Executive Officer Hearing on the Regulation for In-Use Off-Road Diesel Fueled Fleets

March 11, 2010
Sacramento, CA

California Environmental Protection Agency
Air Resources Board
Outline

• Hearing Purpose and Procedure
• Regulation Overview and Current Requirements
• AGC Petition and Response
• Information Requested
• Next Steps

www.arb.ca.gov/msprog/ordiesel/meetings.htm
Hearing Purpose and Procedure

Purpose:
• To receive input on the need for additional changes to the off-road regulation

Procedure:
• 9:00 a.m. – 9:20 a.m.: ARB presentation
• 9:20 a.m. – 10:20 a.m.: AGC presentation
• 10:20 a.m. – 10:30 a.m.: Break
• 10:30 a.m. until conclusion: Public comments
  – Commenters must sign up to testify
Regulation Overview

• Approved July 2007
• Intended to reduce emissions from existing off-road diesel vehicles
• Substantial emission and health benefits
  – 4,000 lives saved
  – Reduced localized exposure to diesel PM
• Critical element of SIP
Operational Requirements

• Reporting deadlines:
  – April 1-August 1, 2009, depending on fleet size

• Labeling

• Idling

• Sales disclosure
Emission Performance Requirements

• Restriction on adding Tier 0s
• By March 1, 2010, large fleets must:
  – Meet NOx fleet average target, or
  – Turn over 8% of fleet horsepower,
    and
  – Meet PM fleet average target, or
  – Retrofit 20% of fleet horsepower

**NOx BACT:** Replace, repower, retire, verified NOx retrofits, designate low use

**PM BACT:** All verified retrofits, and Tier 0 retirements
Numerous Credits Provide Significant Flexibility

• Early credits available:
  – Repowers
  – Retirement
  – Double credit for PM and NOx retrofits

• Other provisions:
  – Low use
  – NOx turnover exemption for retrofitted vehicles
Additional Flexibility Through AB 8 2X

- Signed by Governor in February, 2009
- Directed ARB to amend regulation to address impacts of recession:
  - More retirement credits
  - New reduced activity credits
  - Delay a portion of 2011-2012 requirements to 2013
- Board approved in July 2009
AB 8 2X Credit

• If operating hours or fleet size down >= 20%  
  – Completely satisfies 2010 requirements
• If operating hours or fleet size down >= 32%  
  – Completely satisfies 2010 and 2011 requirements
• **Example** –
  – Fleet downsized 50% since 2007
  – Reduced horsepower credit = 50% (never expires)
  – No PM requirements (retrofit) until 2013
  – No NOx requirements (turnover) until 2016
Updated Compliance Timeline

- **April**: Large Fleet Reporting
- **June**: Medium Fleet Reporting
- **August**: Small Fleet Reporting

**March**:
- **1st Large Fleet Compliance Date**: DELAYED For Most Per AB 8 2X
- **2nd Large Fleet Compliance Date**: DELAYED For Most Per AB 8 2X
- **3rd Large Fleet Compliance Date**: FIRST Actual Date for Most Large Fleets
- **1st Medium Fleet Compl. Date**
- **1st Small Fleet Compl. Date**

**2009** | **2010** | **2011** | **2012** | **2013** | **2014** | **2015**

*Blue* = reporting deadlines
*Red* = performance deadlines
AGC Petition

- Filed on January 11, 2010
- Requested ARB:
  - Delay fleet average targets for 2 years
  - Withdraw request for authorization from U.S. EPA
- Reasons for petition:
  - CA construction industry devastated by recession
  - AB 8 2X amendments were insufficient
  - Emissions already reduced because of recession
ARB Response to AGC Petition

• Issued February 11, 2010
• Enforcement delay
  – March 1, 2010 BACT and fleet average requirements
  – Adding vehicle restrictions
• EO hearing to evaluate if further regulation changes needed
• Update to Board in April 2010
Information Requested Today

Large fleets – with reg as amended by AB 8 2X:

• Could your fleet meet the March 1, 2010 compliance deadline?
  – Why or why not?
  – Cost to comply?

• Can your fleet meet the March 1, 2011 compliance deadline?
  – Why or why not?
  – Cost to comply?

• Have the AB 8 2X amendments provided sufficient credit for 2010 – 2011?
  – Why or why not?
Information Requested Today, cont’d

All commenters:
• What additional amendments are needed?
  – Over the next 2 years?
  – Longer term?
• Were early credits utilized?
  – What was the most helpful?
  – What other early credits are necessary?
• Impact of recession?
  – On your fleet?
  – On all fleets in State?
How to Submit Comments

• Submit comments until March 18, 2010
• Comments submitted today, or to Clerk of the Board are public
  – http://www.arb.ca.gov/lispub/comm/bclist.php
• Fleets can submit confidential comments
  – Mark them “CONFIDENTIAL”
  – Send confidential comments to:
    *Off-road Diesel Vehicle Regulation Comments*
    CONFIDENTIAL
    Floor 7, MSCD, HDDIUS Branch, ORIS
    California Air Resources Board
    P.O. Box 2815
    Sacramento, California 95812
  – Or fax to: (916) 323-5526
Comprehensive Evaluation of Diesel Rules Underway

• Current Emission Estimates for Truck and Off-road Rules

• April 22 Board Hearing
  – Summary of March 11, 2010 Hearing
  – Updated inventory and 2014 SIP status
  – Discuss possible off-road regulation revisions

• May-June Workshops
  – Amendments to Off-road and Truck and Bus rules

• August/September Board Hearing
  – Revisions to Truck and Bus and Off-road rules