

## **APPENDIX C: SUMMARY AND RATIONALE FOR EACH REGULATORY PROVISION**

The proposed amendments to the Large Spark-Ignition Engine Fleet Requirements Regulation would require reporting and labeling of equipment pieces using a large spark-ignition engine for the purpose of facilitating enforcement activities and informing the development of future advance technology measures for off-road equipment. The following provides a summary of and the rationale for each proposed change to the regulatory language.

### **13 CCR § 2775. APPLICABILITY**

#### **§ 2775(d)(11)**

##### Summary

This proposed amendment establishes the definition for the term, “Equipment Identification Number,” or “EIN.”

##### Rationale

This proposed amendment is necessary to ensure those subject to the regulation are able to correctly interpret its requirements.

#### **§ 2775(d)(15)**

##### Summary

This proposed amendment establishes “FAEL” as an acceptable acronym for “Fleet Average Emission Level,” which is currently defined in this particular subsection.

##### Rationale

This proposed amendment is necessary to ensure those subject to the regulation are able to correctly interpret its requirements.

#### **§ 2775(d)(20)**

##### Summary

This proposed amendment eliminates this subsection, which sets forth the definition for “label.”

##### Rationale

This proposed amendment is necessary because the definition is no longer applicable.

## **§ 2775(d)(40)**

### Summary

This proposed amendment eliminates this subsection, which sets forth the definition for “serial number.”

### Rationale

This proposed amendment is necessary because the definition is no longer applicable.

## **§ 2775(d)(47)**

### Summary

This proposed amendment modifies this subsection, which sets forth the definition for “Verification.”

### Rationale

This proposed amendment is necessary to ensure consistency with Title 13, California Code of Regulations, § 2781.

## **13 CCR § 2775.1 STANDARDS**

## **§ 2775.1(a)(5)**

### Summary

This proposed amendment establishes a requirement for operators subject to fleet average emission level (FAEL) standards to comply with the proposed recordkeeping and reporting provisions set forth in § 2775.2.

### Rationale

This proposed amendment is necessary to require affected operators to maintain records and report in accordance with the proposed requirements.

## **§ 2775.1(a)(6)**

### Summary

This proposed amendment establishes a requirement for operators subject to FAEL standards to comply with the proposed labeling provisions.

### Rationale

This proposed amendment is necessary to require affected operators to label applicable equipment in accordance with the proposed requirements.

## **§ 2775.1(d)(1)(D)**

### Summary

This proposed amendment establishes a requirement for operators of equipment exempted from FAEL standards pursuant to the “Limited Hours of Use” provisions to comply with the proposed recordkeeping and reporting provisions set forth in § 2775.2.

### Rationale

This proposed amendment is necessary to require affected operators to maintain records and report in accordance with the proposed requirements. The June 30, 2017 date was selected because the current recordkeeping requirement sunsets on June 30, 2016. The June 30, 2017 date gives those subject to the regulation approximately one year timeframe to prepare for compliance.

## **§ 2775.1(d)(1)(E)**

### Summary

This proposed amendment establishes a requirement for operators of equipment exempted from FAEL standards pursuant to the “Limited Hours of Use” provisions to comply with the proposed labeling provisions set forth in § 2775.2.

### Rationale

This proposed amendment is necessary to require affected operators to label applicable equipment in accordance with the proposed requirements. The June 30, 2017 date was selected because the current recordkeeping requirement sunsets on June 30, 2016. The June 30, 2017 date gives those subject to the regulation approximately one year timeframe to prepare for compliance.

## **§ 2775.1(e)(1)(D)**

### Summary

This proposed amendment establishes a requirement for operators of equipment exempted from FAEL standards pursuant to the “Specialty Equipment Exemption” provisions to comply with the proposed recordkeeping and reporting provisions set forth in § 2775.2.

### Rationale

This proposed amendment is necessary to require affected operators to maintain records and report in accordance with the proposed requirements. The June 30, 2017 date was selected because the current recordkeeping requirement sunsets

on June 30, 2016. The June 30, 2017 date gives those subject to the regulation a one year timeframe to prepare for compliance.

#### **§ 2775.1(e)(1)(E)**

##### Summary

This proposed amendment establishes a requirement for operators of equipment exempted from FAEL standards pursuant to the “Specialty Equipment Exemption” provisions to comply with the proposed labeling provisions set forth in § 2775.2.

##### Rationale

This proposed amendment is necessary to require affected operators to label applicable equipment in accordance with the proposed requirements. The June 30, 2017 date was selected because the current recordkeeping requirement sunsets on June 30, 2016. The June 30, 2017 date gives those subject to the regulation approximately one year timeframe to prepare for compliance.

#### **§ 2775.1(g)(1)(A)**

##### Summary

This proposed amendment establishes a requirement for operators of equipment exempted from FAEL standards pursuant to the “Use of Experimental Emission Control Strategies” provisions to comply with the proposed recordkeeping and reporting provisions set forth in § 2775.2.

##### Rationale

This proposed amendment is necessary to require affected operators to maintain records and report in accordance with the proposed requirements. The June 30, 2017 date was selected because the current recordkeeping requirement sunsets on June 30, 2016. The June 30, 2017 date gives those subject to the regulation approximately one year timeframe to prepare for compliance.

#### **§ 2775.1(g)(1)(B)**

##### Summary

This proposed amendment establishes a requirement for operators of equipment exempted from FAEL standards pursuant to the “Use of Experimental Emission Control Strategies” provisions to comply with the proposed labeling provisions set forth in § 2775.2.

Rationale

This proposed amendment is necessary to require affected operators to label applicable equipment in accordance with the proposed requirements. The June 30, 2017 date was selected because the current recordkeeping requirement sunsets on June 30, 2016. The June 30, 2017 date gives those subject to the regulation approximately one year timeframe to prepare for compliance.

**13 CCR § 2775.2. COMPLIANCE REQUIREMENTS FOR FLEET OPERATORS**

**§ 2775.2(a)**

Summary

This proposed amendment replaces this subsection, which sets forth current recordkeeping requirements, with new recordkeeping and reporting requirements.

Rationale

This proposed amendment is necessary to establish new recordkeeping and reporting requirements.

**§ 2775.2(a)(1)-(7)**

Summary

This proposed amendment establishes the applicability of the proposed recordkeeping and reporting requirements.

Rationale

This proposed amendment is necessary to specify which operators will be subject to the proposed recordkeeping and reporting requirements.

**§ 2775.2(a)(2)**

Summary

This proposed amendment establishes the process by which operators subject to FAEL standards would provide fleet information to ARB.

Rationale

This proposed amendment is necessary to specify the information required to be submitted to ARB and the applicable submission deadlines.

### **§ 2775.2(a)(2)(A)**

#### Summary

This proposed amendment establishes a requirement for operators subject to FAEL standards to submit an initial report for the fleet.

#### Rationale

This proposed amendment is necessary to specify when an initial report will be due and what information will be required. The 60 day date gives those subject to the regulation time to collect equipment information, order or make labels, and affix those labels to the equipment in a reasonable amount of time.

### **§ 2775.2(a)(2)(B)**

#### Summary

This proposed amendment establishes a requirement for operators subject to FAEL standards to submit an annual attestation that the information reported is true, accurate, and complete.

#### Rationale

This proposed amendment is necessary to help ensure operators subject to FAEL standards continue to provide accurate and complete fleet information to ARB.

### **§ 2775.2(a)(3)**

#### Summary

This proposed amendment establishes the reporting procedure for operators seeking an exemption pursuant to the “Limited Hours of Use,” “Specialty Equipment Exemption,” or “Use of Experimental Emission Control Strategies” provisions.

#### Rationale

This proposed amendment is necessary to specify the information required to be submitted to ARB and the applicable submission deadlines.

### **§ 2775.2(a)(3)(A)**

#### Summary

This proposed amendment establishes a requirement for operators seeking an exemption (pursuant to the “Limited Hours of Use,” “Specialty Equipment Exemption,” or “Use of Experimental Emission Control Strategies” provisions), to report required information to ARB before the applicable equipment is operated.

#### Rationale

This proposed amendment is necessary to ensure operators provide ARB with the information necessary to determine equipment compliance with the conditions specified in the applicable exemption provisions.

### **§ 2775.2(a)(3)(B)**

#### Summary

This proposed amendment establishes a requirement for operators to report updated hour meter readings on an annual basis for equipment exempted from FAEL standards pursuant to the “Limited Hours of Use,” “Specialty Equipment Exemption,” or “Use of Experimental Emission Control Strategies” provisions.

#### Rationale

This proposed amendment is necessary to ensure ARB is provided with the information necessary to determine equipment compliance with the conditions specified in the applicable exemption provisions.

### **§ 2775.2(a)(4) and all subordinate subsections**

#### Summary

This proposed amendment specifies the types of information that must be reported to comply with the proposed reporting requirements.

#### Rationale

This proposed amendment is necessary to specify the type of information that affected operators must report to ARB, which is needed to accurately account for the current state of the in-use fleet.

### **§ 2775.2(a)(5)(A)**

#### Summary

This proposed amendment establishes a requirement for operators to submit an attestation that all information reported is true, accurate, and complete when reporting information to ARB.

#### Rationale

This proposed amendment is necessary to help ensure operators provide true, accurate, and complete information.

### **§ 2775.2(a)(5)(B)**

#### Summary

This proposed amendment establishes a requirement for operators to notify ARB of any fleet changes within 30 days of such change.

#### Rationale

This proposed amendment is necessary to ensure that the information reported to ARB accurately reflects the most current state of the in-use fleet, while giving those subject to the regulation time to update their records to reflect current fleet inventory.

### **§ 2775.2(a)(5)(C)**

#### Summary

This proposed amendment establishes a requirement for operators to retain documentation of all information reported to ARB for at least five years.

#### Rationale

This proposed amendment is necessary to ensure operators maintain documentation that facilitates the process of verifying equipment information during enforcement audits.

### **§ 2775.2(a)(6) and all subordinate subsections**

#### Summary

This proposed amendment establishes requirements for operators that transfer equipment to other fleets to: (1) notify ARB of the transfer; (2) report the transfer

date and final hour meter reading; and (3) convey the equipment information needed by the transferee in order to report the equipment to ARB.

Rationale

This proposed amendment is necessary to help ensure that the reported information available to ARB staff accurately reflects the current state of the in-use fleet.

**§ 2775.2(a)(7)**

Summary

This proposed amendment establishes appropriate methods for submitting fleet information to ARB.

Rationale

This proposed amendment is necessary to provide clarity to operators on appropriate methods for operators to submit fleet information to ARB.

**§ 2775.2(b)**

Summary

This proposed amendment replaces the current subsection, which sets forth current recordkeeping requirements, with new equipment labeling requirements.

Rationale

This proposed amendment is necessary to require operators to label affected equipment in accordance with the proposed requirements. The existing requirements of the subsection are either being replaced by or incorporated into the new recordkeeping and reporting requirements set forth in § 2775.2, subdivision (a).

**§ 2775.2(b)(1)**

Summary

This proposed amendment establishes labeling requirements for affected operators.

Rationale

This proposed amendment is necessary to ensure operators label affected equipment, and apply such labels in accordance with specific criteria.

## **§ 2775.2(b)(1)(A)**

### Summary

This proposed amendment establishes the requirement for operators to report affected equipment in accordance with the proposed reporting requirements to receive equipment identification numbers (EIN).

### Rationale

This proposed amendment is necessary to specify that reporting requirements for affected equipment must be met before EIN numbers are assigned.

## **§ 2775.2(b)(1)(B)**

### Summary

This proposed amendment establishes a requirement for operators to affix EIN labels within 30 days of receiving the EIN.

### Rationale

This proposed amendment is necessary to minimize the number of unlabeled equipment pieces so ARB staff can identify equipment subject to the regulation. The 30 day requirement ensures the fleet is current within a reasonable amount of time, while also giving those subject to the regulation time to comply with the requirements.

## **§ 2775.2(b)(1)(C)**

### Summary

This proposed amendment establishes requirements for operators to maintain labels so that they remain permanently affixed to the affected equipment and comply with legibility and visibility criteria at all times.

### Rationale

This proposed amendment is necessary to ensure that applicable equipment pieces are labeled and labeled in a consistent manner so that the labels are visible, legible, and easily recognized by ARB staff during enforcement audits and to provide clarity to operators.

## **§ 2775.2(b)(1)(D)**

### Summary

This proposed amendment establishes a requirement for operators to ensure each piece of affected equipment is labeled with its own assigned EIN.

### Rationale

This proposed amendment is necessary to ensure operators do not mislabel affected equipment with incorrect EINs.

## **§ 2775.2(b)(1)(E)**

### Summary

This proposed amendment establishes a requirement for operators to maintain purchase and/or acquisition documentation of newly acquired pieces of equipment before they are labeled with their EIN.

### Rationale

This proposed amendment is necessary to facilitate verification of information of newly acquired equipment pieces during enforcement audits.

## **§ 2775.2(b)(2) and its subordinate subsections**

### Summary

This proposed subsection establishes specifications for EIN labels.

### Rationale

This proposed amendment is necessary to ensure labels are visible, legible, and easily recognized by ARB staff from a reasonable and safe distance during enforcement audits; to provide consistency with the In-Use Off-Road Diesel-Fueled Fleets regulation; and to provide clarity to operators.

## **§ 2775.2(c)**

### Summary

This proposed amendment eliminates this subsection, which sets forth a requirement for operators to demonstrate compliance through reconciliation of records and actual inventory.

Rationale

This proposed amendment is necessary because the current subsection is no longer applicable.

**§ 2775.2(f)**

Summary

This proposed amendment sets forth that failing to comply with the requirements of this regulation, to affix or maintain a label so that it meets all required specifications, or to submit or report information is a violation of the article.

Rationale

This proposed amendment is necessary to ensure operators comply with the requirements of the regulation, that they label affected equipment and maintain the labels so that they are visible, legible, and easily recognized by ARB staff during enforcement audits, and to help ensure operators provide true, accurate, and complete information.

Non-substantive changes, which are being proposed for consistency purposes, are not individually listed in this Appendix.