MEETING

BEFORE THE

CALIFORNIA AIR RESOURCES BOARD

COPY

BOARD HEARING ROOM

2020 L STREET

SACRAMENTO, CALIFORNIA

THURSDAY, DECEMBER 14, 1995

9:25 A.M.

Nadine J. Parks
Shorthand Reporter

MEMBERS PRESENT

John D. Dunlap, III, Chairman
Eugene Boston, M.D.
Joseph C. Calhoun
Lynne T. Edgerton
M. Patricia Hilligoss
John S. Lagarias
Jack C. Parnell
Barbara Riordan
Ron Roberts
James W. Silva
Doug Vagim

Staff:

Jim Boyd, Executive Officer
Tom Cackette, Chief Deputy Executive Officer
Mike Scheible, Deputy Executive Officer
Mike Kenny, Chief Counsel
Lynn Terry, Assistant Executive Officer

Peter Venturini, Chief, Stationary Source Division
Dean Simeroth, Chief, Criteria Pollutants Branch, SDA
John Courtis, Manager, Fuels Section, SDA
Tom Jennings, Senior Staff Counsel, Office of Legal Affairs

Bob Cross, Assistant Chief, Mobile Source Division
Jim Shears, Manager, On-Road Controls Section, MSD
Sue DeWitt, Project Leader, Technology Advancement Section, MSD
Veronika Pesinova, Staff, On-Road Controls Section, MSD
Michael Terris, Staff Counsel, Office of Legal Affairs
Kathleen Walsh, Staff Counsel, Office of Legal Affairs

Dean Saito, Manager, Liaison Section, OAQTP
Jim Nyarady, Staff, Office of Air Quality and Transportation Planning

Pat Hutchens, Board Secretary
Wendy Grandchamp, Secretary
Bill Valdez, Administrative Services

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MS. HUTCHENS: Hilligoss?

MAYOR HILLIGOSS: Aye.

MS. HUTCHENS: Lagarias?

MR. LAGARIAS: Aye.

MS. HUTCHENS: Silva?

SUPERVISOR SILVA: Aye.

MS. HUTCHENS: Vagim?

SUPERVISOR VAGIM: Aye.

MS. HUTCHENS: Chairman Dunlap.

CHAIRMAN DUNLAP: Aye.

MS. HUTCHENS: Passes 8-0.

CHAIRMAN DUNLAP: Very well. Thank you. I'd like to compliment the staff on a fine presentation. Mr. Courtis, Mr. Jennings, Mr. Venturini, Mr. Simeroth, well done. Thank you.

Okay. That brings us to the third agenda item. And if staff will change places quietly, I'll continue right along.

Again, I'd like to remind those who may have just joined us in the audience that if you wish to present testimony to the Board, please sign up with the Board Secretary sitting to my left.

And if you have written statements, please provide her with 20 copies so that they be distributed at the meeting.

1 The third agenda item is 95-13-3, which is a
2 public hearing to consider the adoption of the national
3 security exemption for military tactical vehicles and
4 equipment.
5 We have before us today a request by the military
6 to adopt amendments to the California regulations which
7 would provide exemptions for military tactical vehicles and
8 equipment.
9 These exemptions would be allowed in accordance
10 with the U.S. EPA's national security exemption and
11 exclusion provisions.
12 And, at this point, if staff has taken their
13 places, I'd ask Mr. Boyd to begin this item by introducing
14 it. Jim.
15 MR. BOYD: Thank you, Chairman Dunlap.
16 I think, as the Board members know, in general,
17 States in this nation have to align their programs with the
18 regulations adopted by the U.S. EPA as provided by the
19 Federal Clean Air Act.
20 But also, as this Board knows, in the area of
21 motor vehicle control emissions, California is, for the most
22 part, the only State authorized to adopt its own program and
23 to adopt more stringent programs and regulations than
24 federal requirements provide.
25 Currently, California has more stringent standards

1 for light- and medium-duty vehicles and for diesel heavy-
2 duty off-road engines over 175 horsepower beyond the year
3 2001.
4 It is this latter regulation that prompted the
5 U.S. Military to request that the Board adopt the U.S. EPA's
6 national security exemption and exclusion provisions for
7 military tactical vehicles and equipment.
8 Since California currently does not have any
9 provisions for the exemption of these types of vehicles and
10 equipment, but we are totally sympathetic to the reason
11 therefore, we have developed a proposal which would amend
12 Title 13 of the California Code of Regulations. This
13 proposed amendment will provide the military with the needed
14 flexibility without a significantly adverse impact to
15 California air quality. And, overall, California standards
16 continue to be, in the aggregate, much more stringent than
17 the federal program.
18 With that brief introduction, I'd like to call
19 upon Ms. Veronika Pesinova of the Mobile Source Division who
20 will provide you with the staff's presentation.
21 Ms. Pesinova.
22 MS. PESINOVA: Thank you, Mr. Boyd, Chairman
23 Dunlap, and members of the Board. Good morning.
24 Today, I will present the staff's proposal to
25 adopt provisions that would exempt military tactical

1 vehicles and equipment from California emission standards
2 and regulations for on-road motor vehicles and for engines
3 used in off-road vehicles and equipment.
4 Such provisions would incorporate the existing
5 federal rules and guidelines providing for a national
6 security exemption. This exemption from California
7 standards is necessary for the military to maintain a
8 uniform combat ready fleet worldwide, which is necessary for
9 the national security interest.
10 I will begin by providing a background on the U.S.
11 EPA regulations for military tactical vehicles and
12 equipment. Recognizing the unique requirements of military
13 tactical vehicles and equipment, the U.S. EPA determined
14 that it may be difficult, burdensome, and contrary to
15 national security interests to require that these vehicles
16 and equipment meet federal new engine emission standards.
17 Several years ago, the EPA established two
18 categories whereby military vehicles and equipment may be
19 exempted from emission standards. These categories are
20 referred to as national security exclusions and exemptions.
21 In the exclusion category, the U.S. EPA excludes
22 such military combat or tactical vehicles as armored tanks
23 from the federal motor vehicle regulations.
24 These types of vehicles were never intended to be
25 subject to emission standards due to their being designed

1 solely for combat use.

2 In addition, the military tactical vehicles that
3 do not qualify for exclusions may be granted national
4 security exemptions by the U.S. EPA. These vehicles may be
5 similar to commercial designed vehicles, but are modified
6 for military operations.

7 In the armored vehicle category, exemptions apply
8 mostly to trucks that transport weapon systems and combat
9 and support personnel during military operations.

10 In the off-road vehicle and equipment category,
11 there's portable equipment such as compressors and
12 generators, and construction equipment such as tractors,
13 scrapers, and forklifts.

14 All of these vehicles and equipment must be
15 capable of being deployed and maintained worldwide in
16 remote, harsh environments as well as in urban locations.

17 Also, military technicians must be able to use
18 common technical manuals and interchangeable parts to repair
19 the equipment at any location.

20 In 1988, the U.S. EPA developed guidelines for
21 national security exemption procedures for fiscal years 1988
22 to 1995, to cover on-road vehicles. They are presently
23 developing new guidelines for on-road vehicles procured in
24 fiscal years 1996 to 2000 and for off-road vehicles and
25 equipment.

1 The guidelines would essentially prescribe that
2 the military agency would request an exemption and that EPA
3 would grant the exemption under the condition that the
4 vehicles or equipment comply with the federal emission
5 standards in effect in the first year of procurement.
6 EPA would then issue a certificate of conformity
7 that would allow manufacturers who were awarded the contract
8 for procurement to manufacture those vehicles, engines, or
9 equipment in the same configuration for the duration of the
10 five-year contract.
11 Staff proposes that the ARB adopt the federal
12 provisions providing for national security exclusion and
13 exemptions, thus aligning with the U.S. EPA's regulations
14 and policies for military tactical vehicles and equipment.
15 The ARB would defer to the U.S. EPA the
16 administration of the program and the granting of national
17 security exemptions and exclusions.
18 In addition, staff is proposing that California
19 only exemptions be granted to certain vehicles and equipment
20 where the California standards differ from federal
21 standards.
22 For example, two categories that have unique
23 California standards are off-road diesel engines starting in
24 the year 2001 and utility engines starting in 1999.
25 Exemptions to those California standards would be

1 granted only to military tactical vehicles or equipment that
2 do not require a federal exemption and that meet all
3 applicable federal emission standards and regulations.
4 This special exemption provision from California
5 emission standards is necessary for the military to provide
6 for and maintain a uniform combat ready fleet that can be
7 deployed worldwide.
8 Lastly, it is proposed that the U.S. Department of
9 Defense will be required to submit to the ARB a list of
10 types of all vehicles and equipment located in the State of
11 California that are excluded and/or exempted under these
12 provisions by January the 1st, 1997.
13 This list would be updated by the Department of
14 Defense as new types of vehicles and equipment would be
15 added.
16 This information will allow ARB to track the types
17 of vehicles and equipment that would be excluded or
18 exempted.
19 Besides the tactical vehicles and equipment, the
20 military also uses in California an administrative fleet
21 consisting of light-, medium-, and heavy-duty vehicles.
22 Although vehicles owned by the military or by military
23 personnel are not required to be registered in California,
24 the military has been procuring only ARB certified
25 nontactical vehicles to be used in California. And it has

1 committed to the ARB staff that they will continue to do so.
2 Therefore, these vehicles would not be subject to
3 the national security exemption and exclusion provisions.
4 The staff's proposal would have minimal
5 environmental impact. The number of military tactical
6 vehicles and equipment that could possibly be exempted
7 amount to less than 21,000 units.
8 Due to this relatively small number of vehicles
9 and especially due to the very low usage per year, the total
10 possible emissions increase would amount to less than 0.1
11 percent of the mobile source inventory.
12 In addition, it should be noted that the ARB and
13 the U.S. EPA are developing uniform emission standards for
14 both on- and off-road heavy-duty engines that will cut
15 emissions in half by the 2004 time frame.
16 This more than compensates this minimal air
17 quality impact of the military exemption. Concerning the
18 economic impact of the proposal, the exemption of military
19 vehicles and equipment would have no associated costs.
20 There will be no adverse economic impact on small
21 business or to industry, nor would it adversely affect the
22 economy of the State. In fact, these proposed amendments
23 would align California regulations with federal exclusion
24 and exemption regulations and policies, which would provide
25 a benefit for the military and the ARB.

1 In conclusion, to allow for the uniform combat
2 ready fleet, which is required for the purpose of the
3 national security, staff recommends that the Board adopt the
4 federal provisions providing for the exclusion or exemption
5 of military tactical vehicles and equipment in a California
6 only exemption that would be automatically granted to
7 tactical vehicles and equipment that meet the federal
8 emission standards.
9 In addition, the U.S. Department of Defense would
10 be required to submit to the ARB a list of all types of
11 excluded and exempted vehicles and equipment located in the
12 State of California by January the 1st, 1997. This list
13 would be updated by the Department of Defense as new types
14 of vehicles and equipment would be added.
15 We will be happy to answer your questions.
16 MR. LAGARIAS: Thank you. Are there any questions
17 from the Board?
18 Dr. Boston.
19 DR. BOSTON: Could you explain to me what the
20 purpose of the list is? If these vehicles are only going to
21 be exempted anyhow, why do we need to bother the Department
22 of Defense with providing us a list every year?
23 MR. SHEARS: Well, we thought it would be
24 reasonable, since we are allowing a California only
25 exemption, that we -- at least to get somewhat an idea of

1 the types of vehicles that would be subject to this
2 exemption. And it's not to be a work-intensive type of list
3 at all. That's why we're calling it for vehicle types.
4 We're not asking for a total list of every
5 vehicle. That would be very work intensive. And I know the
6 military was concerned about that.
7 We're essentially wanting to know about just the
8 types of vehicles that the military -- and particularly, as
9 time goes on, they may be requesting other types of vehicles
10 to be exempted, and we wanted to be able to track that.
11 That's all. Just see how the program's working.
12 MS. PESINOVA: And also for the emission inventory
13 purposes, so our emission inventory group knows, you know,
14 what to include in the emission inventory model.
15 DR. BOSTON: Do you know what the emissions from a
16 tank are?
17 MS. PESINOVA: No.
18 MR. SHEARS: Now, we're looking for the exempted
19 vehicles, which are basically not -- the tanks fall under
20 excluded which, of course, they are not subject to emission
21 standards.
22 These vehicles are subject to emission standards,
23 generally federal emission standards, and we just want to
24 see how many types of vehicles are going to be meeting these
25 types of standards.

1 DR. BOSTON: So, you'll get types and numbers. Is
2 that what you want?
3 MR. SHEARS: Yeah.
4 MS. PESINOVA: Right.
5 DR. BOSTON: Okay.
6 CHAIRMAN DUNLAP: Any other questions of staff on
7 this item?
8 All right. Very good. We have one witness.
9 We'll ask Captain Kathy Dodge from the U.S. Department of
10 Defense to come forward.
11 Good morning.
12 CAPTAIN DODGE: Good morning, Chairman Dunlap,
13 Board members.
14 I'm Captain Kathy Dodge. I'm here representing
15 Rear Admiral William Senter (phonetic), who is the
16 Commander, Naval Base, San Francisco. He's also the
17 Department of Defense appointed regional environmental
18 coordinator for EPA Region IX.
19 The item before you concerns a proposal by your
20 staff to create a national security exemption for military
21 tactical vehicles and equipment to be included in your
22 regulations establishing off-road diesel engine emission
23 standards.
24 DOD strongly supports the staff proposed adoption
25 of these exemptions. We fully concur with the conclusions

1 and recommendations contained in the staff report. Without
2 such an exemption, California's new engine emission
3 standards will have a major impact on military operations in
4 California and military readiness generally.
5 I want to emphasize our agreement with the
6 conclusion in the staff report that this exemption is
7 necessary for the military to maintain a uniform combat
8 ready fleet worldwide.
9 DOD's tactical vehicles and equipment are all
10 integral parts of a carefully balanced fighting force
11 procured and maintained on a fleetwide basis.
12 Tactical vehicles and equipment must be uniform
13 throughout the world in order to facilitate the training of
14 mechanics, the ready availability of parts and replacement
15 engines, and repair on the battlefield.
16 Moreover, the California National Guard and
17 Reserve components, as an integrated part of our nation's
18 combat force, must train and fight with the same equipment
19 used by active-duty forces worldwide.
20 Consequently, designing and procuring a separate
21 fleet of tactical vehicles and equipment for California
22 would significantly impair military operational readiness.
23 With regard to the proposed annual reporting
24 requirements, we support technical amendments proposed by
25 your staff to more accurately reflect the staff's intention

1 that DOD furnish the list of the types of tactical equipment
2 subject to the exemption as opposed to an individual listing
3 of all exempted vehicles and equipment.
4 The tracking and listing of thousands of tactical
5 vehicles and equipment items in California would be
6 extremely resource intensive and would not result in any
7 substantial air quality benefits.
8 On this note, I would like to add that the
9 Department of Defense is fully committed to programs with
10 substantive air quality benefits.
11 As an example, we are exceeding requirements for
12 alternative fuel vehicles, including electric, in our
13 fleets.
14 Our light- and medium-duty fleet vehicles meet
15 California emission standards and fully participate in the
16 California smog testing programs. We also wish to express
17 our appreciation to your staff, in particular Mr. Mike
18 Terris and Ms. Veronika Pesinova, for their timely and
19 cooperative responses to our DOD concerns on this issue.
20 Finally, I take this opportunity to ask your
21 assistance in quickly resolving another problem regarding
22 our inventory of tactical equipment in California.
23 Currently, our portable tactical equipment is
24 subject to regulation by each air district in California as
25 stationary sources. This patchwork of regulation is causing

1 significant problems for the military services.

2 AB 531 signed by the Governor provides a sensible

3 framework for solving these problems through a statewide

4 registration program. We have started working with your

5 staff on the development of implementing regulations that

6 will accommodate our military requirements as intended by

7 the Legislature in AB 531.

8 We would like to work with you to complete these

9 regulations as quickly as possible. In the interim, we hope

10 that you will assist us in obtaining temporary relief from

11 the problems that we are currently experiencing. One

12 specific request is the possibility of reclassifying this

13 equipment as mobile sources instead of their current

14 stationary classification.

15 Again, on behalf of Rear Admiral Senter and the

16 Department of Defense, we appreciate your efforts in support

17 of our national defense mission, and ask adoption of the

18 staff report as amended.

19 I have a member of my staff, Mr. Randall Friedman

20 here, to answer any questions you may have on these issues.

21 Thank you.

22 CHAIRMAN DUNLAP: Thank you, Captain.

23 Any questions of our witness? Yes, Dr. Boston.

24 DR. BOSTON: Captain, when I was in the Service,

25 the only electric vehicles we had were golf carts. Do you

1 mean you have --

2 (Laughter.)

3 DR. BOSTON: -- some other ones now that --

4 CAPTAIN DODGE: Yes.

5 DR. BOSTON: -- you could tell us about?

6 CAPTAIN DODGE: Randy?

7 CHAIRMAN DUNLAP: Now, don't be moving up, Gene,

8 the item here.

9 (Laughter)

10 MR. FRIEDMAN: Yes, the Department of Defense has

11 a number of programs. Our largest program is the CNG

12 vehicles. In fact, many of our facilities this year are

13 putting in the fueling facilities. And, incidentally, I

14 would add that those fueling facilities are generally going

15 to be open to the public as well, which is going to be

16 solving a problem for providing access to CNG where there's

17 no other feasible way to make that available.

18 We do have an electric vehicle program. There are

19 some electric vehicles. This is not as well developed as

20 the CNG program, but it is something that is being -- is an

21 active program. And, as the vehicles become more available,

22 it's the intent to purchase them and integrate them into our

23 fleets.

24 MS. EDGERTON: Can you comment? It's my

25 understanding that there's some technical advantages from an

1 electric tank or some of the electric vehicles being used in
2 the fleet, something about they can't be detected as easily?
3 MR. FRIEDMAN: Well, the only place right now
4 where we are, you know, actively using the electric vehicles
5 is for the general fleet vehicles. And where they're
6 particularly working out is, you know, a lot of our sedans
7 are just used for errand trips on bases. They're
8 essentially perfect candidates for electric-type vehicles,
9 because their typical might have only five or ten miles of
10 use, but that's five or ten miles going from one building to
11 the next building, or going across the base.
12 And it's those types of areas where we're looking
13 at both the CNG and the electric vehicle. But the CNG is --
14 our goal is to double the federal requirement for the
15 procurement of those vehicles.
16 MS. EDGERTON: Perhaps that's not some of the
17 tactical uses under the other vehicles is not what you're --
18 MR. FRIEDMAN: Right. This is for nontactical --
19 MS. EDGERTON: -- particularly doing.
20 MR. FRIEDMAN: Right.
21 MS. EDGERTON: Yeah. Because I know there is some
22 value tactically on that. Thank you.
23 CHAIRMAN DUNLAP: Thank you very much. Okay. For
24 the record, does staff have any communications to summarize
25 for us on this item?

1 MR. SHEARS: We just received one letter from the
2 Office of the Undersecretary of Defense. And essentially
3 our previous commenter just summarized that letter.
4 CHAIRMAN DUNLAP: Okay. Mr. Boyd, do you have
5 anything to add?
6 MR. BOYD: No, Mr. Chairman. I would just urge
7 adoption of the staff recommendation.
8 CHAIRMAN DUNLAP: Very good. Thank you.
9 Since all testimony and written submissions and
10 staff comments on this item have been entered into the
11 record, and the Board has not granted an extension of the
12 comment period, I'm officially closing the record on this
13 portion of Agenda Item 95-13-3.
14 Written or oral comments received after the
15 comment period's been closed will not be accepted as part of
16 the official record on this agenda item.
17 Again, we must cover ex parte communications. Do
18 any of my colleagues on the Board have anything to disclose?
19 All right. We have before us or will in about 30
20 seconds a copy of Revolution -- Revolution!
21 (Laughter.)
22 CHAIRMAN DUNLAP: -- Resolution 95 -- it was the
23 military context. 95-49, which would take care of this item
24 for us.
25 So, why don't we take a moment and review it.

1 MR. LAGARIAS: Mr. Chairman, since the military is
2 seeking an exemption for these vehicles in California, I
3 assume that would automatically apply to all vehicles going
4 into Bosnia as well?
5 CHAIRMAN DUNLAP: Maybe we'll have to check with
6 staff on that.
7 Jim, is that your understanding?
8 MR. BOYD: Indeed. A worldwide fleet, Mr.
9 Lagarias.
10 MR. CALHOUN: Can I ask the staff one other
11 question?
12 CHAIRMAN DUNLAP: Sure.
13 MR. CALHOUN: Mr. Terris, reading the letter we
14 received from the Assistant Secretary of the Navy, in the
15 last paragraph, they ask for our assistance in quickly
16 resolving the problem they're having with the inventory of
17 stationary source equipment on the various military bases
18 here within the State of California.
19 Would you care to comment on that at all?
20 MR. TERRIS: Mr. Calhoun, a workgroup has been
21 created to address the problems and to develop regulations
22 for 531. And, as part of that, we are working with the
23 districts in trying to provide relief in that regard.
24 MR. CALHOUN: What kind of relief?
25 MR. TERRIS: Asking that, in the interim period,

that the districts not seek to enforce their stationary source rules that apply to nonroad, off-road equipment that are on military bases.

CHAIRMAN DUNLAP: The Chair would entertain a motion. Yes.

MS. EDGERTON: I just want to make one comment. It is my understanding -- and perhaps someone could correct me afterwards if I'm not right. But since the military is here, it's my understanding that electric vehicles -- the advantage tactically, is that when they stop, the enemy could not detect them, because they wouldn't be moving anymore. They're not emitting any heat like a gasoline engine, always it's idling and it's still continuing to emit the heat. So, you can elude your opponent a little better with the armored vehicle.

That's what I was speaking about when I thought that was being developed. Thank you.

CHAIRMAN DUNLAP: Okay. Do I have a motion, then a second?

MR. CALHOUN: I move the adoption of Resolution 95-49.

CHAIRMAN DUNLAP: Thank you, Mr. Calhoun.

MS. EDGERTON: Second.

CHAIRMAN DUNLAP: Ms. Edgerton was the second. All right. The Board has before it Resolution No. 95-49,

which contains the staff recommendations.

Would the Board Secretary please call the roll for a vote?

MS. HUTCHENS: Boston?

DR. BOSTON: Yes.

MS. HUTCHENS: Calhoun?

MR. CALHOUN: Aye.

MS. HUTCHENS: Edgerton?

MS. EDGERTON: Yes.

MS. HUTCHENS: Hilligoss?

MAYOR HILLIGOSS: Aye.

MS. HUTCHENS: Lagarias?

MR. LAGARIAS: Aye.

MS. HUTCHENS: Silva?

SUPERVISOR SILVA: Aye.

MS. HUTCHENS: Vagim?

SUPERVISOR VAGIM: Aye.

MS. HUTCHENS: Chairman Dunlap.

CHAIRMAN DUNLAP: Aye.

MS. HUTCHENS: Passes 8-0.

CHAIRMAN DUNLAP: Very well, thank you. Staff, well done.

Why don't we give the staff a moment to change places.

All right. The fifth item on the agenda today is