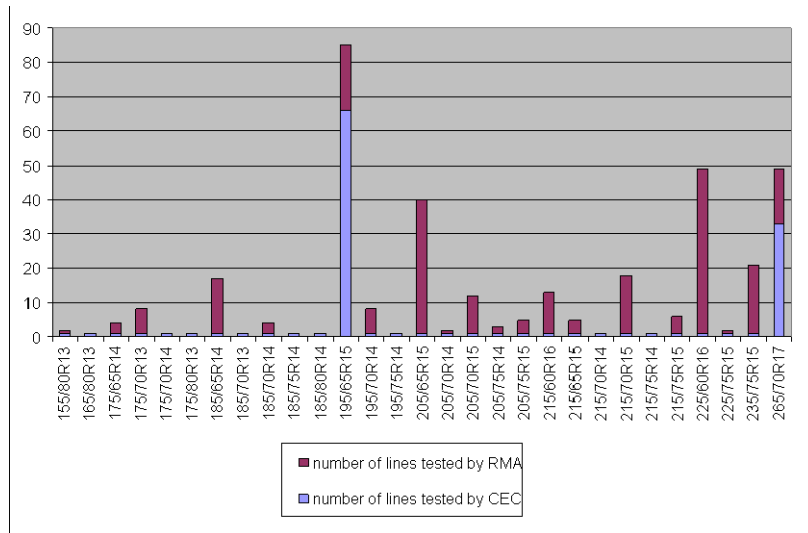


Figure 2. Cumulative Tire Sizes Tested: CEC and RMA Data.

An environmental consulting firm retained by RMA currently is completing QA/QC measures and refining the statistical model for assessing the tire market. RMA will share the data and the analysis with CEC upon its completion. This analysis will create a market distribution curve that can serve as the basis for stakeholder discussions on creation of the tire efficiency rating system mandated by AB 844.

Step 3: Create a Tire Efficiency Rating System Based on the Database of a Representative Sample of Tires Sold in California

As discussed above, AB 844 directs CEC to create a rating system of the energy efficiency of replacement tires and their rolling resistance values based on the database of a representative sample of tires sold in California. In creating the rating system, careful consideration should be given to developing a system easily understood by tire buyers and sellers.

Additionally, it is important to craft a rating system that makes meaningful distinctions among tires. Key in this endeavor is to understand the current state of tire rolling resistance measurement technology, in terms of repeatability and variability. For example, it would be meaningless to consumers to create a tire efficiency rating system where the rating distinctions are finer than current testing technology can measure. Important work in this area is being conducted by the ISO working group that is developing the ISO test method. This group of global industry experts is conducting rolling resistance measurement and correlation work with tire testing laboratories around the world. RMA will facilitate coordination between CEC and the ISO working group as soon as information is available from this work.

RMA recommends that CEC develop a rating system with a limited number of ratings based on the range and distribution of RRC values of tires in the marketplace and the testing capabilities in the industry. Each rating should represent a range of tire efficiency performance. CEC should hold a series of workshops specifically focused on rating system development. Participants in the workshop should include all interested stakeholders in this process, but should also include additional expertise in the areas of consumer information, product ratings and representatives from the tire retail market (tire dealers and others who sell tires to the public).

Step 4: Create Reporting Requirements for Tire Manufacturers to Report the Efficiency of Replacement Tires Sold in California, Based on the Test Method and the Rating System Developed in Step 3

Reporting Requirements Should be Developed after Rating System Developed

As described earlier, AB 844 clearly sets out a logical order for the regulatory process. With respect to reporting requirements, the statute states that they should be based on the rating system and the selected test method. It is premature to develop a reporting structure, since the rating system has yet to be developed. The statute also states that the reporting should be “based on” the rating system, which implies that the tire manufacturers should report energy efficiency *ratings* to CEC.

US Tire Industry Proposes Self-Certification Approach

The US tire industry is committed to providing California consumers with tire efficiency ratings of replacement tires sold in California. The US tire industry is heavily regulated today, with federal standards for tire performance and endurance. The industry also complies with federal consumer information requirements for traction, tread wear and temperature. The tire industry complies with all of these requirements for tire safety, performance and consumer information through self certification to the U.S. National Highway Traffic Safety Administration (NHTSA). This system has served the US motoring public well for almost 40 years.

RMA supports a similar self certification system for AB 844 reporting and compliance. At the federal level, a tire manufacturer self-certifies that its product meets all federal motor vehicle safety standards and consumer information requirements. Under the Uniform Tire Quality Grading (UTQG) program for traction, tread wear and temperature information, a tire manufacturer provides a list (tire model and DOT code, along with relevant UTQG grades) to NHTSA each year. No testing data is required to be submitted to NHTSA. Tire companies determine the appropriate UTQG grade through a combination of testing and modeling in accordance with procedures defined by NHTSA. NHTSA conducts audits of a sample of tires each year to assure compliance. A combination of heavy civil penalties (\$5,000 per occurrence), concerns about negative publicity and the potential of recalls all serve as significant deterrents to noncompliance.

Tire manufacturers take compliance under the federal self-certification system very seriously. Companies conduct periodic internal audits to assure compliance. In the vast majority of cases, tire manufacturers themselves identify tires that are in non-compliance with federal regulations and report them to NHTSA. Following this reporting, manufacturers enter into negotiations with NHTSA to determine the appropriate remedy. Remedies typically include voluntary recalls or customer satisfaction campaigns. Only in rare instances does NHTSA enforce mandatory recalls or other civil enforcement action.

In recent discussions with CEC staff, some concern has been raised about potential for “gaming” the system under UTQG. To clarify, this type of concern with UTQG ratings is limited to the situation with UTQG tread wear ratings. Under the federal UTQG ratings, a tire manufacturer is required to certify that its tire meets a *minimum* tread wear rating. According to federal regulations, a tire’s actual tread wear performance can exceed the minimum rating that it is rated, but the rating cannot exceed its actual performance.

Instead of setting minimums, the UTQG for traction and temperature establish ranges of performance for each rating. The tire manufacturer certifies that a tire’s performance in the traction category, for example, is within an established range for the letter grade assigned (AA, A, B and C for traction) and certified. The rating system for traction (or temperature) is akin to the type of rating system that should be established for tire efficiency under AB 844. The expressed “gaming” concerns are not applicable to the traction rating system under UTQG and should not be a concern for the AB 844 tire efficiency rating system either.

Specifically, for AB 844 compliance, RMA recommends that CEC adopt a self-certification program. Tire manufacturers would report and self-certify energy efficiency ratings to CEC for applicable replacement tires sold in California based on the test method chosen for AB 844 purposes. Tire manufacturers would not provide test data for every tire sold but instead self-certify that a product would perform within the performance range established for the selected tire efficiency rating. For compliance, CEC would have the discretion to audit products to assure compliance.

A requirement to test every tire and provide test data would place an unnecessary regulatory burden and cost on the tire industry without a corollary environmental benefit. A tire manufacturer can assign and self-certify the appropriate tire efficiency rating to a tire without testing each tire model. This would be accomplished through a combination of selective testing, comprehensive tire engineering and materials knowledge and computer modeling. Tire testing capacity (both within the industry and in third-party laboratories) can accommodate additional testing burdens posed by a new self-certification requirement, but capacity would be far from sufficient to support a regime that would require extensive testing of each manufacturer’s product lines either internally or by third-party laboratories.

RMA will provide CEC with additional background and information about the federal self-certification system and would be happy to discuss this approach in more depth at an upcoming workshop or meeting.

One stakeholder at the December 7 workshop suggested that CEC should require third-party testing and the creation of a separate entity to act as a clearinghouse for the information generated through this process. The tire industry opposes any requirement for such a cumbersome bureaucracy to be created under the guise of AB 844, especially without any showing that it will add any significant environmental benefit. The tire industry is willing to provide tire efficiency ratings to consumers. Creating this unnecessary bureaucracy would add exorbitant cost and inefficiencies to a system that does not need to be that complicated.

The goal of Phase I of AB 844 is to provide consumers with tire efficiency information on applicable replacement tires that is currently not available in the marketplace. The goal of all stakeholders in this process should be to facilitate the development of the program in the most expeditious manner, without creating added burdens or bureaucracy. The tire industry is fully in support of the objectives of Phase I of AB 844 and opposes any approach that would impose unnecessary costs or burdens on the industry. Establishing a self-certification system, consistent with all US tire regulations, would achieve the goals of Phase I of AB 844 without creating such undue burdens.

RMA Perspective on Phase II of AB 844 Implementation

In “Phase II” of AB 844, the legislature directs the CEC to “develop[] and adopt[] minimum energy efficiency standards for replacement tires, except to the extent that the commission determines that it is unable to do so in a manner that [is]:

- (A) Be technically feasible and cost effective.
- (B) Not adversely affect tire safety;
- (C) Not adversely affect the average tire life of replacement tires.
- (D) Not adversely affect state efforts to manage scrap tires [].”

The above criteria recognize the potential for interrelationships among tire performance characteristics, notably traction, tread wear and energy efficiency, or rolling resistance. Often referred in the industry as “performance trade-offs,” these interrelationships among tire performance characteristics are very important concepts to the US tire industry. Tire engineers routinely take these relationships into account to develop products that meet customer needs and expectations. During the Phase II regulatory process, careful assessment of these criteria is important to assure no unintended consequences of an eventual regulation.

At the December 7 workshop, Smithers presented the data developed as part of the CEC project. Smithers showed several scatter plots comparing tire performance against other factors, e.g., rolling resistance RRc vs. UTQG tread wear grade, rolling resistance RRc vs. UTQG traction grade, etc. Smithers noted that it observed no linear relationship between any two characteristics compared and, importantly, noted that multi-regression

analyses may be necessary but were not included in the scope of work in the contract with CEC.

One cannot draw a conclusion that there is no relationship among traction, tread wear, rolling resistance, speed rating or other tire characteristic, based on the finding that linear relationships among two tire characteristics do not exist. It is equally true that one cannot conclude that there are relationships among these criteria based on the limited analysis conducted to date. One can and should conclude, however, that more sophisticated analyses are needed to truly assess whether and to what extent interrelationships among tire characteristics exist.

As mentioned above, RMA has retained the assistance of an environmental consulting firm to conduct analyses of the Smithers/CEC data, both on its own and with the additional data collected by RMA. One of the tasks in this project is to conduct the multi-regression analyses necessary to understand the relationships among the available data on tire rolling resistance for replacement tires in the California market. RMA will provide this data to CEC as part of the Phase II rulemaking process.

Specific RMA Comments on CEC Staff Questions

At the December 7 workshop, CEC staff posed several questions and comments for stakeholder consideration. RMA is pleased to provide initial feedback on these items and looks forward to additional dialogue as this process proceeds. As described above, RMA feels that the CEC process should follow the structure set out in AB 844: test method, database, rating system, reporting. RMA is concerned about the focus at this point on reporting, before assessment of the database or development of the rating system. RMA recommends that CEC staff focus on the database and rating system at this time, convening stakeholder workshops on these issues, to move the process forward.

Below we provide initial input on the issues posed in the December 7 staff presentation, but, given the short comment deadline and ongoing nature of the stakeholder process, request the opportunity to provide further comments as the process proceeds.

Applicability

The statute states that it applies to “replacement tires for passenger cars and light-duty trucks.” CEC staff recommends applicability to “all passenger vehicle and light duty truck *tires* manufactured for sale in California.” A couple of differences in the language are important here. First, the statute applies only to *replacement tires*, while CEC staff have altered this to read *all tires*. While it is true that some tires sold as original equipment on new vehicles are also available in the replacement tire market, this fact can not broaden the applicability of AB 844 and related regulations. If a tire is sold in both the original equipment and replacement markets, it should be the reality that it is *in fact* sold in the replacement market that triggers AB 844 requirements, not the fact that it is manufactured for sale in California. The applicability of AB 844 regulations should be limited to replacement tires, per the plain language of AB 844.

Second, the statute speaks to “replacement tires for passenger cars and light-duty trucks,” *not passenger and light-duty tires*. This distinction is important because of a mismatch in terminology. The tires for passenger and light duty trucks are in fact *passenger* tires. These tires are identified by either a “P” or no letter in front of the tire size (these two nomenclatures are typically referred to in the tire industry as P-metric and Euro-metric passenger tires). Even tires for large SUVs are passenger tires. The tires with an “LT” designation are typical on commercial pickups and work vehicles. These tires are selected in commercial applications for additional load carrying capacity.

RMA, therefore, recommends that the applicability for AB 844 regulations be stated as “passenger tires for use on passenger cars and light-duty trucks.”

CEC staff also inquires about how many tires/families of tires would be covered. RMA currently is collecting that type of information from its members and will submit it to CEC as part of this process.

Proposed Rolling Resistance Test Protocol

As discussed earlier in this document, the US tire industry supports the adoption of SAE J1269 single point test as the reference test procedure for AB 844 regulatory development. However, the industry does not support the CEC specifying the “force method” as the only acceptable variation of the test method. SAE J1269 specifies several equivalent methods for conducting testing per the procedure. All of the SAE approved methods should be allowed.

The ISO work currently underway by the ISO working group will address the question raised about how to ensure test results from various facilities/labs are comparable. RMA will keep CEC apprised of developments on the ISO test protocol and correlation work and provide materials useful in the CEC process when they are completed and available to the public.

In relation to test costs, RMA would refer CEC staff to the recently-completed CEC testing project for information regarding testing costs. There are two independent laboratories in the US with rolling resistance testing capacity: Smithers Scientific Services, Inc. and Standards Testing Labs.

With regard to whether there are sufficient test facilities, it is impossible to answer this question without first understanding the scope and breadth of the regulatory requirements. The US tire industry will ensure that sufficient capacity exists for compliance with a self-certification regulatory approach such as the one outlined above. However, if extensive testing were required for compliance with AB 844 requirements, existing capacity would be far from sufficient. Further, if third-party testing were required, current capacity would be able to support even less of the requirement. Currently, US tire companies conduct the vast majority of rolling resistance testing internally, in company laboratories. As mentioned above, only two independent

laboratories exist in the US – Smithers Scientific Services, Inc. and Standards Testing Labs. While understanding testing capacity is an important issue, it is impossible to assess the sufficiency of that capacity without first understanding the proposed regulatory requirements.

Proposed Reporting Requirements

AB 844 directs CEC to develop requirements for tire manufacturers to report to CEC the energy efficiency of replacement tires sold in the state. CEC staff have proposed that tire manufacturers report 18 different items to the CEC, most of which are not germane to *energy efficiency* and are therefore outside of the scope of AB 844. Some of the information (Load Index, Speed Rating, Max Load and Max Pressure) are known from the size description; it is not necessary to provide this information twice. Even so, Maximum Load and Maximum Pressure are of little use to consumers and in fact may be misleading to consumers because they speak to the tire's capabilities, not the vehicle's capabilities. Consumers should always refer to vehicle manufacturer recommendations for vehicle specific load and tire inflation pressure.

Tire weight, diameter and tread depth are not called for in the legislation and are already available to consumers. Requiring them in the CEC database interferes with tire manufacturers' ability to market products because may not imply the same level of performance in every product. The three UTQG ratings (traction, tread wear, temperature) are already available to consumers and are not required in the AB 844 legislation. The SAE J1269 RRc is a technical quantity that is not required in the legislation. Providing specific values of RRc would very likely mislead consumers into making distinctions among tires that would not be seen in on-road experience. For example, if a consumer were to make a choice between two tires with different but similar RRc values, e.g., 0.10 and 0.11, he would not be able to discern a difference in energy efficiency on the highway between these two products. SAE J1269 test conditions are meaningless to the legislation and to consumers. Instead, the regulations should simply refer to the SAE J1269 single point test as the compliance test method.

Under RMA's proposed self-certification reporting program, a tire manufacturer would certify that its tire meets the designated tire efficiency rating using the specific compliance test method. The tire manufacturer would report to CEC the tire's manufacturer, brand name, model name, size (which includes section width, aspect ratio, rim diameter, speed rating and load index) and tire efficiency rating per AB 844. By reporting this information, the tire manufacturer would self-certify that the tire does in fact meet the energy efficiency rating assigned to it in the submission. To verify compliance, CEC or another third party could test that tire according the SAE J1269 single point test. RMA members oppose providing additional, non-relevant information because it is not contemplated by AB 844, it would not achieve any additional environmental or consumer benefit and it would impose significant and unnecessary costs and burdens on the industry.

Rating System Questions

CEC staff pose a number of questions regarding the development of a rating system, including requirements for a consumer friendly rating system, concepts for a rating system, rating system models and how many bin/categories are appropriate. The discussion earlier in this letter on Step 3 addresses several of these issues. These topics are appropriate subjects for a future workshop. As mentioned earlier, this workshop should include other groups, including tire dealers and other tire retailers. In terms of the number of bin/categories, we advise a careful review of the data, including that collected by CEC/Smithers, RMA and that being developed through the ISO process. Out of sensitivity to the ISO process, and the collective interest in the most productive workshop on the topic, we recommend that this meeting be scheduled in the March 2008 timeframe.

Proposed Verification and Compliance

Under a self-certification system, records contemplated by CEC staff would not be required. However, CEC independent tests, both random and targeted, would be an important component of a self-certification approach. RMA is in the process of developing a White Paper on self-certification to assist CEC in understanding this approach and how it works at the federal level.

CEC staff also contemplate a “challenge testing” approach. RMA understands that this approach is used in other CEC consumer information programs. RMA is interested in learning more about this concept and its effectiveness. It would be helpful if CEC staff involved in a “challenge” program could participate and provide information in a future workshop.

In terms of costs of a verification and compliance program, CEC should have a sustainable fiscal budget to conduct a compliance program under AB 844.

Overall, these topics merit some time on a future workshop agenda.

RMA Perspective on National Tire Efficiency Program

RMA supports Section 111 of H.R. 6, signed into law by President George W. Bush on December 19, 2007, which establishes a national consumer information program for tire energy efficiency. Similar to the consumer information provisions in AB 844, H.R. 6 directs NHTSA to develop a tire efficiency rating system and consumer information. RMA believes that tire efficiency consumer information will benefit consumers throughout the country, allowing consumers to make more well-informed tire purchasing decisions. H.R. 6 does preserve the right of California to develop its own program under AB 844, but constrains other states from adopting their own tire efficiency consumer information programs unless they are identical to that contemplated in H.R. 6.

RMA recognizes California’s ongoing ability to establish consumer information requirements. However, we believe that the nation’s consumers will be best served by

coordination and consistency, to the maximum extent possible, between the California program that developed by NHTSA. RMA will begin discussions with NHTSA in early 2008 and hopes to facilitate a productive dialogue among CEC, NHTSA and other stakeholders in this process. In the area of consumer information, consumers will benefit from easily understandable information that is consistent across geographic regions.

Unlike in environmental performance standard setting situations, where California often chooses to lead the nation in setting tough performance requirements, a consumer information program is neutral – stringency just does not apply. Information is simply information. Instead, simplicity and consistency among programs will enable more consumers to make environmental purchasing choices. On the contrary, competing or conflicting programs will only serve to confuse consumers, thus discouraging them from basing purchasing decisions on either set of information. RMA sincerely hopes that we can work together at the state and federal levels to leverage available resources and create a program to benefit and educate American consumers.

The Path Forward

We sincerely thank CEC for holding the workshop on December 7. RMA supports moving forward in this process and beginning the dialogue among interested stakeholders. We are hopeful that we can work together on a tire efficiency rating system and consumer information program. We look forward to providing the data and analyses we are collecting to CEC during this process.

In terms of next steps, we propose that CEC group its activity and workshop development into three basic areas: (1) Steps 1 and 2: Test Procedure Selection and Database Development Issues; (2) Step 3: Rating System Development; and (3) Step 4: Reporting Requirements. We recommend coupling the first two steps since we are near consensus on the test procedure issue. Each of these steps requires at least one workshop, but some may require more than one (e.g., rating system development). For each “Step” or block of work, CEC should identify the following:

- ***Additional stakeholders or expertise needed.*** This would include, for example, tire retail/dealer/marketing expertise needed during rating system development.
- ***Information needed.*** This would include information from industry or others. Information needs should be segmented into threshold information needed to make policy and strategic decisions and information needed to complete formal rulemaking requirements.
- ***Timeframes and schedules.***

Stakeholders, including RMA, should have an opportunity for input into the development of this overall structure. In order to make the best use of time available during workshops, RMA would recommend that if future workshops are to be held in the CEC hearing room, the layout of the room/chairs should be modified to facilitate maximum dialogue and interaction among participants.

Commissioner James D. Boyd
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Once again, we appreciate the opportunity to provide written comments and welcome any questions or dialogue on the topics discussed. I can be reached at 202-682-4839 or tnorberg@rma.org. We look forward to continued collaboration with you and your staff on this important rulemaking.

Sincerely,

A handwritten signature in black ink that reads "Tracey J. Norberg." The signature is written in a cursive, flowing style.

Tracey J. Norberg
Senior Vice President and
Deputy General Counsel