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8th July, 2010

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

To Whom It May Concern:

We are a retail boat dealer located in Forster NSW and have been in business for 26 years. We are the authorized agents for Evinrude & Yamaha Outboards, Mercruiser Sterndrive, Quintrex & Tournament boat brands and employ 13 people in our business.

We have reviewed the RIS dated May 2010 and are supportive of DEWHA's efforts to reduce emissions and improve air quality. There are some issues we would like to raise regarding the implementation of such a regulation and they are outlined here.

- 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 we understand it is still a challenge. We 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 – We have 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. We need additional time and a phase-out period. Also, there are markets where a very lightweight engine is required by the users.

- 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, larger, heavier, and more costly engines.

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. We urge you to consider the above issues, and business consequences, if you go forward with a regulation.

I believe that I would be forced to evaluate the number of my employees under your proposed implementation date of 2012 with a view to reducing the number of staff I have by anywhere up to 5-6. This would have a profound affect on these families especially in today's market place and economic outlook.

Sincerely,

Mark Wilson
Manager