



## **ARB Proposes Major Changes to Off-Road Diesel Rule** **By: Mike Buckantz, Associates Environmental**

*"What a long strange trip it's been" (Grateful Dead, Truckin')*

So, the rule that started out as a one pollutant (Particulate Matter) control effort designed to limit an air toxic which morphed into a two-pollutant rule (Particulate Matter and NO<sub>x</sub>) designed to deal with two problems (air toxics and PM<sub>2.5</sub>) ends up being a one and one half pollutant rule (NO<sub>x</sub> - Particulate Matter is voluntary) designed to deal with two problems (PM<sub>2.5</sub> and Ozone). Did you get all of that? Probably not, but at least now you'll have a little more time to figure it all out.

On December 16 and 17, 2010, the California Air Resources Board (ARB) will conduct a hearing in Sacramento to consider sweeping changes to the Off-Road Diesel Rule. These proposed amendments depart from the incremental changes we've seen since the Rule was initially adopted in July, 2007 in favor of significant relief for recession-ravaged contractors. Here are a few of the headlines:

### 1. Initial Compliance Dates Delayed

- Large fleets, those with greater than 5,000 horsepower, will have their initial compliance date pushed back from March 1, 2010 to January 1, 2014. Additionally, the 2014 requirements will not apply to fleets that completed the equipment turnover and/or retrofits necessary to comply with the original 2010 requirements.
- Medium fleets, those with 2,501 to 5,000 horsepower, will now have an initial compliance date of January 1, 2017 instead of March 1, 2013.
- Small fleets, those with 2,500 horsepower or less, will now have an initial compliance date of January 1, 2019. Small fleets were previously scheduled to begin complying with the PM provisions Rule on March 1, 2015. Small fleets will now have to consider NO<sub>x</sub> instead of PM, but that's because nobody will be required to install retrofit devices to control PM (you can still install them, and get credit for it in the Rule, if you want to).

### 2. Mandatory PM Rule Requirements Completely Eliminated

The proposed Rule no longer requires contractors to install Verified Diesel Emission Control Strategies (VDECS) to control diesel PM. Contractors who have previously installed VDECS, or who wish to do so voluntarily in the future, will continue to receive credit for these actions.

NO<sub>x</sub> Fleet Average and Best Available Control Technology (BACT) requirements will remain in place until January 1, 2024 for Large and Medium fleets and January 1, 2029 for Small fleets. The end-date Fleet Average Targets are more stringent than those in the previous rule. As a result, at the end of the compliance period there will be somewhat more Tier 4 Interim and Tier 4 Final equipment required than under the previous rule.



### 3. BACT Requirements Modified

Fleets that do not meet the new NO<sub>x</sub> Fleet Average Targets need to turn over equipment or apply the highest level PM VDECS to the following percentages of total fleet horsepower:

- 2014: 4.8%
- 2015 to 2017: 8.0%
- 2018 to 2023: 10.0%

The Small fleet BACT requirement is 10.0% from 2019-2028.

### 4. Credit Provisions Altered

ARB giveth and ARB taketh away. For contractors who received AB 8 2X Reduced Activity Credits, you should be aware that they have been eliminated and cannot be used at any point. Early retirement credits will be reduced by 50 percent and cannot be used to offset BACT requirements for the 2014 compliance date (they can be used beyond 2014). However, the double-credit for installation of VDECS had been extended. Large fleets that install VDECS before January 1, 2013 receive double-credit. Medium fleets will have until December 31, 2015 and Small fleets will have until December 31, 2017.

### 5. Low-Use Threshold Increased

Long a point of contention, ARB has finally raised the threshold for a machine to qualify as "low-use" from 100 hours annually to 200 hours annually.

### 6. Additional Compliance Option for "Micro-Fleets"

Fleets with 500 horsepower or less have a new compliance option if they want to forget about Fleet Average Targets and BACT requirements. Instead of these first two compliance options, Micro-Fleets can choose to have a certain percentage of their horsepower at a Tier 2 or higher level according to the following schedule:

Optional Compliance Schedule for Fleets with 500 Horsepower or Less

Compliance Year	Percent of Fleet (By Horsepower) Which Must be Tier 2 or Higher
2019	25
2022	50
2026	75
2029	100



## 7. Requirements for Adding Vehicles Relaxed

The ban on adding Tier 0 equipment will not become effective until the U.S. EPA issues a waiver for the Off-Road Rule. Bans on adding Tier 1 and Tier 2 equipment will be implemented according to the following schedule:

Ban On Adding Tier 1 and Tier 2 Engines

Engine Tier	Large & Medium Fleet Ban on Addition	Small Fleet Ban on Addition
Tier 1	January 1, 2013	January 1, 2016
Tier 2	January 1, 2018	January 1, 2023

## 8. Miscellaneous Changes

A few additional changes have been made. Notable amongst them:

- The penalty for owning a "flex-engine" has been removed.
- All captive attainment fleets will be subject to the small fleet requirements, regardless of their total horsepower.
- Labeling requirements have changed and will cost more. Equipment Identification Numbers (EINs) must now be placed on both sides of each piece of equipment. Captive area attainment fleets' EINs must be changed to white letters on a green background. For equipment that has already been registered, the second EIN for all fleets as well as the replacement EINs for captive attainment fleets must be in place by January 1, 2013.
- New Large and Medium fleets entering California for the first time must be in compliance with the closest future Large Fleet Average Target upon entry into the state. New Small Fleets entering the state after the effective date of the amendments must meet the closest future Small Fleet Average Target upon entry.

The marked up version of the Off-Road Rule covers 72 pages and is available here:

<http://www.arb.ca.gov/regact/2010/offroadlsi10/offroadappa.pdf>

There are certain to be a number of gremlins in the rule language given the last minute rush to get the proposed changes to the ARB Governing Board in December. Changes can still be made leading up to the hearing, so if you see something that doesn't seem quite right, contact any of us at Associates Environmental. You can find our contact information at [www.associatesenvironmental.com](http://www.associatesenvironmental.com)