

## Memo

To:

Marilyn Miller

From:

Mitchell Jay

Date:

2/4/2020

Re:

15/150000 PZEV warranties

I wanted to summarize some of the topics we have reviewed over the last few months as we have worked our way through the process of carrying out the administration of PZEV warranties at our dealership and some changes we have made based on the experiences encountered.

Some of what we have discovered has caused us to reconsider our processes with regards to vehicles covered by the 15/150000 mile PZEV Warranty<sup>i</sup>

A. It is important to check the emission sticker under the vehicles hood. We have found cases where we couldn't easily determine if the vehicle was a PZEV model from the manufacturer's data base supplied to our fixed operations department (Parts and Service Departments). This label in almost every case I have encountered will list the emission standard and if it is listed, the designation of PZEV will make it easy to determine if the vehicle is covered by the 15 year/150,000 mile emission warranty. If the label doesn't indicate the type of emissions warranty, we notate the "Test Group" and check the list that the State of Vermont maintains at <a href="https://www.vt-avip.com/VTPublicWeb/getkbDoc?artifactName=15Y-150K-Vehicle+Warranty+List.pdf">https://www.vt-avip.com/VTPublicWeb/getkbDoc?artifactName=15Y-150K-Vehicle+Warranty+List.pdf</a>

Based on either the information on the emission label or the Test Group form the list, we are able to tell if the vehicle' emission is covered by the longer term PZEV warranty.

B. We have discovered, that every manufacturer that we have had a chance to work with, on vehicles covered by the PZEV warranty with a malfunction indicator light(MIL) illuminated has a list, usually in the vehicle's owner's manual<sup>ii</sup> of what components they consider covered by the PZEV warranty. We have discovered that that list is not all inclusive, but seems to be a list that the manufacturer is willing to cover for a dealer without any type of individual authorization from the manufacturer, in order to get a no charge warranty repair performed.

What we have also realized, that if the failed part is not on the list the manufacturer is willing to cover, it can take a lot of work to get the part covered and in a couple cases the dealership has been fortunate to have Deirdra Ritzer who works at the Vermont Department of Environmental Conservation, Air Quality and Climate Division assist me in getting the factory to live up to the

warranty terms. If I was allowed to only ask for one change, it would be to have a mechanism to get the factory to address items not on their list in a more timely fashion. I have had it take from a week or longer. In one case, even with assistance from the State of Vermont, it took almost 4 months to get a part covered.

C. We have had to raise awareness with our fixed operation teams that a MIL will be covered on a PZEV car for 15 years / 150,000 miles as long as it is registered in a PZEV state, unless the light has illuminated due to a specific maintenance part that was the customer's responsibility. We also have to insure that the vehicle was not compromised in some fashion.

Some examples would be as follows:

- Customer filled up and introduced contamination into the fuel system (large amounts of water in their gas, gas introduced into a diesel fuel system).
- Maintenance parts as noted above. Air filter wasn't changed according to manufacturer's maintenance schedule leading to air restrictions.
- iii. Vehicle has suffered damage to components as the result of an accident.
- v. Alterations to vehicle components that effects emission systems. As an example, we run into a couple cases a year where aftermarket car starters have been spliced into a vehicles wiring harness and either create signals on the electrical bus that the power train control modules were not designed to see or changes the resistance in the factory wring because of a defective splice. These have caused check engine lights to illuminate. The solution has been to either disconnect the accessory or check that connections were made properly and in the right spot.

Our policy, like any diagnostic work requested of our shop is to let the customer know that they will be responsible for the minimum diagnostic fee, unless the vehicle is covered by the manufacturer's warranty. PZEV warranty issues are not unique in the fact that a few customers expect we should engage in which came first scenarios, the chicken or the egg? By this, they request us to only work on their vehicle if it is warranty and don't want to pay for a diagnostic charge. I understand the concern, but to determine if there is warranty coverage you need to first determine why the problem, in this case the illumination of a MIL has occurred. The diagnostic trouble code in some cases requires testing to determine exactly which part has caused the illumination of the MIL. Once that is determined, the dealership needs to confirm that the part is not a maintenance part that is the customer's responsibility or not covered as a result of some of the examples I have given above. If the part is covered, the vehicle is under warranty and <u>no charge</u> should be made for diagnostic work.

I have attached copies of the following items to assist in any questions you may need to answer with examples..

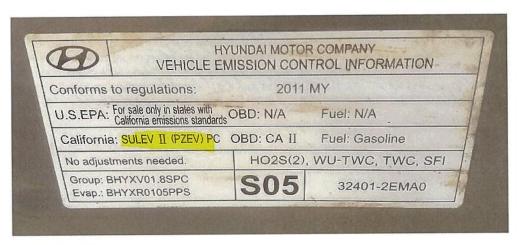
- Examples of actual emission labels from vehicles on our lot.
- A couple pages from the manual maintained online by The State of Vermont listing vehicles/test groups that have PZEV warranties
- A relevant excert from CARB's rules that was shared with me by Deirdra Ritzer from VTDEC that simplifies the complexities of what is covered by the PZEV warranty.

Let me know if I can provide any more insights or have any questions.

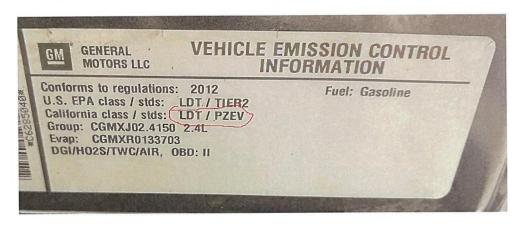
<sup>&</sup>lt;sup>1</sup> California's Air Resources Board (CARB) introduced the term in the late 1980's as part of an effort to reduce vehicle emissions. Partial Zero Emissions Vehicle (PZEV) is defined by CARB as an "automobile that has zero evaporative emissions from its fuel system, has a 15-year (or at least 150,000-mile) warranty on its emission-control components, and meets Super Ultra Low Emissions Vehicle (SULEV) tailpipe-emission standards."

In the case of Hyundai Motor America (HMA), the Warranty Policy and Procedure Manual tells the dealership to consult the vehicle owner's manual for a list of covered components, for which we need to see if the customer has it as we have not found a HMA site that the owner's manual can be accessed on-line. They do allow us the option of looking up the part number for a suspected failed part and enter it into their system to see if is shows as covered, but this method takes time to enter the VIN, look up the part and then go back to the warranty screen and enter the part in to see if it is covered.

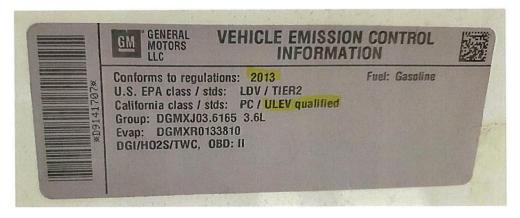
### **Emission labels (examples from actual vehicles)**



2011 Hyundai Elantra showing PZEV warranty 15/150000



2012 Chevrolet Equinox showing PZEV warranty 15/150000



2013 Chevrolet Camaro showing ULEV warranty no 15/150000 coverage



2017 Ford Mustang showing ULEV warranty no 15/150000 warranty



2020 Hyundai Elantrashowing SULEV warranty 15/150000 warranty (SULEV vehicles after a certian year certified by CARB have the same coverage as a PZEV vehicle)

#2

#### VERMONT CENTER FOR EMISSION REPAIR AND TECHNICIAN TRAINING

# 15 YEAR OR 150,000 MILE EMISSIONS WARRANTY

#### **Document Versions:**

Original publication November 17, 2009

First Update December 23, 2010

Second Update October 23, 2011

Third Update January 06, 2012

Fourth Update February 13, 2013

Fifth Update August 30, 2013

Sixth Update December 20, 2013

Seventh Update July 21, 2014

Eighth Update January 28, 2015

Ninth Update November 13, 2015

Tenth Update June 07, 2016

Eleventh Update, December 15, 2016

Twelfth Update, March 28, 2017

Thirteenth Update, September 15, 2017

Fourteenth Update, March 05, 2018

Fifteenth Update, June 18, 2018

How to Determine Which Vermont Vehicles Have a 15 Year or 150,000 Mile Emissions Warranty

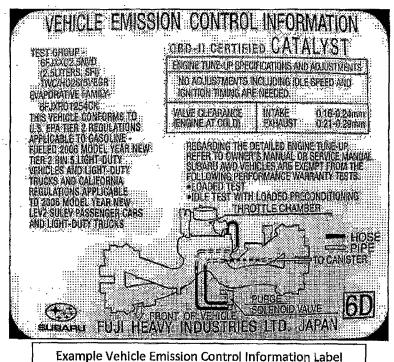
#### Introduction

This document provides guidance on how to identify vehicles registered in Vermont that have an extended emissions warranty of 15 years or 150,000 miles (whichever comes first). Starting with the 2003 model year, vehicles registered in Vermont that are designated as PZEVs (Partial Zero Emission Vehicles), AT-PZEVs (Advanced Technology Partial Zero Emission Vehicles), or TZEVs (Transitional Zero Emission Vehicles) have this extended emissions warranty. In addition, these vehicles meet the cleanest tailpipe emissions standards and have zero evaporative emissions.

#### How to Identify These Vehicles

First, based on model year, make and model, determine if the vehicle is included in the list on the following pages. If the vehicle is included on this list, then note the TEST GROUP code listed in the far right column. Next, check the vehicle's Vehicle Emission Control Information (VECI)

label to determine if the vehicle conforms to California Regulations. The VECI label is located in the engine compartment, typically on the underside of the vehicle's hood. An example of an actual VECI label is shown. In this example, the statement confirming that the vehicle conforms California to Regulations is located in the left portion of the label. Next, identify the vehicle's engine TEST GROUP code also found on the VECI label. In this example, the engine TEST GROUP code (6FJXX02.5NVD) is located in the upper left



portion of the label. Note that some VECI labels may use the term 'GROUP' or 'ENGINE FAMILY' in lieu of the term 'TEST GROUP'. However, do not confuse the EVAPORATIVE FAMILY code (sometimes identified as 'EVAP FAMILY' or 'EVAP') with the engine TEST GROUP code.

Finally, if the engine TEST GROUP code on the vehicle's VECI label matches the TEST GROUP code on the list, the vehicle has an emissions warranty of 15 years or 150,000 miles (whichever comes first).

#### Notes on Make/Model Listing

- For model years 2004 through 2008, Chrysler, Dodge, Jeep and Mercedes-Benz brand vehicles are listed under the make Daimler Chrysler. For model year 2009 through 2015, Chrysler, Dodge and Jeep vehicles are listed under the make Chrysler LLC, while Mercedes-Benz vehicles are listed under the make Daimler. Starting with model year 2016, Chrysler, Dodge and Jeep vehicles are listed under the make Chrysler.
- Ford, Lincoln and Mercury brand vehicles are listed under the make Ford.
- Buick, Cadillac, Chevrolet, Pontiac, and Saturn brand vehicles are listed under the make General Motors.

#### Caution

Not all vehicles of a given model have the 15 year or 150,000 mile emissions warranty. Only those vehicles conforming to California Regulations with an engine TEST GROUP code matching the TEST GROUP code on this list have this extended warranty. The engine TEST GROUP code located on the vehicle's VECI label is the final determinant in identifying those vehicles that have the 15 year or 150,000 mile emissions warranty.

#### For More Information

For specific information about the vehicle's emissions warranty, including systems and parts covered, refer to the vehicle's emissions warranty booklet. For general information about vehicle emissions warranties, refer to the VCERTT Emissions Warranty Fact Sheet.

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#### Vermont Vehicles with a 15 year/150,000 mile emissions warranty

	Make	Modél:	Fest Group
VIODEL YEAR	Make	WHO DE STATE OF THE PARTY OF TH	e de la companya del companya de la companya del companya de la co
2002	BMW	325i, 325i SPORT WAGON, 325Ci	3BMXV02.5M56
2003	FORD	FOCUS, FOCUS WAGON	3FMXV02.3VLC
2003	HONDA	ACCORD (LX, EX/EX-L)	3HNXV02.4KCP
2003	HONDA	CIVIC GX	3HNXV01.73W3
2003	HONDA	CIVIC HYBRID	3HNXV01,36CV
	NISSAN	SENTRA (XE, GXE)	3NSXV01.863A
2003	TOYOTA	CAMRY	3TYXV02.4JXB
2003	VOLKSWAGEN	JETTA	3VWXV02.0227
	VOLVO	V70 FWD, S60 FWD	3VVXV2.43S2N
2003	VOLVO	V/U PVVD, 350 PVVD	STATELOGIA
2004	BMW	325Ci, 325i SPORT WAGON, 325i	4BMXV02.5M56
2004	DAIMLER CHRYSLER	CHRYSLER SEBRING 4-DR.	4CRXV0148VX0
2004	DAIMLEN CHANGE	DODGE STRATUS 4-DR.	
2004	FORD	FOCUS, FOCUS WAGON	4FMXV02.3VLC
2004	HONDA	ACCORD SEDAN (LX, EX)	4HNXV02.4KCV
2004	HONDA	CIVIC HYBRID	4HNXV01.37CP
2004	HYUNDAI	ELANTRA	4HYXV02.0XPC
2004	KIA	SPECTRA	4KMXA02,0J01
2004	MAZDA	MAZDA 3	4TKXV02.0FJ1
2004	MITSUBISHI	GALANT	4DSXV02.4G6G
2004	NISSAN	SENTRA (1.8, 1.85)	4NSXV01.883A
2004	NISSAN	ALTIMA 2.5	4NSXV02.585A
2004	SALEEN	S121	4S3XV02.3GAA
2004	SUBARU	LEGACY 4D (L, L SE, GT, OUTBACK LTD.), LEGACY WAGON (L, L SE, GT, OUTBACK)	4FJXV02.5NKR
2004	TOYOTA	PRIUS	4TYXV01.5MC1
2004	TOYOTA	CAMRY	4TYXV02.4MXA
2004	VOLKSWAGEN	JETTA	4VWXV02.0227
2004	VOLVO	V70 FWD, \$60 FWD	4VVXV2.43S2N
		The second of	
2005	BMW	325i, 325i SPORT WAGON, 325Ci	58MXV02.5M56
2005	DAIMLER CHRYSLER	CHRYSLER SEBRING 4-DR.	5CRXV0148MX0
		DODGE STRATUS 4-DR.	

Vermont Center for Emission Repair and Technician Training (VCERTT)

June 18, 2018

#### Vermont Vehicles with a 15 year/150,000 mile emissions warranty

MODEL YEAR	Make	Model	TestGroup
2005	FORD	ESCAPE HEV 2WD/4WD	5FMXT02.31EE
2005	FORD	FOCUS, FOCUS WAGON	5FMXV02.01GB
2005	HONDA	ACCORD SEDAN (LX, EX), ACCORD COUPE (LX, EX)	5HNXV02.4ECV
2005	HONDA	CIVIC GX	5HNXV01.7BF3
2005	HONDA	CIVIC HYBRID.	5HNXV01.3YCV
2005	HYUNDAI .	ELANTRA	5HYXV02.0XPC
2005	KIA	SPECTRA	5KMXV02.0LPC
2005	MAZDA	MAZDA 3	5TKXV02.0NG1
2005	MAZDA	MAZDA 6	5TKXV02.3NG1
2005	MITSUBISHI	GALANT	5DSXV02.4G8G
2005	NISSAN	SENTRA 1.8, SENTRA 1.8S	5NSXV01.883A
2005	NISSAN	ALTIMA 2.5, ALTIMA 2.5S	5NSXV02.585A
2005	SALEEN	S121	5S3XV02.0GAA
2005	SUBARU	LEGACY 4D (2.5i, 2.5i-LTD), LEGACY WAGON (2.5i, 2.5i-LTD), OUTBACK WAGON (2.5i, 2.5i-LTD)	5FJXX02.5NKR
2005	TOYOTA	PRIUS	5TYXV01.5MC1
2005	TOYOTA	CAMRY	5TYXV02.4MXA
2005	VOLKSWAGEN	JETTA (2.0L)	5VWXV02.0227
2005	VOLKSWAGEN	JETTA (2.5L)	5VWXV02.5257
2005	VOLVO	V70 FWD, S60 FWD, V50 2.4i, S40 2.4i	5VVXV02.4S2N
		THE RESIDENCE OF THE PROPERTY	
2006	BMW	325Ci	6BMXV02,5M56
2006	DAIMLER CHRYSLER	MERCEDES BENZ E350	6MBXV03.5S2A
2006	FORD	FORD ESCAPE HYBRID 2WD, 4WD	6FMXT02.32EE
		MERCURY MARINER HYBRID 4WD	
2006	FORD	FORD ESCAPE HYBRID 2WD, 4WD	6FMXT02.32ZE
-	-	MERCURY MARINER HYBRID 4WD	
2006	FORD	FOCUS, FOCUS WAGON	6FMXV02.0VZP
2006	FORD	FORD FUSION	6FMXV02.31ZA
	1	MERCURY MILAN	
2006	HONDA	ACCORD (LX, SE, EX/EX-L)	6HNXV02.4CMC
2006	HONDA	CIVIC HYBRID	6HNXV01.3XCP
2006	HONDA	ACCORD HYBRID	6HNXV03.0WMC
2006	HONDA	CIVIC GX	6HNXV01.8BW3
2006	HYUNDAI	ELANTRA	6HYXV02.0XPC

Vermont Center for Emission Repair and Technician Training

June 18, 2018

(VCERTT)

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Part of e-mail to Midstate concerning CARB rules:

Attached is a copy of the California emissions warranty regulations that Vermont adopted by incorporation into the Vermont Air Pollution Control Regulations. I've highlighted two sections that make it clear that anything that caused the MIL to illuminate during the applicable warranty period is covered. (Note that although the first highlighted section makes reference to three years or 50,000 miles, I've attached the relevant section of the Zero Emission Vehicle (ZEV) regulation that effectively extends the warranty period to 15 years or 150,000 miles for qualifying vehicles, so one really needs to read both of these together). The first highlighted section (pg. 4) is just a broad requirement basically saying anything causing the MIL to illuminate is covered, and the second (pg. 6) says the manufacturer is liable for any malfunction that caused a malfunction in a different covered part – this applies directly to this case.

I have only enclosed part of the CARB rules that are relevant to the question of warranty coverage, let me know if you need the entire document. § 2037. Defects Warranty Requirements for 1990 and Subsequent Model Passenger Cars, Light-Duty Trucks, Medium-Duty Vehicles, and Motor Vehicle Engines Used in Such Vehicles.

(a) Applicability.

This section shall apply to 1990 and subsequent model passenger cars, light-duty trucks, medium-duty vehicles, and motor vehicle engines used in such vehicles. The warranty period shall begin on the date the vehicle is delivered to an ultimate purchaser, or if the vehicle is first placed in service as a "demonstrator" or "company" car prior to delivery, on the date it is first placed in service.

(b) General Emissions Warranty Coverage.

The manufacturer of each motor vehicle or motor vehicle engine shall warrant to the ultimate purchaser and each subsequent purchaser that the vehicle or engine is:

- (1) Designed, built, and equipped so as to conform with all applicable regulations adopted by the Air Resources Board pursuant to its authority in chapters 1 and 2, part 5, division 26 of the Health and Safety Code; and
- (2) Free from defects in materials and workmanship which cause the failure of a warranted part to be identical in all material respects to the part as described in the vehicle or engine manufacturer's application for certification, including any defect in materials or workmanship which would cause the vehicle's on board diagnostic malfunction indicator light to illuminate, for a period of three years or 50,000 miles, whichever first occurs; and
- (3) Free from defects in materials and workmanship which cause the failure of a warranted part described in section (c) below for seven years or 70,000 miles, whichever first occurs.

(c) "High-Priced" Warranted Parts.

- (1) Each manufacturer shall identify in its application for certification the "high-priced" warranted parts which are:
  - (A) For 1990 through 2007 model year vehicles: [i] included on the Board's "Emissions Warranty Parts List" as last amended February 22, 1985, incorporated herein by reference, and; [ii] have an individual replacement cost at the time of certification exceeding the cost limit defined in section (c)(3);
  - (B) For 2008 and subsequent model year vehicles: [i] subject to coverage as a warranted part in section (b)(2) above, and; [ii] have an individual replacement cost at the time of certification exceeding the cost limit defined in section (c)(3).
- (2) The replacement cost shall be the retail cost to a vehicle owner and include the cost of the part, labor, and standard diagnosis. The costs shall be those of the highest-cost metropolitan area of California.
- (3) The cost limit shall be calculated using the following equation:

Cost  $limit_n = $300 \times (CPI_{n-2} / 118.3)$ Cost  $limit_n$  is the cost limit for the applicable model year of the vehicle rounded to the nearest ten dollars.

#### 1962.1(c)(2)(D)

(D) Extended Warranty. Extend the performance and defects warranty period set forth in subdivision 2037(b)(2) and 2038(b)(2) to 15 years or 150,000 miles, whichever occurs first except that the time period is to be 10 years for a zero-emission energy storage device used for traction power (such as a battery, ultracapacitor, or other electric storage device).