

**Western States Petroleum Association’s Comments on ARB’s September 5<sup>th</sup> Workshop Regarding the Proposed Regulation Order for Alternative Diesel Fuels.**

**Chapter 5. Standards for Motor Vehicle Fuels, Article 3. Specifications for Alternative Motor Vehicle Fuels, Subarticle 2. Commercialization of New Alternative Diesel Fuels.**

**General**

1) WSPA requests that ARB consider providing a distinction between the emissions performance of animal-based biodiesel versus soy-based biodiesel. ARB’s study shows that animal-based biodiesel is a better performing biodiesel on the order of 50% in regards to emissions, and should be credited as such. ARB gives it credit in the Effective Blend level but has not indicated that it will provide credit in compliance.

**Section 2293**

The term “new” alternative diesel fuel (ADF) and “innovative” ADFs is used in this section. These terms are not in the definition section of the regulation, however. In section 2293.5, the terms “new” as well as “lower polluting” are used. Please define these terms and how the “phased approach” relates to these fuels versus other ADFs.

**Section 2293.1**

Does this regulation, when adopted, terminate the Guidance document that is currently in force?

**Section 2293.2 – Definitions – General**

Renewable Diesel, Gas –To -Liquid Fuels, and Fischer-Tropsch fuels appear to meet or potentially meet the definitions for “CARB Diesel Fuel”, “Diesel Substitute”, and “Drop-In Fuel” proposed by ARB. Can you explain how these fuels should be categorized when they appear to meet multiple definitions?

**Section 2293.2 - Definitions - Drop-in fuel**

WSPA recalls during the workshop that ARB staff indicated they would review the drop-in fuel definition, and we encourage this re-examination. A drop-in fuel is, by definition, meant to indicate the fuel can be used in existing infrastructure/vehicles. Therefore, we question the definition as provided here. If ARB wants to make it a “special” definition for the purposes of this regulation, or develop a new term, we are happy to review this.

**Section 2293.2 – Definitions – Significance Level and Stage 3**

It is unclear whether factors like renewable diesel, for example, will be used during the Phase-in process to offset aggregate or statewide impacts or whether they will be

used on a per gallon offset basis. See Appendix A comments below as well. Please clarify.

#### **Section 2293.3 Exemptions – part (b)**

The draft states ARB diesel blends are comprised solely of ARB diesel and one or more diesel additives that comprise in the aggregate no more than 1.0 percent by volume of the ARB diesel blend. We believe EPA has similar language but it states the additives cannot exceed 1.0 percent individually, so we request that ARB review these proposed California restrictions for consistency with national practice and practicality.

#### **Section 2293.4 General Requirements Applicable to All ADFs**

Part (b) discusses that an ADF must meet all of DMS’s regulatory requirements/standards. We can foresee a possible problem whereby the two agencies (ARB and DMS) adopt current ASTM versions at different times – thereby making it difficult if not impossible to comply with both versions for a period of time.

#### **Section 2293.5 – Phase-in Requirements - General**

In general, it could result that the supposed limitation to small fleet use would in fact lead to a high number of small fleets pursuing Stage 1 or 2 (1 million and 30 million diesel energy equivalent gallons respectively) since there is no overall limitation to the volume of these fuels in California based on the draft regulation.

Also, the term “small fleet” does not seem to be defined.

#### **Section 2293.5 – Phase-in Requirements – (1) Stage 1 Application – (S) California Communities Environmental Health Screening Tool**

ARB is proposing to include the CalEPA; California Communities Environmental Health Screening Tool (“CalEnviroScreen”); as the method to determine whether Stage 1 and 2 phase-in program requirements pose an unreasonable risk to communities within the top 10% zip codes in the State.

As WSPA commented during the September 5th workshop, it is inappropriate for ARB to propose the use of the CalEnviroScreen tool to determine risk; because the tool was never intended to be used to measure health risks for any specific area or location. CalEPA specifically stated in their CalEnviroScreen Guidance and Screening Tool document; entitled “California Communities Environmental Health Screening Tool, Version 1 (CalEnviroScreen 1.0); Guidance and Screening Tool; April 2013; the following:

“The CalEnviroScreen score is not an expression of health risk, and does not provide quantitative information on increases in cumulative impacts for specific sites or projects”.

Further; CalEPA also expressed the limitation of CalEnviroScreen; by stating the following:

**“Further, as a comparative screening tool, the results do not provide a basis for determining when differences between scores are significant in relation to public health or the environment. Accordingly, the tool is not intended to be used as a health or ecological risk assessment for a specific area or site”.**

CalEPA further emphasized that CalEnviroScreen tool’s results should not be used as focused risk assessment for any specific site:

**“[T]he tool’s output should not be used as a focused risk assessment of a given community or site. It cannot predict or quantify specific health risks or effects associated with cumulative exposures identified for a given community or individual.”**

Finally, CalEPA also made it clear that while CalEnviroScreen was developed for its boards, departments, and office, and the publication of the tool “...does not create any new programs, regulatory requirements or legal obligations”.

For the reasons provided above, it is inappropriate for ARB to use CalEnviroScreen for this proposed regulation, and WSPA recommends all references to CalEnviroScreen be removed in the proposed rulemaking.

#### **Section 2293.6 Significance Threshold and Effective ADF Blend Levels**

In the table entitled “Significance Thresholds” there is an entry for biodiesel of B10. Is this a placeholder significance threshold (to be firmed up prior to 1/1/2015), or is B10 the proposed significance threshold?

In addition, when the B10 threshold is reached, ARB needs to clarify in writing that mitigation will be needed for all fuels above a 5% biodiesel blend.

#### **Section 2293.6**

- 1. In part (a), the draft regulation shows how to calculate the effective ADF blend level and the term LN = low-NOx diesel volume is used. Is this, in fact, the term that needs to go here?**
- 2. The equation on page 18 of ARB’s presentation contains a term “TBV” (Total Biodiesel Volume). However, since B5 blends are exempt from this regulation it follows that the volume of biodiesel in B5 is also exempt and therefore not included in the TBV term. Please clarify.**

**On page 18, Table \_x\_ Fuel Specifications for Low-NOx Diesel Fuel.**

**Several of the limits listed in the last column require revising in terms of the direction of the character in front of the number.**

## Appendix A – Mitigation Measures

1. ARB has appropriately considered the mitigating effects of engines and non-ester renewable diesel in their assessment of the effective blend level against the significance threshold for FAME biodiesel. This assessment is done for determining when mitigation will be necessary on a statewide basis. However, once mitigation has been triggered, the only options offered require mitigation on a ‘per-gallon’ basis and staff clarified in the workshop that this was their intent.

Would ARB consider allowing an aggregate average mitigation on a regional basis or adding an option for a fuel provider to submit a company-specific mitigation plan where regional mitigation plans can be considered for approval by the executive officer. Each of these options could provide flexibility for companies to use approaches that meet, or exceed, the reduction associated with a ‘per-gallon’ mitigation.

2. Is there an opportunity to mitigate in aggregate rather than on a per gallon basis?
3. The currently drafted language under “Approved Emissions Equivalent Additives” for biodiesel in Appendix A. Mitigation Measures (a)(1)(A) states:

“(A) Di-tert-butyl peroxide (DTBP): Biodiesel blendstocks that contain at least 5.0 percent DTBP by volume are considered emissions biased until they are blended with ARB diesel to 20.0 percent or less biodiesel by volume, at which point the blend is considered emissions neutral.”

First, the format of this language (not limited to DTBP only, but a suitable additive identified in the future), is overly prescriptive in that it limits the addition of the additive to the pure biodiesel blendstock first and only. Provided an additive is equally effective in NO<sub>x</sub> mitigation at the appropriate final dosage in the final blended product (e.g. B20), addition of the additive to the final B20 blend should be allowed as well. This allows a party to only additize the specific B20 blend being offered for sale rather than potentially additizing all of a party’s B100 inventory when a substantial portion of that B100 may be going into B5 blends where the particular additive is not needed or wanted.

Second, the proposed language also specifies the limitation to “...blended with ARB diesel to 20.0 percent or less biodiesel by volume...” “20.0 percent” overly specifies the number of significant figures in the limitation and it should be changed to “20 percent” to be consistent with other language in the proposed rule.