



U.S. Department
of Transportation
**National Highway
Traffic Safety
Administration**

400 Seventh Street, S.W.
Washington, D.C. 20590

BY FAX AND CERTIFIED MAIL
RETURN RECEIPT REQUESTED

OCT 24 2003

Mr. Joe Labonte
Compliance and Safety Officer
Orion Bus Industries Ltd.
350 Hazelhurst Road
Mississauga, Ontario
L5T 4T8

NSA-14sjm
PE03-048

Dear Mr. Labonte:

This confirms your telephone conversation with Mr. Sonny Murianka of my staff, where you were advised that the Office of Defects Investigation (ODI) of the National Highway Traffic Safety Administration (NHTSA) has opened a Preliminary Evaluation, (PE03-048) concerning allegations that certain exhaust system components are failing due to extreme exhaust temperatures on Model Year 2002-2004 CNG powered Orion VII buses.

Several transit fleets allegedly have had muffler attachment components overheat, and melt. This may allow the exhaust system to dislodge and either make contact with various hoses and lines within the engine compartment or (in the event of a component separation) direct engine exhaust towards certain hoses, lines and surrounding engine compartment components. This type of failure could have detrimental consequences, depending on what vehicle system is damaged when exposed to hot engine exhaust gases, or hot exhaust components. ODI has previously provided Orion the information concerning one of the reported failures.

Unless otherwise stated in the text, the following definitions apply to this information request:

- **Subject Vehicles:** 2002-2004 CNG powered Orion 7 buses and any other buses using the same exhaust component/assemblies design which the "complaint" bus utilized.
- **Alleged defect:** any failure, malfunction, or otherwise unsatisfactory performance of the engine's exhaust system, including all exhaust piping, mounts, mounting hardware and muffler, that is likely to cause or contribute to, loosening, breaking, or separation, resulting in the mis-direction of the engine exhaust onto unprotected components such as coolant lines, hydraulic hoses, brake hoses, air hoses, etc.



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- **Orion:** Orion Bus Industries Ltd., all of its past and present officers and employees, whether assigned to its principal offices or to any of its field or other locations, including all of its divisions, subsidiaries (whether or not incorporated) and affiliated enterprises including, but not limited to, Orion Bus Industries Ltd., and all of their headquarters, regional, zone, and other offices and their employees, and all agents, contractors, consultants, attorneys and law firms and other persons engaged by or under the control of Orion Bus Industries Ltd. (including all business units and persons previously referred to) who are or were involved in any way with any of the following related to the alleged defect in trailer's frame assembly:

- (a) design, analysis, modification, or production;
- (b) testing, assessment, or evaluation;
- (c) consideration or recognition of potential or actual defects, reporting, record-keeping and information management (e.g., complaints, field reports, warranty information, part sales) analysis, claims, or lawsuits;
- (d) communications with motor vehicle manufacturers; or
- (e) communication to or from zone representatives, fleets, dealers, or other field locations, including but not limited to people who have the capacity to obtain information from dealers.

In order for my staff to evaluate the alleged defect, certain information is required. Pursuant to 49 U.S.C. § 30166, please provide numbered responses to the following information requests. Please repeat each request verbatim before the response. After the response to each request, identify the source of the information and indicate the last date the source updated the information prior to the preparation of the response. When documents are produced, the documents shall be produced in an identified, organized manner that corresponds with the Information Request letter (including the subparts). When documents are produced and the documents would not, standing alone, be self-explanatory, the production of documents shall be supplemented and accompanied by explanation.

If Orion cannot respond to any specific request or subpart thereof, please state the reason why it is unable to do so. If Orion claims that any document or other information or material responsive to any of the following items need not be divulged to NHTSA because it is privileged or the work product of an attorney, separately, by information request number, for each document or other information or material, state the nature of that information or material and identify any document in which it is found by date, subject or title, name and position of the person from, and the person to, whom it was sent, and the name and position of any other recipient. Orion must also describe any such privilege that it claims, and explain why Orion believes it applies.

NHTSA requests that Orion also provide a copy of its' response in a Word format on a 3-1/2" diskette(s).

1. By model, model year, and engine type (gas, diesel or CNG) state the total number of subject buses sold in the United States.
2. By make, model and model year, identify any other buses and their populations (other than the subject buses) sold by Orion in the United States that were equipped with the identical exhaust system as the subject vehicles. Include the applicable models for each bus identified.
3. State the number and provide a copy of each document related to the following, from all sources, of which Orion is aware and which relate, or could relate to the alleged defect in the subject vehicles:
 - a. owner/fleet complaints;
 - b. field reports;
 - c. fire/incident claims;
 - d. subrogation claims;
 - e. lawsuits; and
 - f. third-party arbitration proceedings (where Orion is a party to the arbitration).

Please list and collate your response for each category ("a" through "f") by date of claim. Please provide for each item in this question the incident date, mileage of vehicle at time of incident (if known), approximate age of vehicle or model year, disposition of matter, owners name, address, phone number and, where a fleet vehicle is involved, the name of the fleet, and the name and telephone number of a contact person at that fleet. For items "a" through "d" please provide all related information and reports whether or not Orion has verified each one. For items "e" and "f," summaries are acceptable. Please identify in the summary the caption, court, docket number, and filing date of each lawsuit if a copy of the complaint initiating the lawsuit is not provided. Multiple attempts to repair the complaint should be counted and listed separately.

4. State the total number of warranty claims, including extended warranty claims, and requests for "good will," field, or zone adjustments received or being considered by Orion that could relate to the alleged defect in the subject vehicles. Provide a copy of each claim. Please provide for each item in this question a table showing the incident date, mileage of vehicle at time of incident (if known), model year, owners complaint, disposition of matter, owners name, address, phone number and, where a fleet vehicle is involved, the name of the fleet, and the name and telephone number of a contact person in that fleet. Each problem claim code must be identified. For those VINs with multiple warranty claims occurring on different dates, Orion should count each claim separately. Each warranty/problem claim code must be identified. Also, include any claim that was denied by Orion.

5. Describe the process by which Orion receives warranty claims, owner's complaints, and reports from fleet/vehicle owners, dealers, distributors, and repair facilities. Separately estimate the period that elapses from the initial filing of the warranty claim, complaint, or report to the time that Orion takes action on the matter. Describe the measures, if any, that are taken to ensure that a record is kept of the owners/complainants who have been denied requested warranty or goodwill repair(s).
6. Identify, describe, and provide copies of all documents relating to, all testing, studies, surveys, assessments, and evaluations undertaken by or for Orion that relate to the alleged defect in the subject buses. For each activity, state the date on which it was initiated, state the reason(s) why it was initiated, state the name and address of the person responsible for conducting the activity, state the objectives of the activity, and describe the activity, identifying any parts involved and state the source of the parts, and summarizing the results, if any, that have been obtained. If the activity is still ongoing, state the target completion date. Provide copies of all documents relating to each of the listed activities, regardless of whether they are in interim, draft, or final form.
7. Identify and describe all modifications or changes made or being considered by Orion in the design, material composition, or manufacture of the exhaust system, or parts thereof, that relate, or could relate, to the alleged defect in the subject vehicles since the introduction of this model. Specifically, address what modifications were made to the New York fleet. Separately state the following information for each such modification or change:
 - a. the time period during which the modification or change was developed;
 - b. the date or approximate date on which the modification or change was approved for production;
 - c. the date or approximate date on which the modification or change was incorporated into production;
 - d. a description of the modification or change, including an explanation of all differences between the original and the replacement part;
 - e. the reason for the modification or change;
 - f. the models affected by the modification or change;
 - g. the previous and the new part number(s) for the parts incorporating the modification or change; and
 - h. whether the modified or changed components can be interchanged with earlier production components.
8. Identify all fleets purchasing the subject vehicles for each model year. For each owner identified, provide the entity, address, telephone number, and contact person (if applicable), and the number of vehicles purchased by model and model year.
9. Provide copies of any service or technical bulletins, product improvement campaign announcements, or advisories, and all other communications concerning the alleged defect that Orion has issued or is considering to issue to fleets, dealers, zone offices, or field offices. If no such communications have been issued, so state. If Orion has drafted any such communications, furnish a copy of the draft. For any such communication that has been

issued, identify, by name, address, telephone number, and contact person, each entity to which it was sent, the date on which the communication was sent, and the type of vehicle to which the communication pertained. For each such communication:

- a. Provide a complete chronology, listing all activities or events, including, but not limited to, incidents involving the exhaust system problems, which led Orion to issue the communication;
 - b. Provide a listing (in chronological order) of all testing through which the need for the communication was identified and/or assessed, even if the testing was being conducted for another purpose. Please provide a copy of all relevant information from each listed test; and
 - c. State the number of repairs and/or replacements paid for by Orion that resulted from the communication identified. List your response by repairing dealer (and include the dealer's name, address, and telephone number).
10. Provide an illustrated parts breakdown (IPB) depicting each component and its location of the exhaust system on the subject vehicles. The IPB should include part numbers and nomenclatures of each exhaust part/component, including mounting hardware. Also, provide an illustration detailing the routing of any hoses or lines of any component or vehicle system that would be in the path of the exhaust components in the event of the exhaust system component detaching from its' original intended location.
11. Provide Orion's assessment of the differences between the original installed muffler and any replacement muffler that is being planned as a replacement in the subject vehicles.
12. Furnish Orion's assessment of the alleged defect in the subject vehicle, including:
 - a. all causal or contributory factors;
 - b. the failure mode;
 - c. model, model years affected and why the defect is limited to these particular model, model year vehicles;
 - d. the risk to motor vehicle safety that it poses; and
 - e. whether there are any circumstances that would provide vehicle operators or others with warning of its existence.
13. Identify what action Orion intends to take on this matter.
14. Provide the dates in which Orion ceased collecting data in response to each item of this information request.

This letter is being sent to Orion pursuant to 49 U.S.C. § 30166, which authorizes NHTSA to conduct any investigation that may be necessary to enforce Chapter 301 of Title 49 and to require a manufacturer to make reports to enable NHTSA to decide whether the manufacturer is complying with that Chapter. Your failure to respond promptly and fully to this letter could subject Orion to civil penalties pursuant to 49 U.S.C. § 30165 or lead to an action for injunctive relief pursuant to 49 U.S.C. § 30163. (Other remedies and sanctions are available as well). Please note that maximum civil penalties under 49 U.S.C. § 30165 have increased as a result of the enactment of the Transportation Recall Enhancement, Accountability, and Documentation (TREAD) Act, Public Law No. 106-414 (signed November 1, 2000). Section 5(a) of the TREAD Act, codified at 49 U.S.C. § 30165(b), provides for civil penalties of up to \$5,000 per day, with a maximum of \$15 million for a related series of violations, for failing or refusing to perform an act required under 49 U.S.C. § 30166. This includes failing to respond to ODI information requests.

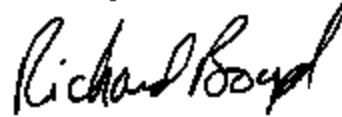
If Orion cannot respond to any specific request or subpart thereof, please state the reason why it is unable to do so. If, on the basis of attorney client, attorney work product, or other privilege, Orion does not submit one or more requested documents or items of information in response to this information request, Orion must provide a privilege log identifying each document or item withheld, and stating the date, subject or title, name and position of the person(s) from and the person(s) to whom it was sent, and the name and position of any other recipient (to include all carbon copies or blind carbon copies), the nature of that information or material, and the basis for the claim of privilege and why that privilege applies.

Your response to this letter, in duplicate, must be submitted to this office by **December 5, 2003**. Please include in your response the identification codes referenced on page one of this letter. If you find that you are unable to provide all of the information requested within the time allotted, you must request an extension from Richard Boyd at (202) 366-4933 no later than five business days before the response due date. If you are unable to provide all of the information requested by the original deadline, you must submit a partial response by the original deadline with whatever information you then have available, even if you have received an extension.

If Orion claims that any of the information or documents provided in response to this information request constitute confidential commercial material within the meaning of 5 U.S.C. § 552(b)(4), or are protected from disclosure pursuant to 18 U.S.C. § 1905, Orion must submit supporting information together with the materials that are the subject of the confidentiality request, in accordance with 49 CFR Part 512, to the Office of Chief Counsel (NCC-30), National Highway Traffic Safety Administration, Room 5219, 400 Seventh Street, S.W., Washington, D.C. 20590. Orion is required to submit two copies of the documents containing the purportedly confidential information (except only one copy of blueprints) and one copy of the documents from which information claimed to be confidential has been deleted.

Please contact Sonny Murianka of my staff at (202) 366-5196 upon receipt of this letter. Mr. Murianka will address any technical questions concerning this matter that you may have.

Sincerely,

A handwritten signature in black ink, appearing to read "Richard Boyd". The signature is fluid and cursive, with the first name "Richard" being more prominent than the last name "Boyd".

Richard Boyd, Chief
Medium and Heavy Truck Division
Office of Defects Investigation

