Testimony before the Maine Board of Environmental Protection By William Lord January 15, 2004

Rule Change Request to the Board of Environmental Protection Augusta, Maine – January 15, 2004

Modify Chapter 127, Sec. 4 (c)

The proposed change would (summarize content and impact of proposal):* Allow for the continued sale of VW TDI passenger vehicles in the state of Maine for model years 2004-2006. In this case, Maine's acceptance of the California New Vehicle Emission Requirements will eliminate the most efficient 5-passenger vehicle on the road today, one that helps to reduce CO2 emissions and our dependence on imported oil. Federal guidelines have accepted this class of vehicle for continued sale in 45 other states.

The text of the new or modified rule would read:*

(8) diesel-powered passenger vehicles that are Federally compliant, including the Volkswagen TDI vehicles, for model years 2004-2006, are considered to be exceptions to Sections 4 (A) and 4(B).

Members of the Board...by way of introduction, my wife and I live in Cape Porpoise, Maine. We consider ourselves environmentalists - we live in a solar house; each of us drives a car capable of more than 50 mpg on the highway; are members of several environmental organizations; and are dedicated to improving the quality of life in our state. We, like you, care about air quality in Maine.

I thank you for this opportunity to discuss an issue that I believe is a victim of "unintended consequences" of the California Air Resources Board regulations, adopted by the State of Maine. Let there be no mistake,

- The CARB regulations have brought to Maine cleaner vehicles over a period of years.
- Those regulations have been a plus for air quality in our state.
- Those regulations, however, have eliminated a class of vehicle in our state that...
 - o Delivers unusually high fuel mileage approaching 50 mpg on the highway,

- o Emits far less global warming gases than most vehicles,
- o Seamlessly uses alternative fuel (biodiesel) that further reduces the output of most harmful emissions.

The vehicle is a diesel-powered passenger car - the Volkswagen Beetle, Jetta or Golf. Since VW is the only manufacturer selling diesel passenger cars in America at this time, I will focus my remarks on this manufacturer's product…one of which I drive - the VW Beetle TDI.

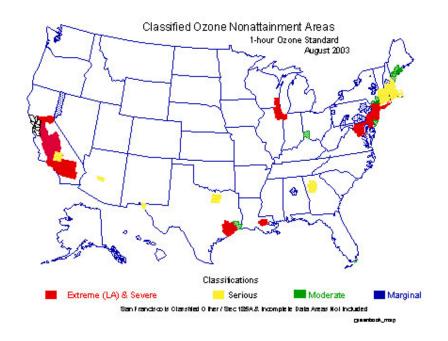
Ozone Pollution

First, I'd like to address Maine's summertime ozone problem and put it into perspective.

Let's examine the EPA map below:

	U.S. Environmental Protection Agence	
Green Book		
Contact Us Print Version Search:	GO	
EPA Home> Air & Radiation > Air Quality	Planning & Standards > Green Book > Ozone Nonattainment Area Map	

Ozone Nonattainment Area Map



As you can see, the southern coast of Maine is classified as experiencing a moderate ozone problem. It is no comfort to asthma suffers, which includes me, but a condition that rises and falls due to atmospheric conditions. It is not a long-lasting phenomenon in our state and for most of the year it is not an issue. According to the EPA, it is the result of heavy summertime traffic (passenger, truck & bus); industrial emissions from sources such as power plants; off-road engines such as aircraft, locomotives, construction equipment and gasoline-powered lawn and garden equipment.

When you look at California, you immediately notice that a large area of the state is either labeled extreme or severe. Because of California's mild weather, this is frequently a year-round crisis. Nitrogen oxide (NOx), deleterious to human health, is the primary culprit.

The emissions regulations that Sacramento finds necessary in California, should be reexamined for the State of Maine. Their air is not our air. Their geography is not our geography and their driving conditions are not our driving conditions. In this case, one size should not fit all.

Global Warming Gases

Of increasingly greater concern is the issue of Global Warming. These gases, primarily carbon dioxide, do not dissipate in the atmosphere but accumulate over years. Global Warming is not merely a scientific theory or a political statement - it's a reality.

- The Maine Natural Resources Council, states that "precipitation in Portland, Maine, has dropped 12% during the last century; tides in Rockland Harbor have increased 3.9" in the last hundred years; and the overall temperature in Maine has risen 3.4 degrees in that same period."
- The Governor of Maine joined the other New England governors calling for significant reduction in greenhouse gases over the coming decades.
- In October of last year, the Attorneys General of 12 states sued the EPA for failing to regulate greenhouse gases. They identified climate change as the "most pressing environmental challenge of the 21st century" Maine's Attorney General said: "It is well accepted in

the scientific community that emissions of this leading greenhouse gas (carbon dioxide) are contributing to global warming. We are already seeing its effects, and EPA itself predicts that the problems associated with atmospheric warming will intensify in the years to come. The agency must act now to protect the public health and welfare from this threat."

The point is made...greenhouse gases have created the ultimate environmental time bomb - colorless, odorless and unregulated.

Federal and California Certification

Now to the vehicle. The 2004 VW TDI is federally certified, residing in a transitional bin in anticipation of the arrival of new Ultra Low Sulphur Diesel in 2006. The TDI can be purchased in 45 states, including neighboring New Hampshire.

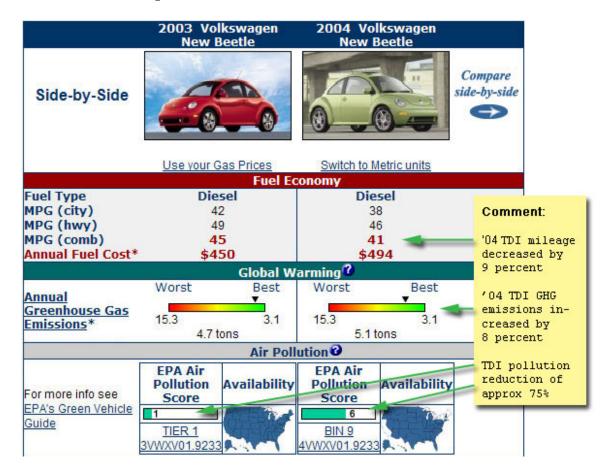
Anecdotal reports from Volkswagen indicate that, in preparing for the 2004 certification in California, their new redesigned diesel engine (called the 'common-rail diesel') passed three of the four pollution tests, failing the NOx test by a small percentage. With inevitable failure facing them, they did not go forward with certification though they did attempt to include the diesel within their overall fleet emissions average...but to no avail.

The following questions need to be asked and answered:

- Just how good is the new 2004 TDI?
- What progress did VW make in retooling its engine for the new, more stringent California regulations?
- How does the TDI compare to other passengers cars approved for sale in Maine?
- Keeping in mind that all vehicles pollute to a certain degree, is the TDI environmentally good enough to be sold in Maine?

The best place to begin is to compare the 2004 Beetle TDI with the 2003 Beetle TDI. These comparisons are provided by the EPA website www.fueleconomy.gov.

Beetle TDI comparisons: 2003 and 2004

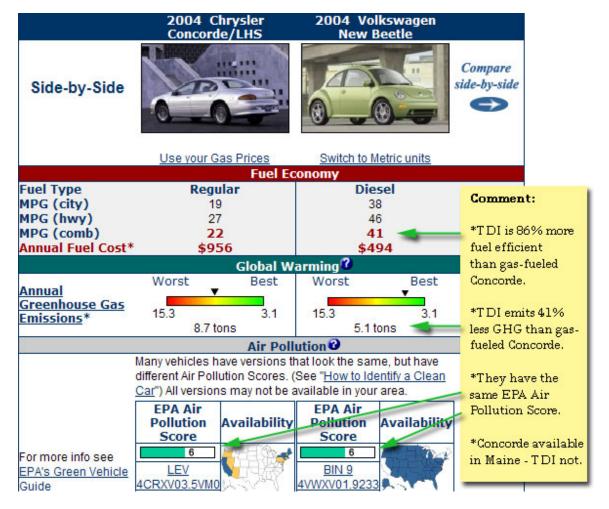


The small decrease in mileage and small increase in GHG emissions (still in the green area) were, according to VW, the result of concentrating on improving the pollution score - reducing smog producing pollutants by 75%. This involved a redesign of their diesel engine.

It is clear by the numbers that Volkswagen made significant progress in reducing the overall emissions of this class of vehicle.

So how does the *prohibited* '04 diesel Beetle compare to other vehicles that are *allowed* on the roads of Maine? Again, the EPA fuel economy site offers enlightenment.

Comparing 2004 Chrysler Concorde with 2004 VW Beetle TDI

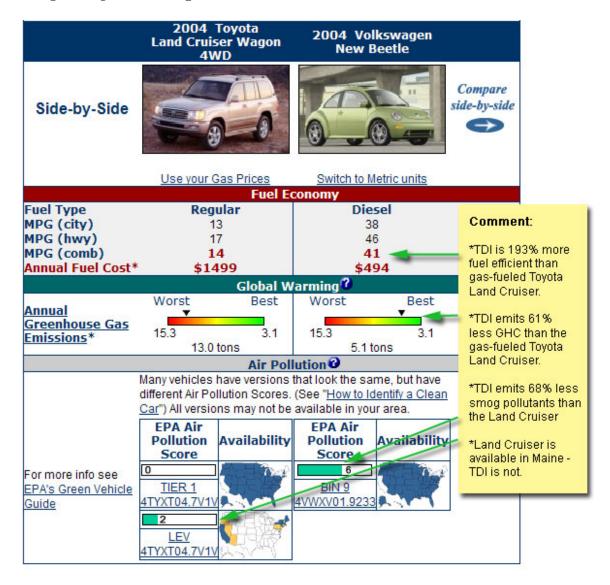


Here we have a passenger car that has the same EPA Pollution Score as the VW Beetle diesel, worse GHG emissions and far worse mileage, allowed to be sold in Maine. The VW, which on balance is friendlier to the environment, is banned. This is why we're here today. The regulation is inequitable and needs to be corrected.

But the Concorde isn't the only poor mileage vehicle with a 6 Pollution Score allowed to be sold in Maine. Chrysler is joined by Dodge, BMW, Lexus, Audi, Mercedes and Bentley.

Here's a final side-by-side comparison reflecting America's new driving style - the SUV.

Comparing 2004 Toyota Land Cruiser with 2004 VW Beetle TDI



The Land Cruiser (classified as a truck and therefore exempt from the regulations imposed on the TDI) is used by many as a family car. It's gas mileage is poor, it's GHG emissions are high and it's Air Pollution Score is very low. It is sold in Maine.

Which vehicle is friendlier to the Maine environment? We all know the answer...the '04 TDI, yet it cannot be sold in Maine.

Renewable fuel in Maine

The final factor in our petition is the emerging importance of biodiesel, a vegetable oil-based, EPA approved replacement for petroleum diesel - usually made from soybean oil.

The TDI seamlessly runs on either version of diesel, but biodiesel (used by many TDI drivers in Maine) has the extraordinary ability to reduce emissions even further (see EPA chart).

- I drove here today using a 20% mix of biodiesel.
- Many school districts throughout the country use it in their buses.
- L.L. Bean uses a B20 mix in their Freeport terminal as does the Maine DOT in Freeport.



Actual emissions will vary with engine design: these numbers reflect the potential reductions...

- *Reductions in carbon monoxide emissions of 10 % (B20) and 50% (B100).
- *Reductions in particulate emissions of 15% (B20) and 70% (B100).
- *Reductions in total hydrocarbon emissions of 10 % (B20) and 40% (B100).
- *Reductions in sulfate emissions of 20% (B20) and 100% (B100).
- *Increases in nitrogen oxide emissions of 2% (B20) and 9% (B100).
- *No change in methane emissions using either B20 or B100
- The State of Maine is now using a B20 mix to heat various state buildings.
- In a weekly notebook called In Our Backyard, the Maine DEP says of biodiesel: "Maine is positioned to spawn a home-grown fuel production industry that would reduce air pollution, reduce the production of carbon dioxide that contributes to global warming, and make good use of existing resources."
- The Maine legislature is now discussing a bill to provide a tax credit for biodiesel producers.
- VW and ADM (Archer Daniels Midland) announced last week a joint research project embracing biodiesel as a clean, renewable, domestically-grown fuel for diesel vehicles.

Here's the ultimate contradiction: we have all these initiatives within Maine and throughout the country, yet the only 2004 passenger vehicle that can use this fuel is not allowed to be sold in Maine.

In conclusion:

There is an inequity here regarding the TDI. It boasts:

- Superior fuel mileage reducing our use of fossil fuel.
- Low Greenhouse Gas Emissions.
- A Pollution Score similar to other vehicles being sold in the state
- Ability to use clean, renewable fuel.

Most and Least Fuel Efficient Cars		MPG	
	(by EPA Size Class)	City	Hwy
Most Efficien	t Two Seaters		
	Honda Insight 3 cyl, 1 L, Manual(5)	60	66
- O	Honda Insight 3 cyl, 1 L, Automatic(variable)	57	56
Most Efficien	t Minicompact Cars		
	MINI Cooper 4 cyl, 1.6 L, Manual(5), Premium	28	37
10	MINI Cooper 4 cyl, 1.6 L, Automatic(variable), Premium	25	32
Most Efficien	t Subcompact Cars		
	VW New Beetle (Diesel) 4 cyl, 1.9 L, Manual(5)	38	46
	VW New Beetle (Diesel) 4 cyl, 1.9 L, Automatic(S6)	36	42
Most Efficien	t Compact Cars		
	Honda Civic Hybrid 4 cyl, 1.3 L, Automatic(variable), Regular	48	47
0-0-	Honda Civic Hybrid 4 cyl, 1.3 L, Manual(5), Regular	46	51
Most Efficien	t Midsize Cars		
	Toyota Prius (Hybrid) 4 cyl, 1.5 L, Automatic(Variable), Regular	60	51

And yet, it cannot be purchased in Maine.

The petitioners request that the Board redress this imbalance by granting federally compliant diesel passenger vehicles an exemption to the state's emissions regulations.

Such a decision will recognize the growing threat of global warming and return to the dealerships a vehicle that can, on balance, help protect Maine's environment.

Thank you.

William Lord