

Pollution Probe's Comments on Environment and Climate Change Canada's Proposed Approach to Phase 2 Heavy-Duty Vehicle and Engine Greenhouse Gas Emission Regulations

Toronto – April 1, 2016 – Pollution Probe welcomes the opportunity to comment on Environment and Climate Change Canada's (ECCC) proposed approach to developing Phase 2 Heavy-Duty Vehicle (HDV) and Engine Greenhouse Gas Emission Regulations. Pollution Probe supports ECCC's plans to increase the stringency and scope of the country's Phase 1 emission regulations for HDVs and engines. ECCC's proposed approach to the development of Phase 2 HDV regulations is sound, and would result in significant GHG reductions from the HDV sector in Canada – the fastest growing sector in terms of transportation emissions.

The following points address, at a high level, the major new components that are being considered for inclusion in the Phase 2 regulations, based on Pollution Probe's current understanding of ECCC's approach to developing the regulations.

- Pollution Probe supports the inclusion of trailers in the Phase 2 HDV regulations, starting in the 2018 model year, as our research and that of other independent organizations has shown that emerging trailer technologies (e.g., side skirts, boat tails, automatic tire inflation systems) currently offer the potential for significant GHG emissions reductions and improved fuel economy, while offering trucking fleets cost savings (via reduced fuel demand) over the lifetimes of their trailers.
- We support the Government of Canada's push for more stringent standards for HDV engines beginning in the 2021 model year, in line with the standards that will be adopted in the U.S.
- We support the continuation of the CO₂ emissions credit system introduced in the Phase 1 regulations, which is based on fleet averages, as we feel this will offer Canadian trucking fleets the opportunity to reduce costs on fuel-saving technologies for vehicles that will not be able to optimize fuel savings from the addition of such technologies (e.g., trucks designed for short-haul, inter-modal, and other specialized applications).
- We support the exclusion of small fleets from the Phase 2 regulations, as this will relieve the administrative burden on government monitoring and enforcement officials and allow them to focus on larger fleets which are responsible for a large majority of emissions from the on-road freight transport sector. We would recommend, however, that timelines be set for making all HDV fleets in Canada subject to emissions regulations so as not to provide an unfair economic advantage to small fleet operators, and to avoid offering an incentive to operators to keep fleets below a certain size.

- We support the North America-wide harmonization of emissions testing standards for HDVs, as all jurisdictions on the continent deserve the same rigour in GHG abatement requirements, and all carriers should only be made to adhere to one continent-wide standard to promote, maximize the efficiency, and minimize the costs of cross-jurisdictional trade.

Pollution Probe recognizes that the process of developing Phase 2 HDV regulations will be a challenging one considering the technical hurdles, expected complexity and stringency of the regulations, and the broad array of HDV stakeholders that will be impacted by the regulations. Pollution Probe would be pleased to offer any technical support required over the course of the development of the Phase 2 regulations. With its considerable expertise on the Canadian on-road freight transport sector, Pollution Probe is well-situated to conduct research into this and other related areas and offer support.

About ECCC's Phase 1 HDV Emission Regulations

The *Heavy-Duty Vehicle and Engine Greenhouse Gas Emission Regulations* were published in the *Canada Gazette*, Part II, on March 13, 2013, and are now referred to as "Phase 1" regulations.

Their aim is to reduce GHG emissions by establishing mandatory emission standards for new on-road heavy-duty vehicle and engines of the 2014 and later model years, in alignment with U.S. Environmental Protection Agency (EPA) standards.

A Notice of Intent was published in the *Canada Gazette*, Part I, on October 4, 2014, to signal the government's intent to develop a second phase of proposed regulations to further reduce GHGs from post-2018 model year heavy-duty vehicles in alignment with U.S. EPA standards.

The above comments are based on a pre-consultation for the Phase II heavy-duty vehicle regulations conducted by ECCC on March 3, 2016 in Toronto.