April 8, 2010                                      Mail-Out #MSC 10-15

TO:       All Interested Parties

SUBJECT: EXCLUSION OF GREATER THAN THREE LITER DISPLACEMENT LARGE SPARK IGNITION (LSI) ENGINE EQUIPMENT FROM THE LSI FLEET AVERAGE CALCULATIONS UNTIL APRIL 16, 2011

In April 2009, the Air Resources Board (ARB or Board) issued LSI Program Advisory 08-03. The Engine Displacement component of the advisory allowed operators of LSI engine-powered equipment fleets to exclude equipment with greater than three liter displacement (> 3L) engines from calculations performed to determine compliance with the LSI fleet average emission level (FAEL) standards contained in title 13, section 2775.1(a) Table 2, California Code of Regulations, until April 16, 2010. This mail-out extends the Engine Displacement provisions of LSI Program Advisory 08-03 until April 16, 2011.

LSI Program Advisory 08-03 provided relief to fleet operators with uncontrolled > 3L LSI engine equipment. The lack of clean new engine and retrofit emission control system (retrofit kit) choices meant that these operators would have had extreme difficulty meeting the 2009 FAEL standards.

The exclusions provided for by LSI Program Advisory 08-03 are scheduled to end on April 16, 2010. While equipment manufacturers began marketing > 3L LSI engine equipment certified to the 2010 hydrocarbon and oxides of nitrogen (HC+NOx) standard of 0.6 gram per brake horsepower-hour (g/bhp-hr) in January of this year, retrofit kit manufacturers do not expect to make a system with a verification level on par with what was established for three liter and smaller displacement LSI engines available to fleet operators for several more months.

ARB believes that retrofit kits are still an important compliance strategy, in part because of their cost effectiveness. Therefore, an extension in compliance, as provided for in the LSI Regulation is warranted. ARB will allow LSI fleet operators to exclude their uncontrolled > 3L LSI engine equipment from their fleet average calculations through April 15, 2011. Commencing April 16, 2011, fleet operator inventories must again include all > 3L LSI engine equipment in the operator’s fleet.

The energy challenge facing California is real. Every Californian needs to take immediate action to reduce energy consumption. For a list of simple ways you can reduce demand and cut your energy costs, see our website: http://www.arb.ca.gov.
Demand for these retrofit kits may result in a backlog of orders and a several month delay between the order date and installation. This could make it difficult for fleet operators to take delivery of the equipment prior to April 16, 2011. Thus, ARB will allow LSI fleet operators with uncontrolled > 3L LSI engine equipment to perform their FAEL standards calculations as follows:

- If replacing uncontrolled > 3L LSI engine equipment with new > 3L LSI engine equipment certified to the 0.6 g/bhp-hr HC+NOx standard, the operator may use the emission certification standard associated with the new equipment in place of the standard or default uncontrolled emission rate associated with the uncontrolled equipment being replaced.
- If retrofitting uncontrolled > 3L LSI engine equipment, the operator may use the verification absolute emission level (verification standard) associated with the newly purchased retrofit kit in place of the default uncontrolled emission rate associated with the uncontrolled equipment being retrofitted.
- In either case, the new piece of equipment or retrofit kit must be (1) leased or purchased on or before April 15, 2011 as evidenced by a purchase order or equivalent document, and (2) physically in the fleet or installed (in the case of the retrofit kit) by December 31, 2011.

Should you have any questions regarding this advisory, please contact Mark Williams, Air Pollution Specialist, at (916) 327-5610 or via email at mwilliam@arb.ca.gov, or Elise Keddie, Manager, at (916) 323-8974 or via email at ekeddie@arb.ca.gov.

Sincerely,

/s/

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