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Subject : Comments on RIS "Reducing Emissions From Non-Road Spark Ignition Engines and Equipment"

To Whom It May Concern:

I am a Marine Consultant located in Sydney and have been in the Marine business for 38 years. I have owned a large Marine Dealership (Western Marine) some years ago, been involved in building boats (Bullet Boat Co), a employee & Director of Mercury Marine for 26 years and now a Consultant to a number of Marine Industry groups.

I have reviewed the RIS dated May 2010 and am supportive of DEWHA's efforts to reduce emissions and improve air quality, however there are some issues I would like to raise regarding the implementation of such regulation, they are outlined as follows,

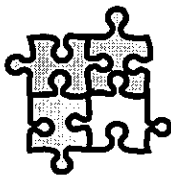
- Boat Evaporative Emissions – The proposal is that the boat evaporative emissions requirements go into effect in 2012. First, some of these requirements are not even required in the US EPA rule in 2012. Secondly, the 2012 model year for many boat manufacturers starts in July 2011. Since we have yet to see the actual regulation, and would expect it to take at least the rest of the year to finalize it, this is only giving boat builders and dealers 6 months to completely re-engineer the boat fuel system. This will also require components (low permeation hoses, anti-spitback deck fill, carbon canisters, grade valves, low permeation fuel tanks, etc.) that are not currently available in Australia, and in fact are just being developed in the US. US EPA has given the US boat builders several years to comply with this regulation and I understand it is still a challenge. I suggest that these requirements be pushed out to at least 2015 to give a reasonable time to develop compliant systems.
- Engine Requirements – The proposal discusses engines meeting the EPA 2010 rule in 2012. This is very unclear as there are engine requirements in the EPA rule that are not effective until 2013 – 2015.
- Conventional 2 Stroke Outboards – There are boats and transoms that will need to be redesigned to accommodate 4 Stroke or Direct Injected 2 Stroke Outboards. These engines are generally heavier than conventional 2 Stroke engines. I believe that additional time and a phase-out period is required. The USA had a phase out period of 10 years plus additional years based on credits allocated due to extra low emission model introductions to the plan timing. Europe also had a longer phase in period for low emission outboards than being potentially proposed here. Also, there are markets where a very lightweight easy to service engines are required by the users. A couple being, Indigenous people groups, Surf life Saving, Australian Army SAS, Grey Nomads travelling this Country in huge numbers.

- Further to the above issue of 2 stroke phase out, I believe that 2 stroke engines up to 25hp should have extended phase out to allow further development by manufacturers of lightweight low emission models. Also these engines are used for small hours on small boats as tenders, auxiliaries for yachts & offshore larger boats. Therefore their average emission outputs per annum are very low.
- It should also be noted that the local VELS system since introduction in 2007 to end of 2008, only 2 years (including all 6 outboard Cos.) saw a substantial reduction in high emission outboards V's low emission models. These facts are available from OEDA and should be considered as a excellent Industry initiative.
- The cost/benefit analysis shows almost the same results for full implementation in 2012 vs. a phased-in approach.
- This proposal may remove several very clean engines from the market because they are slightly above the standard. These engines are averaged in for the EPA rule. These engines are 90% cleaner than the 2 stroke engines they may replace. Losing these engines from the market will reduce consumer choice and discourage some people from replacing a high emitting engine with a low emitting engine.
- Requiring Sterndrive and Inboard Engines to go to Catalysts in 2012 only gives boat builders 6 months to implement these new changes, this is not a sensible timing. It should be extended to at least 2013 or beyond. This engine requirement will also add about \$2000.00 per unit to their recommended Retail price, thus slowing petrol Sterndrive & Inboard powered boat sales.

Our industry has been hit very hard by the recent economic recession as our products are mostly discretionary purchases. All of these requirements are adding cost to our products, in many cases thousands of dollars. I urge you to consider the above issues, and business consequences, if you go forward with regulation.

I believe that dealers and boat builders would be forced to reevaluate their business & the number of employees under your proposed implementation date of 2012. This would have a profound affect on these families especially in today's market place and economic outlook.

Sincerely,

Ken Evans Consulting
(Putting the pieces together)
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