

# State of California Air Resources Board

## Hearing Item Summary

### Item # EO-23-1-1: Public Hearing to Consider the Proposed Amendments to the Heavy-Duty Engine and Vehicle Omnibus Regulation

#### Staff Recommendation:

Staff recommends that the Executive Officer of the California Air Resources Board (CARB or Board) consider for adoption the proposed amendments to the Heavy-Duty Engine and Vehicle Omnibus (Omnibus) regulation pursuant to Resolution 23-15; in this resolution, the Board delegated to CARB's Executive Officer the authority to adopt, amend, and revoke emission standards, test procedures, compliance test procedures, and compliance flexibilities for new on-road motor vehicles that the Board previously reserved to itself in Board Resolution 78-10.

#### Discussion:

The Omnibus regulation was approved by the Office of Administrative Law on December 22, 2021. The primary goal of this regulation is to establish significantly more stringent emissions standards and associated test procedures for oxides of nitrogen (NO<sub>x</sub>) and particulate matter (PM) for new 2024 and subsequent model year medium-duty and heavy-duty engines and vehicles. In order to assist engine manufacturers in transitioning their products to the more stringent Omnibus emissions standards, the Omnibus regulation currently includes several flexibility provisions. One of those provisions allows manufacturers to produce limited quantities of legacy engines, which are certified to less stringent NO<sub>x</sub> and PM emissions standards, in the 2024 and 2025 model years, provided those manufacturers offset any excess NO<sub>x</sub> and PM emissions deficits through the use of heavy-duty zero-emission powertrain credits, heavy-duty combustion credits, or performing projects in disadvantaged communities.

In February 2023, CARB staff was informed that although the technology for diesel-fueled Omnibus compliant engines was available, manufacturers did not intend to produce such engines for some categories of trucks in California. In order to address this issue, additional flexibility is needed to maintain originally anticipated engine supplies for 2024 through 2026 model years and to enable a smoother transition to the Omnibus standards. CARB staff is therefore proposing to amend the legacy engine provisions in the Omnibus regulation to provide additional compliance flexibility while ensuring the proposed amendments will not reduce the emissions benefits of the program.

## Summary and Impacts:

Staff is proposing modifications to the existing legacy engine provisions in the existing Omnibus regulation to provide manufacturers additional flexibility in transitioning to the more stringent Omnibus standards. The amendments also require manufacturers electing to exercise the amendments to offset any emissions increases otherwise resulting from the modified legacy provisions so that the modifications to the legacy engine provisions would be emissions neutral. Staff does not anticipate any additional costs from the modifications because the legacy provisions remain optional and costs to meet the Omnibus regulation remain as estimated in the Omnibus Economic and Fiscal Impact Statement. The proposed amendments are also consistent with CARB's environmental justice policies and do not disproportionately impact people of any race, culture, income, or national origin.