State of California
AIR RESOURCES BOARD

Resolution 93-9

February 19, 1993

Agenda Item No.: 93-3-1

WHEREAS, sections 39600 and 39605 of the Health and Safety Code authorize the Air Resources Board (the "Board") to act as necessary to execute the powers and duties granted to and imposed upon the Board and to assist the local air pollution control and air quality management districts ("districts");

WHEREAS, in California mobile sources account for approximately 60 percent of all ozone forming emissions and 90 percent of all carbon monoxide emissions;

WHEREAS, the Board has adopted the nation's most extensive and stringent motor vehicle emissions control and fuels regulations, which have resulted in, and will continue to result in, significant emission reductions;

WHEREAS, opportunities exist to further reduce emissions from mobile sources which go beyond the Board's existing regulations;

WHEREAS, the Board, the districts and other parties have expressed considerable interest in the development of methods for generating mobile source emission reduction credits to accommodate industrial and commercial growth in California;

WHEREAS, the Board is authorized to issue guidelines under authority found in section 39003 of the Health and Safety Code, which directs the Board to coordinate efforts to attain and maintain ambient air quality standards; section 39605(a) of the Health and Safety Code, which authorizes the Board to provide assistance to the districts; and sections 39500 and 41500 of the Health and Safety Code, which require the Board to coordinate, encourage, and review the efforts of governmental agencies as they relate to air pollution;

WHEREAS, in July 1992 Board staff released a concept paper entitled "Mobile Source Emission Reduction Credits: A Concept Paper on the Generation of Emission Reduction Credits from Mobile Sources" (the "Concept Paper");

WHEREAS, the Concept Paper was presented to the Board as an informational item at the August 1992 Board hearing;

WHEREAS, at the Board's direction staff has taken into consideration written and oral comments received at public consultation meetings, and has formalized the Concept Paper to produce guidelines entitled Guidelines for the Generation and Use of Mobile Source Emission Reduction Credits (the "Guidelines");

WHEREAS, the purpose of the Guidelines is to assist districts and interested parties in developing and implementing mobile source emission reduction credit programs, and to ensure that district mobile source credit programs

are not in conflict with or compromise the Board's comprehensive motor vehicle emission controls and fuels program;

WHEREAS, the staff has used the most current and accurate information available to establish calculation procedures for three viable credit generating programs;

WHEREAS, the Board finds that cost effective emission reduction credits can be generated from mobile sources for reactive organic gases (ROG) and oxides of nitrogen (NOx) and that mobile source credits have the potential to allow regulated sources to achieve required emission reductions at lower costs without adversely affecting emission reduction efforts; and

WHEREAS, the Board finds that mobile source emission reduction credits should be 1) real and surplus to existing and anticipated state, local, and federal regulations, 2) enforceable, and 3) quantifiable, with an established lifespan;

WHEREAS, the Board also finds that any credits that are granted up front for future emission reductions should take into consideration future anticipated motor vehicle emission standards, so that credit is not granted for emission reductions that would have occurred anyway under ARB regulations, which is necessary in order to prevent future degradation in air quality;

WHEREAS, the Board has held a duly noticed public meeting to consider approval of the Guidelines, and has considered the comments presented by representatives of the Board, staff, districts, affected industries, and other interested persons and agencies.

NOW, THEREFORE, BE IT RESOLVED that the Board approves the document entitled Guidelines for the Generation and Use of Mobile Source Emission Reduction Credits.

BE IT FURTHER RESOLVED that the Board encourages districts to implement mobile source emission reduction credit programs that provide increased flexibility and opportunity for cost savings by regulated sources so long as district programs do not conflict with or compromise California's motor vehicle emission control and fuels programs.

BE IT FURTHER RESOLVED that the Executive Officer is directed to forward the Guidelines to the districts and urge them to use the Guidelines in the development and implementation of district mobile source emission reduction credit programs.

BE IT FURTHER RESOLVED that the Board approves these guidelines with the changes recommended by the staff in attachment A.

I hereby certify that the above is a true and correct copy of Resolution 93-9, as adopted by the Air Resources Board.

Pat Hutchens

Pat Hutchens, Board Secretary