

## **PROPOSED REVISIONS TO THE FLEET RULE FOR PUBLIC AGENCIES AND UTILITIES**

The Air Resources Board (ARB) proposes revisions to the Fleet Rule for Public Agencies and Utilities regulation (Fleet Rule) alongside with the proposed On-Road Heavy-Duty Diesel Vehicle regulation. ARB invites you to participate in a series of workshops to discuss the proposed revisions. A list of workshops with dates and locations is available at: <http://www.arb.ca.gov/msprog/onrdiesel/workshops.htm/>.

### **LIGHT HEAVY-DUTY VEHICLES:**

When ARB adopted the Fleet Rule, the intention was to include all heavy-duty vehicles with a gross vehicle weight rating (GVWR) greater than 14,000 pounds. However, at the time of adoption of the regulation, its applicability was inadvertently limited to “medium and heavy heavy-duty engines,” while light heavy-duty engines were excluded.

Since ARB originally intended to include light heavy-duty engines in public fleet and utility vehicles, ARB is proposing the option to allow a municipality or utility to include its light heavy-duty engines as part of the total fleet in the Fleet Rule. Any light heavy-duty vehicles included in the Fleet Rule must meet all applicable requirements of the Fleet Rule, including the application of best available control technology (BACT) and vehicle labels, and specific record keeping requirements. Otherwise the light heavy-duty engines will be subject to the proposed In-use On Road Heavy-Duty Diesel Vehicle regulation, which will have both NO<sub>x</sub> and PM requirements.

### **OUT-OF-STATE SALES:**

Under the Fleet Rule, a municipality or utility may retire a vehicle to receive credit toward their BACT requirement. One method to meet the definition of “retirement” is for a vehicle to be sold, registered and operated out-of-state. To ensure proper “retirement” of a vehicle, a municipality or utility must document these activities. To assist municipality and utility fleets comply with this requirement, a “VIN Stop” process was initiated with the Department of Motor Vehicles. A VIN Stop prevents a buyer from re-registering the vehicle in California.

Some municipalities and utilities have reported that buyers re-registered vehicles in California that were supposedly sold out-of-state, before municipalities and utilities submitted VIN Stop requests to ARB. To ensure a municipality or utility receives BACT credit for a vehicle sold out-of-state, ARB is proposing changes to the Fleet Rule that would require a municipality or utility submit a VIN Stop request to ARB and have it in place prior to selling the vehicle. A municipality or utility will not receive BACT credit if it sells a vehicle prior to getting a VIN Stop issued, and a buyer re-registers the vehicle in California.

### **0.01 GRAMS/BRAKE HORSEPOWER-HOUR EMISSION STANDARD:**

When ARB adopted the Fleet Rule, it was expected that all 2007 and newer model year engines would be certified to the 0.01 grams/brake horsepower-hour (g/bhp-hr) particulate matter (PM) emission standard. While these engines satisfy the BACT requirements, which is why the Fleet Rule only includes engines up to model year 2006, not all engine manufacturers have produced engines that meet this standard.

Title 13, California Code of Regulations, section 1956.8 allows heavy-duty diesel engines to be included in the averaging, banking and trading (ABT) programs designed to provide manufacturers flexibility in meeting the PM and oxides of nitrogen (NO<sub>x</sub>)

certification standards. Historically, the ABT provisions were used by engine manufacturers for generating and banking NOx credits. However, beginning with model year 2007, the California and federal emission standards for PM decreased from 0.1 g/bhp-hr to 0.01 g/bhp-hr. While most diesel engines are produced to this new lower standard, some manufacturers are utilizing the ABT program to certify some engines above the 0.01 g/bhp-hr PM emission standard.

To ensure 2007 and newer model year engines meet the BACT requirements, ARB is proposing a new Group 4 category for 2007 and newer engines. Under this proposal, Group 4 engines with the 0.1 g/bhp-hr PM emission standard would have to comply with the Fleet Rule, including the application of BACT, vehicle labels, and record keeping requirements. For municipalities and utilities that currently have 2007 or newer engines that meet the 0.01 g/bhp-hr PM emission standard, these vehicles already satisfy BACT and would continue to not be subject to the Fleet Rule. See Table 1 and 2 below for the proposed (in underline) revisions to the implementation schedules for municipalities and utilities.

Table 1 - Implementation Schedule for a Municipal and Utility, 1960 to Newer Model-Year Engines.

Group	Engine Model-Years	Percentage of Group to Use Best Available Control Technology	Compliance Deadline, As of Dec. 31
1	1960 – 1987	20	2007
		60	2009
		100	2011
2	1988 – 2002	20	2007
		60	2009
		100	2011
3	2003 – 2006	50	2009
		100	2010
<u>4</u>	<u>2007 and newer certified above 0.01g/bhp-hr std.</u>	<u>100</u>	<u>2012</u>

Table 2 - Implementation Schedule for a Municipality or Utility Located in a Low-Population County or Granted Low-Population County Status

Group	Engine Model-Years	Percentage of Group to Use Best Available Control Technology	Compliance Deadline, as of Dec. 31
1	1960 – 1987	20	2009
		40	2011
		60	2013
		80	2015
		100	2017
2	1988 – 2002	20	2008
		40	2010
		60	2012
		80	2014
		100	2016
3	2003 – 2006	20	2011
		40	2012
		60	2013
		80	2014
		100	2015
<u>4</u>	<u>2007 and newer certified above 0.01g/bhp-hr std.</u>	<u>20</u>	<u>2012</u>
		<u>40</u>	<u>2013</u>
		<u>60</u>	<u>2014</u>
		<u>80</u>	<u>2015</u>
		<u>100</u>	<u>2016</u>