

Quick Reference for Proposed Amendments to California's Mobile Cargo Handling Equipment at Ports and Intermodal Rail Yards Regulation

Why are changes to the regulation being proposed?

Staff is proposing amendments to California's Mobile Cargo Handling Equipment at Ports and Intermodal Rail Yards Regulation (regulation) to provide additional flexibility for complying with the regulation and clarify the regulatory language.

What are the proposed amendments?

The proposed amendments would clarify regulatory applicability and provide additional compliance flexibility. The proposed amendments address:

1. **Additional time for equipment with no VDECS available.** Staff is considering allowing an additional two year compliance extension for in-use non-yard truck equipment for which there are currently no Verified Diesel Emission Control Strategies (VDECS) available. The regulation currently requires this in-use equipment to be repowered or replaced when the current two-year extension period expires.
2. **Low-use compliance extension.** Staff is considering adding a two year compliance extension for equipment that operate 200 hours per year or less. The number of extensions per fleet would be limited.
3. **Exempt equipment at low-throughput ports in NOx-exempt areas not within 75 miles of an urban area.** Staff is considering exempting equipment at ports with throughputs of less than one million tons per year (excluding petroleum products), that operate within a NOx-exempt area, and are no closer than 75 miles to an urban area. The exempted equipment would become subject to the Off-Road Equipment Regulation.
4. **Require CHE opacity testing and set maximum allowable levels.** Staff is considering requiring annual testing and recording of exhaust gas opacity levels of all cargo handling equipment. If opacity levels are greater than maximum levels set per engine age and tier level, the engine must be pulled from service until repaired to meet maximum opacity levels. For CHE equipment retrofitted with VDECS, opacity of the exhaust gas upstream of the VDECS must be tested and recorded.
5. **Allow demonstration of emissions equivalency.** Staff is considering allowing owners/operators to use engines that they can demonstrate achieve the applicable new or in-use emissions limits.
6. **Non-yard truck equipment transfers.** Staff is considering allowing owner/operators to move their non-yard truck equipment from port-to-port or rail yard-to-rail yard to provide operational flexibility. Transfers could not be used to comply, or delay compliance, with the regulation. ARB would approve transfer requests, on a case-by-case basis, for equipment under the same ownership.

7. **Add a safety provision for VDECS.** Staff is considering adding language specific to safety considerations to the current “No VDECS Available” extension. This language would specifically address visibility and space constraints in retrofitting equipment.
8. **Manufacturer delays for new equipment.** Staff is considering allowing rental of equipment that does not meet current standards for up to six months if equipment meeting current standards are not available and the owner/operator can demonstrate need for the equipment. Rental equipment could only be one Tier lower than required engine standards (i.e. if Tier 4 engine standards are in place, only Tier 3 engines could be rented).
9. **Warranty engine replacement.** Staff is considering allowing the replacement of an engine under warranty with the same engine type in cases of premature engine failure, even when newer engine standards are in place.
10. **Treat Tier 4 Engines Certified to Alt PM Emissions Standards as Tier 3 Engines.** Staff is considering requiring Tier 4 engines certified to meet Alt PM standards to be retrofitted with highest level VDECS within one year of acquisition. The Alt PM emissions standards are essentially the same as Tier 3 PM emission standards and do not require the use of original engine manufacturer diesel particulate filters to meet them.
11. **Add flexibility to extension for experimental diesel PM emissions control strategies.** Staff is considering providing additional compliance flexibility by amending the current compliance extension for the use of experimental strategies for non-yard truck equipment. Staff is considering allowing CHE owners/operators to use this extension when it is needed to generate information for verification.
12. **Clarify regulatory language:**
 - **definition of port.** Staff is proposing to clarify that diesel-fueled equipment within the boundaries of the port or intermodal rail yard, including those at non-port or non-intermodal rail yard related businesses, are subject to the regulation.
 - **compliance options: retirement and replacement with engines not certified to the diesel cycle.** Staff is proposing to clarify that equipment retirement and the purchase of engines that are certified to cycles other than the diesel cycle (i.e. certified to the otto cycle) are two different options that an owner/operator can choose to comply with the regulation
 - **regulation does not apply to non-compression ignition engines.** Staff is proposing to clarify that engines certified to cycles other than the diesel cycle are not subject to the regulation
 - **equipment for construction or unexpected repairs.** Staff is proposing to clarify that equipment brought in for construction or unexpected repairs are not subject to the regulation.
 - **add definitions.** Staff is proposing to clarify definition of “cargo handling equipment,” “compression ignition,” and “newly purchased, leased, or rented,” and add definitions for “cargo,” “Class I Railroad,” “construction activities,”

“warranty period,” “water-borne commerce,” “NOx-exempt area,” “urban area,” and “Alt PM standards.”

How do the proposed changes affect cargo handling equipment owners and operators?

The proposed amendments will provide additional flexibility for complying with the regulation and should provide some fiscal relief for cargo handling equipment owners/operators.

What considerations did ARB staff use in developing the proposed changes?

ARB staff considered issues that arose during implementation of the regulation since it became effective in December 2006. ARB staff will also rely on the input of stakeholders as the regulatory development process moves forward.

When will the proposed changes be considered by the Air Resources Board?

It is anticipated that the amendments will be considered at a hearing in September of 2011.

More Information

For further information, please visit our website at <http://www.arb.ca.gov/ports/cargo/cargo.htm> or call Kirk Rosenkranz at (916) 327-7843 or email at krosenkr@arb.ca.gov. Or sign up for our listserv at http://www.arb.ca.gov/listserv/listserv_ind.php?listname=cargo