

PART 573 NONCOMPLIANCE REPORT

04E-038 572

Required by 49 CFR Part 573.6

On May 19, 2004, Structural Composites Industries decided that a noncompliance with Federal Motor Vehicle Safety Standard No. 304 exists in items of motor vehicle equipment listed below, and is furnishing notification to the National Highway Traffic Safety Administration in accordance with 49 CFR Part 573 Defect and Noncompliance Reports.

Date this report was prepared: May 19, 2004

Furnish the manufacturer's identification code for this recall (if applicable): N/A

1. Identify the full corporate name of the fabricating manufacturer/brand name/trademark owner of the recalled item of equipment:

Structural Composites Industries

Identify the corporate official, by name and title, whom the agency should contact with respect to this recall:

Name: John Coursen Title: Product Manager - NGV Fuel Tanks
Telephone Number: 909 444 2503 Fax No.: 909 594 3939

Name and Title of Person who prepared this report.

Name: John Coursen Title: Product Manager - NGV Fuel Tanks

Signed: *John Coursen*

Structural Composites Ind.
325 Enterprise Place
Pomona, CA 91768
jcoursene@rarsco.com

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OFFICE OF
DEFECTS INVESTIGATION

Identify by name, business address, and business telephone number every manufacturer that purchases the noncomplying component for use or installation in new motor vehicles or new items of motor vehicle equipment.

Orion Bus Industries
350 Hazelhurst Road
Mississauga, ONT L5J 4T8
Telephone 905 408 1111

Identify and describe how the recall population was determined--in particular how the recalled models were selected and the basis for the beginning and final dates of manufacture of the recalled items of equipment:

The recall population was determined by a 100% count of all ALT823D units that were shipped to Orion Bus Industries, the sole purchaser of tank assembly ALT823D.

III. Describe the Noncompliance

5. Describe the noncompliance. The description should address the nature and physical location of the noncompliance. Illustrations should be provided as appropriate.

The compressed natural gas fuel container's pressure relief devices failed to timely and fully activate during the FMVSS 304 bonfire test. As a result of these activation problems, the container ruptured during testing.

Describe the cause(s) of the noncompliance condition.

The non-compliant condition of tank assembly ALT823D is believed to be a result of the pressure relief device location and/or the pressure relief device activation characteristics.

Describe the consequence(s) of the noncompliance condition.

In the event of a vehicle fire with the fuel system roof enclosure removed or opened, the fuel container's pressure relief devices may not activate as they are designed to do and the fuel container could rupture and explode. Such an explosion, if it were to occur, could cause serious injuries or death to occupants of the bus or to persons outside the bus.

Identify any warning which can (a) precede or (b) occur.

Removal or opening of the fuel system roof enclosure can delay activation of the pressure relief devices in the event of a fire that engulfs the container.

If the noncompliance is in a component or assembly purchased from a supplier, identify the supplier by corporate name and address:

Not Applicable

Identify the name and title of the chief executive officer or knowledgeable representative of the supplier:

Not Applicable

V. Provide the Chronology in Determining the Noncompliance

6. With respect to a noncompliance, identify and provide the test results or other data (in chronological order and including dates) on which the noncompliance was determined.

On September 5, 2003, NHTSA conducted the bonfire test as prescribed under FMVSS 304 and without a representative fuel container enclosure. The fuel container's pressure relief devices failed to activate in a timely manner during the test and the tank subsequently ruptured. On September 26, 2003, Structural Composites Industries conducted its own bonfire test without a representative fuel container enclosure. The fuel container's pressure relief devices again failed to activate in a timely manner during the September 26, 2003 test, and the tank ruptured during this test. On October 10, 2003, Structural Composites Industries conducted another bonfire test, this time with an enclosure fitted around the fuel container to simulate the fuel container's installed condition on a bus. The pressure relief devices activated in a timely manner during the October 10, 2003 test, and the fuel container did not rupture. SCI voluntarily elected to take corrective action on May 19, 2004 in the interest of product stewardship and to avoid the cost and uncertainty of litigating with NHTSA the question of whether the September 5, 2003 and September 26, 2003 tests were properly performed.

V. Identify the Remedy

7. Furnish a description of the manufacturer's remedy for the noncompliance. Clearly describe the differences between the recall condition and the remedy.

SCI is investigating two (2) potential remedies for promoting faster activation of the pressure relief devices installed on tank assembly ALTS23D.

Clearly describe the distinguishing characteristics of the remedy component/assembly versus the recalled component/assembly.

The distinguishing characteristics and features of the remedy will be described once the selected remedy is finalized.

Identify and describe how and when the recall condition was corrected in production. If the production remedy was identical to the recall remedy in the field, so state. If the product was discontinued, so state.

Tank ALT823D is not in production at this time and all ALT823D tank assemblies have been shipped to the sole purchaser, Orion Bus Industries.

VI. Identify the Recall Schedule

Furnish a schedule or agenda (with specific dates) for notification to other manufacturers, dealers/retailers, and purchasers. Please, identify any foreseeable problems with implementing the recall.

Formal notification of the sole bus manufacturer to whom SCI sold the ALT823D shall be made by June 15, 2004. Notification of affected bus owners is expected to begin July 18, 2004. Foreseeable complications may include: (1) obtaining correct contact information for the affected bus owners (transit agencies); (2) obtaining the necessary retrofit materials for the selected remedy solution; (3) scheduling prompt retrofit work in view of the bus operating schedules at the respective transit agencies, and (4) the possible limited availability of technicians trained to install the retrofit equipment.

VII. Furnish Recall Communications

8. Furnish a final copy of all notices, bulletins, and other communications that relate directly to the noncompliance and which are sent to more than one manufacturer, distributor, or purchaser. This includes all communications (including both original and follow-up) concerning this recall from the time your company determines the noncompliance condition on, not just the initial notification. *A DRAFT copy of the notification documents should be submitted to this office by Fax (202-366-7882) for review prior to mailing.*