

TITLE 13. CALIFORNIA AIR RESOURCES BOARD

NOTICE OF PUBLIC HEARING TO CONSIDER AMENDMENTS TO THE CALIFORNIA ALTERNATIVE FUELS FOR MOTOR VEHICLE REGULATIONS

The Air Resources Board (the "Board" or "ARB") will conduct a public hearing at the time and place noted below to consider adoption of amendments to the compressed natural gas and liquefied petroleum gas specifications within the alternative fuels regulations. This proposal includes amendments to the definition and prohibition sections of the regulations.

DATE: February 21, 2002

TIME: 9:00 a.m.

PLACE: California Environmental Protection Agency
Coastal Valley Hearing Room, 2nd Floor
1001 "I" Street
Sacramento, CA 95814

This item will be considered at a two-day meeting of the ARB, which will commence at 9:00 a.m., February 21, 2002, and may continue at 8:30 a.m., February 22, 2002. This item may not be considered until February 22, 2002. Please consult the agenda for the meeting, which will be available at least 10 days before February 21, 2002, to determine the day on which this item will be considered.

This facility is accessible to persons with disabilities. If accommodation is needed, please contact the ARB's Clerk of the Board by February 7, 2002, at (916) 322-5594, or Telephone Device for the Deaf (TDD) (916) 324-9531 or (800) 700-8326 for TDD calls from outside the Sacramento area, to ensure accommodation.

INFORMATIVE DIGEST OF PROPOSED ACTION AND POLICY STATEMENT OVERVIEW

Sections Affected: California Code of Regulations (CCR), Title 13, Division 3, Air Resources Board, Chapter 5. Standards for Motor Vehicle Fuels, article 3. Specifications for Alternative Motor Vehicle Fuels, sections 2290, 2291, 2292.5, and 2292.6.

A. Background

The ARB alternative fuels regulations, adopted in 1992, include specifications for seven alternative fuels that are shown below:

- M-100 (100 volume percent methanol)
- M-85 (Nominally 85 volume percent methanol and 15 volume percent unleaded gasoline)
- E-100 (100 volume percent ethanol)
- E-85 (Nominally 85 volume percent ethanol and 15 volume percent unleaded gasoline)
- CNG (Compressed Natural Gas)
- LPG (Liquefied Petroleum Gas)
- Hydrogen

The regulations include specifications for certification fuels for certifying new vehicles and specifications for commercial fuels for in-use vehicles. The specifications were developed in anticipation that alternative fuels would be used by engine manufacturers to design vehicles to meet the increasingly stringent low emission vehicle (LEV) standards. The certification specifications provide engine manufacturers with fuel quality specifications to design and certify engines. The commercial specifications (which are the sole subject of the proposed amendments) define the fuel that is used by motor vehicles operated in California. The commercial specifications ensure that in-use fuels are similar to the fuels used to certify new vehicles and engines, and to ensure the fuel quality in the marketplace to protect engines and maintain the emissions benefit of alternative fuels. The following discusses the commercial CNG and LPG motor vehicle specifications.

Compressed Natural Gas

The motor vehicle specifications for CNG were developed in consultation with the natural gas industry, the automobile industry, the engine manufacturers, and other interested parties. The specifications developed were based on a consensus of the quality of natural gas that was imported and produced in California. The motor vehicle CNG specifications are contained in the California Code of Regulations (CCR), title 13, section 2292.5. The CNG specifications have not been amended since the original adoption.

Liquefied Petroleum Gas

The motor vehicle specifications for LPG were adopted in consultation with the LPG industry, automobile industry, the engine manufacturers, and other interested parties. The specifications were originally developed to be consistent with the Gas Producers Association (GPA) Standard 2140 and the American Society of Testing and Materials (ASTM) Designation D1835-89. However, the

Board later revised the specifications to be more representative of the quality of LPG that is produced and used in California. The LPG motor vehicle specifications are contained in CCR, title 13, section 2292.6.

Other CNG and LPG Motor Vehicle Fuel Specifications

There are no other legally enforceable specifications for CNG and LPG motor vehicle fuels in the United States. The Board's specifications for CNG and LPG for use in motor vehicles are the only required specifications for motor vehicle CNG and LPG, respectively. The United States Environmental Protection Agency does not have any specifications for motor vehicle CNG and LPG.

B. Proposed Amendments

The ARB staff is proposing the adoption of alternative CNG motor vehicle fuel specifications and an exemption for LPG bobtail trucks.

CNG

Staff is proposing to establish new CNG specifications based on methane number (MN) to provide more flexibility for producers and suppliers of CNG to comply with the specifications. These specifications will be an additional compliance option to the existing specifications. Specifically, staff proposes two additional specifications: a statewide specification of MN 80, and an alternative specification of MN 73 available in the Southern San Joaquin Valley (SSJV) and South Central Coast (SCC) to fleet operations that meet the following criteria:

- The fueling station cannot economically provide CNG meeting a MN of 80;
- The fleet vehicles can operate on CNG with a MN of 73 as recommended by the engine manufacturer;
- The fueling station has controls in place that will prevent misfueling.

Staff also proposes two definitions that are necessary to define the SSJV and SCC. For the purpose of these specifications, SSJV will be defined as inclusion of the following counties within the jurisdiction of the San Joaquin Valley Air Pollution Control District: Fresno, Kings, Tulare, and Kern counties. The SCC includes San Luis Obispo and Santa Barbara counties.

LPG

Staff is proposing to add a provision allowing small local delivery trucks, which deliver LPG fuel to non-motor vehicle accounts an exemption from the LPG motor vehicle specifications. Small local delivery trucks or "bobtails" are defined as a truck capable of being fueled off of the cargo tank with a maximum capacity

of 3000 gallons. These vehicles would be allowed to operate on LPG that does not meet the motor vehicle fuel specifications.

AVAILABILITY OF DOCUMENTS AND AGENCY CONTACT PERSONS

The Board staff has prepared a Staff Report: Initial Statement of Reasons (ISOR) for the Proposed Regulatory Action, which includes a summary of the environmental impacts of the proposal. The Report is entitled, "Proposed Amendments to the California Alternative Fuels for Motor Vehicle Regulations."

Copies of the Staff Report and the full text of the proposed regulatory language, in underline and strikeout format to allow for comparison with the existing regulations, may be accessed on the ARB's web site listed below, or may be obtained from the Public Information Office, Air Resources Board, 1001 I Street, Environmental Resources Center, 1st Floor, Sacramento, CA 95814, (916) 322-2990 at least 45 days prior to the scheduled hearing (February 21, 2002). Upon its completion, the Final Statement of Reasons (FSOR) will be available and copies may be requested from the agency contact persons in this notice, or may be accessed on the ARB's web site listed below.

Further inquiries concerning the substance of the proposed regulation may be directed to the designated agency contact persons, Ms. Lesley E. Crowell, Air Resources Engineer, Industrial Section, (916) 323-7227, or Mr. Gary M. Yee, Manager, Industrial Section, at (916) 327-5986.

Further, the agency representative and designated back-up contact persons to whom nonsubstantive inquiries concerning the proposed administrative action may be directed are Artavia Edwards, Manager, Board Administration & Regulatory Coordination Unit, (916) 322-6070, or Marie Kavan, Regulations Coordinator, (916) 322-6533. The Board has compiled a record for this rulemaking action, which includes all the information upon which the proposal is based. This material is available for inspection upon request to the contact persons.

If you are a person with a disability and desire to obtain this document in an alternative format, please contact the Air Resources Board ADA Coordinator at (916) 323-4916, or TDD (916) 324-9531, or (800) 700-8326 for TDD calls outside the Sacramento area.

This notice, the ISOR and all subsequent regulatory documents, including the FSOR, when completed, are available on the ARB Internet site for this rulemaking at www.arb.ca.gov/regact/cng-lpg/cng-lpg.htm

COSTS TO PUBLIC AGENCIES AND TO BUSINESSES AND PERSONS AFFECTED

The determinations of the Board's Executive Officer concerning the costs or savings necessarily incurred in reasonable compliance with the proposed regulations are presented below.

The Executive Officer has determined that the proposed regulatory action will not create costs or savings, as defined in Government Code section 11346.5(a)(6), to any state agency or in federal funding to the state, costs or mandate to any local agency or school district whether or not reimbursable by the state pursuant to Part 7 (commencing with section 17500), Division 4, Title 2 of the Government Code, or other non-discretionary savings to local agencies.

In developing this regulatory proposal, the ARB staff evaluated the potential economic impacts on representative private persons or businesses. The ARB is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action. Representative private persons will not be affected by cost impacts for this proposed regulation.

The Executive Officer has made an initial determination that the proposed regulatory action will not have a significant statewide adverse economic impact directly affecting businesses, including the ability of California businesses to compete with businesses in other states, or on representative private persons.

In accordance with Government Code section 11346.3, the Executive Officer has determined that the proposed regulatory action will not affect the creation or elimination of jobs within the State of California, the creation of new businesses or elimination of existing businesses within the State of California, or the expansion of businesses currently doing business within the State of California. A detailed assessment of the economic impacts of the proposed regulatory action can be found in the Staff Report (ISOR).

The Executive Officer has also determined, pursuant to Government Code section 11346.5(a)(3)(B), that the proposed regulatory action will not affect small businesses because this is a change to a regulation that is voluntary with respect to small businesses and there are no mandated requirements and no associated impacts.

Before taking final action on the proposed regulatory action, the Board must determine that no alternative considered by the agency or that has otherwise been identified and brought to the attention of the agency would be more effective in carrying out the purpose for which the action is proposed or would be as effective and less burdensome to affected private persons than the proposed action.

SUBMITTAL OF COMMENTS

The public may present comments relating to this matter orally or in writing at the hearing, and in writing or by e-mail before the hearing. To be considered by the Board, written submissions not physically submitted at the hearing must be received **no later than 12:00 noon, February 20, 2001**, and addressed to the following:

Postal mail is to be sent to:

Clerk of the Board
Air Resources Board
1001 "I" Street, 23rd Floor
Sacramento, California 95814

Electronic mail is to be sent to: cng-lpg@listserve.arb.ca.gov and received at the ARB **no later than 12:00 noon, February 20, 2001**.

The Board requests but does not require that 30 copies of any written statement be submitted and that all written statements be filed at least 10 days prior to the hearing so that ARB staff and Board Members have time to fully consider each comment. The ARB encourages members of the public to bring to the attention of staff in advance of the hearing any suggestions for modification of the proposed regulatory action.

STATUTORY AUTHORITY AND REFERENCES

This regulatory action is proposed under that authority granted in Health and Safety Code, sections 39600, 39601, 43013, 43018, 43101, and 43806. This action is proposed to implement, interpret and make specific sections California Health and Safety Code sections 39000, 39001, 39002, 39003, 39010, 39500, 40000, 43000, 43013, 43016, 43018, 43100, 43101, and 43806.

HEARING PROCEDURES

The public hearing will be conducted in accordance with the California Administrative Procedure Act, Title 2, Division 3, Part 1, Chapter 3.5 (commencing with section 11340) of the Government Code.

Following the public hearing, the Board may adopt the regulatory language as originally proposed or with non substantial or grammatical modifications. The Board may also adopt the proposed regulatory language with other modifications if the text as modified is sufficiently related to the originally proposed text that the public was adequately placed on notice that the regulatory language as modified could result from the proposed regulatory action; in such event the full regulatory

text with the modifications clearly indicated, will be made available to the public, for written comment at least 15 days before it is adopted.

The public may request a copy of the modified regulatory text from the ARB's Public Information Office, Air Resources Board, 1001 "I" Street, Environmental Services Center, 1st Floor, Public Information Office, Sacramento, CA 95814, (916) 322-2990.

CALIFORNIA AIR RESOURCES BOARD

Michael P. Kenny
Executive Officer

Date:

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 Web –site at www.arb.ca.gov.