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Air Resources Board

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Arnold Schwarzenegger
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August 23, 2004

**TO: OFF-ROAD COMPRESSION IGNITION ENGINE MANUFACTURERS,
EQUIPMENT MANUFACTURERS, ENVIRONMENTAL GROUPS, AND
OTHER INTERESTED PARTIES**

**RE: INTENT TO AMEND CALIFORNIA'S OFF-ROAD COMPRESSION
IGNITION REGULATIONS FOR 2006 AND LATER NEW ENGINES AND
EQUIPMENT**

The Air Resources Board (ARB or Board) is in the process of preparing the regulatory package to support its proposed amendments for more stringent exhaust emission standards, compliance provisions, and test procedures for new off-road compression-ignition (diesel) engines and equipment in California. In part, staff is proposing to adopt aftertreatment based standards for particulate matter (PM) and oxides of nitrogen (NOx) of 0.02 grams per kilowatt-hour and 0.4 grams per kilowatt-hour, respectively, starting in 2011. These standards will reduce exhaust emissions by more than ninety percent compared to current levels. A compliance program to assist equipment manufacturers in meeting the new standards, as well as a transient testing requirement to better represent off-road engine operation in-use, are also proposed for adoption. Staff is scheduled to present its proposal to the Board at the December 2004 hearing.

The purpose of this letter is to provide advanced notice to any party who would be affected by ARB's proposed action and who would like to provide input into the development of requirements prior to the release of official documentation. Staff's objective, to the extent feasible, is to harmonize ARB's proposal for non-preempt diesel engines with the Clean Air Nonroad Diesel Rule finalized by the United States Environmental Protection Agency (U.S. EPA) on May 11, 2004. Since ARB staff intends to recommend that the majority of provisions outlined in the federal rule, including all emission standards and implementation schedules, be adopted by the Board, staff believes a public workshop is not necessary and one is not planned at this time.

Staff is considering some minor amendments to the federal language. The focus of these changes is on the transitional flexibility provisions for equipment manufacturers. The flexibility provisions allow equipment manufacturers to gradually introduce equipment with new cleaner engines in order to provide more time for making changes

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>.

California Environmental Protection Agency

to the equipment as might be necessary to accommodate the new engines. Although staff is in agreement with the flexibility concept as described in the federal rule, additional safeguards are needed to ensure a more enforceable and identifiable deployment of flexibility provisions in California. Staff is therefore considering labeling alternatives for engines covered by the flexibility program, and a requirement that engines sold under the flexibility provisions be covered by an Executive Order. The proposed revised label content is essentially the same as required by U.S. EPA, but appends the engine family name and references California regulatory and enforcement authority instead of federal authority. Furthermore, staff is proposing that the labeling requirement become effective earlier than required by the U.S. EPA, beginning January 1, 2006. The draft language regarding this proposed amendment reads as follows:

“(A) *Engine labeling.* As of January 1, 2006, engine manufacturers shall meet the labeling requirements provided in Section 2424 for all engines produced under the equipment manufacturer flexibility provisions specified in Section 2423(d). However, the following statement must be substituted for the statement of compliance required in Section 2424(c):

“THIS ENGINE BELONGS TO FAMILY _____ AND MEETS CALIFORNIA EMISSION STANDARDS UNDER 13 CCR 2423(d). SELLING OR INSTALLING THIS ENGINE FOR ANY PURPOSE OTHER THAN FOR THE EQUIPMENT FLEXIBILITY PROVISIONS CITED MAY BE A VIOLATION OF STATE LAW SUBJECT TO CIVIL PENALTY.”

The revised statement of compliance does not preclude the referencing of similar federal requirements that would be satisfied simultaneously by meeting the provisions of Section 2423(d). Furthermore, the Executive Officer may, upon request, approve alternate labeling specifications provided that they meet the intent of this requirement.”

Additionally, staff welcomes recommendations on a realistic method to incentivize the earlier introduction of new off-road diesel engines equipped with PM and/or NOx aftertreatment in California. Based on U.S. EPA's requirements, and staff's proposal, standards that would require the use of advanced aftertreatment are not scheduled to start until the 2011 model year. Staff believes that a provision to temporarily suspend new certification requirements, such as transient testing, durability testing, and Not-To-Exceed (NTE) testing, may encourage the earlier introduction of cleaner engines

All Interested Parties

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by reducing the burden of compliance on the manufacturer. Specific comments on the appeal and workability of such a provision would be appreciated.

Staff values the opportunity to discuss the proposal with industry, environmental groups, and the public. If stakeholders believe a meeting is necessary, staff will schedule it. A draft of the proposed regulations is forthcoming for comment.

Please send all comments to the address below by August 30, 2004:

Air Resources Board
Off-Road Controls Section
9528 Telstar Avenue
El Monte, CA 91731
Attn: Jeff Lowry
jlowry@arb.ca.gov

If you have questions, or require further clarification regarding this letter, please contact Ms. Jackie Lourenco, Manager of the Off-Road Controls Section, at (626) 575-6676.

Sincerely,

//s//

Robert H. Cross, Chief
Mobile Source Control Division