State of California
AIR RESOURCES BOARD

Second Notice of Public Availability of Modified Text

PUBLIC HEARING TO CONSIDER MINOR MODIFICATIONS TO THE ZERO EMISSION VEHICLE REGULATION

Public Hearing Dates: October 23, 2014 and May 21, 2015
First Notice of Public Availability Date: April 20, 2015
Second Notice of Public Availability Date: June 9, 2015
Deadline for Second Public Comment: June 24, 2015

At its October 23, 2014 public hearing, the Air Resources Board (ARB or Board) heard testimony on proposed amendments to California Code of Regulations, title 13, sections 1962.1 and 1962.2, and proposed amendments to "California Exhaust Emission Standards and Test Procedures for 2009 through 2017 Model Zero-Emission Vehicles and Hybrid Electric Vehicles, in the Passenger Car, Light-Duty Truck, and Medium-Duty Vehicle Classes," as last amended May 30, 2014, and "California Exhaust Emission Standards and Test Procedures for 2018 and Subsequent Model Zero-Emission Vehicles and Hybrid Electric Vehicles, in the Passenger Car, Light-Duty Truck, and Medium-Duty Vehicle Classes," as last amended May 30, 2014. These regulations relate to the Board's Zero Emission Vehicle (ZEV) program, which requires auto manufacturers to develop and commercialize ZEV technologies. The regulations were originally proposed in the Staff Report released for public review on September 2, 2014.

The Board did not adopt regulation language at the October hearing. Comments received prior to, and during, the public hearing were reflected in changes that were made to the regulatory text in a first Notice of Public Availability of Modified Text, released on April 20, 2015 (First Notice). Based on the comments received in response to the First Notice, and a second public hearing on May 21, 2015, staff is providing this Second Notice of Public Availability of Modified Text (Second Notice) to describe further changes that have been made to the regulatory text. Those changes are described below and are incorporated in the modified regulatory text shown in Attachments A and B to this Notice.

The Board directed the Executive Officer to determine if additional conforming modifications to the regulation were appropriate and to make any proposed modified regulatory language available for public comment, with any additional supporting documents and information, for a period of at least 15 days in accordance with Government Code section 11346.8. The Board further directed the Executive Officer to consider written comments submitted during the public review period and make any further modifications that are appropriate available for public comment for at least 15 days. The Executive Officer was directed to evaluate all comments received during the public comment periods, including comments raising significant environmental

Staff is providing this Second Notice of Public Availability of Modified Text (Second Notice) to describe further these changes to the regulatory text. The changes are described below and are incorporated in the modified regulatory text shown in Attachments A and B to this Notice.

The resolution and all regulatory documents for this rulemaking are available online at the following ARB website: http://www.arb.ca.gov/regact/2014/zev2014/zev2014.htm

Modified Text Being Made Available for Public Comment

The text of the modified regulatory language is shown in Attachments A and B. The originally proposed regulatory language is shown in ~~strikethrough~~ to indicate deletions and underline to indicate additions. Deletions and additions to the proposed language that were made public with the first notice are shown in ~~double strikethrough~~ and double underline format, respectively. Deletions and additions to the proposed language that are made public with this notice are shown in **~~bold double strikethrough~~** and **bold double underline** format, respectively.

In the Final Statement of Reasons, staff will respond to all comments received on the record during the comment periods. The Administrative Procedure Act requires that staff respond to comments received regarding all changes that are noticed.

Summary of Proposed Modifications

At the October 2014 Board hearing, ARB staff proposed to change the Section 177 State optional compliance path to provide additional flexibility for IVMs. Specifically, the proposal allows IVMs to: (1) place extra ZEVs in Section 177 States in the two model years prior to the start of their LVM requirements should they transition into LVM status, (2) have two additional years to place these extra ZEVs, and (3) pool TZEV credits to meet their total annual percentage obligations in each Section 177 State.

A limited portion of the regulatory language in Appendix A to the Staff Report for this rulemaking, and in the subsequent Errata attachment incorrectly included text from an earlier version of the ZEV regulation.

ARB is proposing to remove the inadvertently included text. ARB is also proposing to: (1) highlight language that was improperly added to section 1962.2(d)(5)(E)2.f in Appendix A to the Staff Report and in the subsequent Errata attachment, (2) correct two adoption dates associated with ZEV Regulation section 1962.2(c)(3)(A) – Zero Emission Vehicle Miles Traveled TZEV Allowance Calculation, and (3) correct several incorrect references. In addition to the modifications described below, ARB has made modifications to correct grammar and spelling.

Proposed Language Changes

1. Section 1962.2(c)(3)(A) of the current regulatory text (effective July 10, 2014)

references a last amended date of May 30, 2014. The last amended date is being changed to "[insert date of adoption]" so that this date can be updated once these modifications are adopted. (Note: There is no corresponding provision in the California Exhaust Emission Standards and Test Procedures for 2018 and Subsequent Model Zero-Emission Vehicles and Hybrid Electric Vehicles, in the Passenger Car, Light-Duty Truck and Medium-Duty Vehicle Classes.)

2. Section 1962.2(c)(3)(A)1 of the current regulatory text (effective July 10, 2014) was modified under the First Notice to update the reference from section G.7.5 to section G.7.3 of California Exhaust Emission Standards and Test Procedures for 2018 and Subsequent Model Zero-Emission Vehicles and Hybrid Electric Vehicles, in the Passenger Car, Light-Duty Truck and Medium-Duty Vehicle Classes. This reference is not correct for the currently adopted regulatory language, but will become correct when the currently proposed changes to these test procedures are adopted. Thus, the last amended date is being changed to "[insert date of adoption]" so that the reference will be correct upon adoption of the modifications. (Note: There is no corresponding provision in the California Exhaust Emission Standards and Test Procedures for 2018 and Subsequent Model Zero-Emission Vehicles and Hybrid Electric Vehicles, in the Passenger Car, Light-Duty Truck and Medium-Duty Vehicle Classes.)
3. Section 1962.2(d)(5)(E)2.b.i. of the regulatory text proposed in the attachment to the Errata (dated October 13, 2014) references section 1962.2(d)(5)(E)2.b. With this Second Notice, the reference has been corrected to reference 1962.2(d)(5)(E)2.a. (Note: There is no change to section C.4.5(e)(2)(B)i, the corresponding provision of the California Exhaust Emission Standards and Test Procedures for 2018 and Subsequent Model Zero-Emission Vehicles and Hybrid Electric Vehicles, in the Passenger Car, Light-Duty Truck and Medium-Duty Vehicle Classes, as that section correctly references section C.4.5(e)(2)(A).)
4. Sections 1962.2(d)(5)(E)2.c.i. and (d)(5)(E)2.c.ii. of the regulatory text proposed in the attachment to the Errata (dated October 13, 2014) include the phrase "same model year" three times. The phrase "same model year" was removed from these sections in a prior rulemaking, but it was inadvertently included in Appendix A of the Staff Report and the attachment to the Errata. With this Second Notice, the three instances where this phrase appeared have been deleted. The Second Notice also makes the same correction for the two instances where "same model year" occurs in sections C.4.5(e)(2)(C)i. and C.4.5(e)(2)(C)ii., the corresponding provisions of the California Exhaust Emission Standards and Test Procedures for 2018 and Subsequent Model Zero-Emission Vehicles and Hybrid Electric Vehicles, in the Passenger Car, Light-Duty Truck and Medium-Duty Vehicle Classes.
5. Section 1962.2(d)(5)(E)2.d.ii. of the regulatory text proposed in the attachment to the Errata (dated October 13, 2014) incorrectly references only 1962.2(d)(5)(E)2.a. With this Second Notice, that section has been corrected to reference 1962.2(d)(5)(E)2.a, 2b, and 2.c. (Note: There is no change to section C.4.5(e)(2)(D)2, the corresponding provision of the California Exhaust Emission Standards and Test Procedures for 2018 and Subsequent Model Zero-Emission Vehicles and Hybrid

Electric Vehicles, in the Passenger Car, Light-Duty Truck and Medium-Duty Vehicle Classes, as that section correctly references C.4.5(e)(2)(A), (B), and (C).)

6. Section 1962.2(d)(5)(E)2.f. of the regulatory text proposed in the attachment to the Errata (dated October 13, 2014) includes the phrase "large volume" in the first sentence. This language was added to Appendix A of the Staff Report and the subsequent Errata without indicating it was new using standard underline convention. The Second Notice now shows this phrase in bold double underline to indicate it is new. (Note: There is no change to section C.4.5(e)(2)(F), the corresponding provision of the California Exhaust Emission Standards and Test Procedures for 2018 and Subsequent Model Zero-Emission Vehicles and Hybrid Electric Vehicles, in the Passenger Car, Light-Duty Truck and Medium-Duty Vehicle Classes, as that section correctly reflects the addition of the "large volume" phrase.)
7. The third sentence of the second paragraph of section 1962.2(d)(5)(E)2.f. of the regulatory text proposed in the attachment to the Errata (dated October 13, 2014) incorrectly references (d)(5)(E)2.a. The Second Notice has corrected the section to correctly reference 1962.2(d)(5)(E)2.b.i. and 1962.2(d)(5)(E)2.b.ii. Section C.4.5(e)(2)(F), the corresponding provision of the California Exhaust Emission Standards and Test Procedures for 2018 and Subsequent Model Zero-Emission Vehicles and Hybrid Electric Vehicles, in the Passenger Car, Light-Duty Truck and Medium-Duty Vehicle Classes, references section C.4.5(e)(2)(A). With the Second Notice, that section has been corrected to reference sections C.4.5(e)(2)(B)i. and C.4.5(e)(2)(B)ii.
8. Section 1962.2(i)(16) of the regulatory text proposed in Attachment A to the First Notice (dated April 20, 2015) only referenced section 1962.2(c)(3)(A). The section should have also referenced section 1962.2(c)(3)(E) as shown in the attachment to the Errata (dated October 13, 2014). With the Second Notice, section 1962.2(i)(16) has been corrected so that in addition to referencing section 1962.2(c)(3)(A), it also references section 1962.2(c)(3)(E). The corresponding definition within Section B.1 of the California Exhaust Emission Standards and Test Procedures for 2018 and Subsequent Model Zero-Emission Vehicles and Hybrid Electric Vehicles, in the Passenger Car, Light-Duty Truck and Medium-Duty Vehicle Classes, references C.3.3(a). With the Second Notice, the reference has been corrected to read C.3.3(a) and (e).

These modifications do not change implementation of the regulation in any way that affects the conclusions of the environmental analysis included in the Staff Report. They are primarily corrective or clarifying in nature, consisting of the deletion of language that is not found in the adopted text, highlighting language that was added without using proper underline convention, and correcting reference, grammar, and spelling errors. As these modifications do not alter the compliance responses, no modification to environmental analysis or recirculation of the analysis is required.

ARB also does not expect an increase in costs as a result of these non-substantive corrections including the reference, grammar, and spelling changes. They do not materially alter the requirements or conditions of the proposed rulemaking action.

Agency Contacts

Inquiries concerning the substance of the proposed regulation may be directed to Mark Williams at (916) 327.5610 or Elise Keddie at (916) 323.8974).

Public Comments

Written comments will only be accepted on the modifications identified in this notice and may be submitted by postal mail or electronic mail submittal as follows:

Postal mail: Clerk of the Board, Air Resources Board
1001 I Street, Sacramento, California 95814

Electronic submittal: http://www.arb.ca.gov/lispub/comm/bclist.php

Please note that under the California Public Records Act (Gov. Code § 6250 et seq.), your written and verbal comments, attachments, and associated contact information (e.g., your address, phone, email, etc.) become part of the public record and can be released to the public upon request.

In order to be considered by the Executive Officer, comments must be directed to ARB in one of the two forms described above and received by ARB by 5:00 p.m., on the deadline date for public comment listed at the beginning of this notice. Only comments relating to the above-described modifications to the text of the regulations shall be considered by the Executive Officer.

If you need this document in an alternate format or another language, please contact the Clerk of the Board at (916) 322-5594 or by facsimile at (916) 322-3928 no later than five (5) business days from the release date of this notice. TTY/TDD/Speech to Speech users may dial 711 for the California Relay Service.

Si necesita este documento en un formato alterno u otro idioma, por favor llame a la oficina del Secretario del Consejo de Recursos Atmosféricos al (916) 322-5594 o envíe un fax al (916) 322-3928 no menos de cinco (5) días laborales a partir de la fecha del lanzamiento de este aviso. Para el Servicio Telefónico de California para Personas con Problemas Auditivos, ó de teléfonos TDD pueden marcar al 711.

CALIFORNIA AIR RESOURCES BOARD

Richard W. Corey
Executive Officer

Date: June 8, 2015

Attachments