

Alternative Diesel Fuels Regulation

Frequently Asked Questions
California Code of Regulations, title 13, sections 2293-2293.9

July 2021

Introduction:

The California Air Resources Board adopted a regulation on the Commercialization of Alternative Diesel Fuels (ADF), found at California Code of Regulations (CCR), title 13, sections 2293-2293.9 (ADF regulation), which became effective January 1, 2016. The Alternative Diesel Fuels (ADF) regulation is a key element of California's Fuels Program; it preserves or improves public health and the environmental and emissions benefits associated with the use of innovative ADFs in California. The regulation establishes a comprehensive, multi-stage process governing the commercialization of new ADFs in California. The regulation also establishes specifications and in-use requirements (such as using a NOx reduction additive) for biodiesel, as the first ADF subject to the ADF regulation.

In 2020, California Air Resources Board (CARB or Board) staff proposed amendments to the ADF regulation to improve the rigor and clarity of the regulation. The adopted amendments became effective on May 3, 2021.

The responses to questions below will assist biodiesel fuel producers, blenders, and distributors in understanding the 2020 ADF regulation amendments and associated compliance options. For reference, all ADF regulation rulemaking documents are available at <u>Amendments to the Regulation on the Commercialization of Alternative Diesel Fuels | California Air Resources Board</u>.

For more information on the ADF regulation, please contact Alexander "Lex" Mitchell at <u>Alexander.Mitchell@arb.ca.gov</u> or (916) 327-1513, or Susie Chung at <u>Susie.Chung@arb.ca.gov</u> or (916) 327-0647.

1. Why were the 2020 ADF regulation amendments proposed?

The main objective of the 2020 ADF regulation amendments was to ensure that the process for certification of additives or alternative diesel fuel formulations is uniform and provides assurance that those additives or formulations that pass emissions testing are effective at mitigating the potential NOx emissions from the use of the biodiesel.

2. What are the specific amendments that biodiesel producers and blenders should be aware of to comply with the ADF in-use requirements?

More stringent testing procedures were proposed in *Appendix 1 of Subarticle 2. In-use Requirements for Pollutant Emissions Control.* As of August 1, 2021, only biodiesel additives or ADF formulations approved or certified under the new procedures can be used to comply with the biodiesel in-use requirements in the ADF regulation.

The amendments also approved new ADF formulations that mitigate NOx through blending renewable diesel with biodiesel and conventional diesel consisting of at least 55 or 75 percent renewable diesel and at most 20 percent biodiesel blends (R55B20 and R75B20 blends).

3. How long can additives and formulations certified under the original certification procedures be used to meet the ADF regulation in-use requirements?

Additives and formulations certified under the original certification procedures can no longer be used to meet the ADF regulation in-use requirements after July 31, 2021. Starting August 1, 2021, only those additives and formulations that are certified under the new certification procedures can be used to comply with the biodiesel in-use requirements.

4. Has CARB received any applications for additive certification under the new certification procedures?

CARB has not received any applications for additive certification as of July 1, 2021.

5. If a fuel is mitigated using additives or formulations certified under the original certification procedures, prior to August 1, 2021, can the mitigated fuel batch be sold until depleted?

Additives or formulations certified under the original certification procedures may be blended with biodiesel fuel to mitigate that fuel on or before July 31, 2021. Mitigated fuel may then be supplied and sold until the mitigated batch is depleted, even after August 1, 2021. B100 that is mitigated prior to August 1, 2021 may be blended to B20 or below after August 1, 2021 and remain in compliance.

6. What options are available other than mitigating with additives to meet the ADF regulation in-use requirements?

The amended ADF regulation includes approved formulations with renewable diesel (R55B20 and R75B20) as NOx-mitigated biodiesel formulations. Biodiesel can be blended with renewable diesel as a NOx-mitigated fuel and then supplied and sold in California without adding any additional NOx mitigating additives.

Biodiesel blenders and producers can also provide unmitigated biodiesel to fleets and retail fueling stations that hold ADF In-use Requirements Exemption Executive Orders (EO). Please see the following questions for more information on the Exemption EOs.

Lastly, biodiesel may be sold at blends below the NOx control level (usually B5) to maintain compliance the ADF regulation.

7. What is an ADF regulation In-use Requirements Exemption Executive Order?

A fleet or retail fueling station may apply for an ADF In-use Requirements Exemption Executive Order that allows the fleet or retail station to be exempted from the ADF in-use requirements if their fleet or retail fueling station customers consist of 90 percent or more New Technology Diesel Engines (NTDE, engines that use diesel exhaust fluid). This

allows the fleet or retail fueling station to provide unmitigated biodiesel to their fleet vehicles or retail customers.

8. I have a fleet or retail fueling station that currently provides NOx-mitigated biodiesel to vehicles. What are the requirements and process to obtain an ADF regulation In-use Requirements Exemption Executive Order?

A fleet operator or owner can apply for a fleet exemption by submitting information required in section 2293.6(a)(5)(A). The fleet operator or owner must be able to demonstrate that at least 90 percent of the fleet consists of a combination of light and medium duty vehicles and heavy duty vehicles with new NTDE and the fleet fueling facility has limited access for fleet vehicles only.

A retail station owner can apply for the retail station exemption by submitting information required in section 2293.6(a)(5)(B). The retail station owner must be able to demonstrate that at least 90 percent of all sales of biodiesel above the pollutant control levels are to a combination of light and medium duty vehicles and heavy duty vehicles with NTDE. Currently, qualification for an Exemption EO is determined by the ratio of sales volume of diesel exhaust fluid (DEF) to Diesel. The volume ratio of DEF to diesel fuel, which CARB staff has determined must be at least 2.70 percent in order to show that 90 percent diesel vehicles that visit their stations have NTDEs.

Please e-mail <u>adf@arb.ca.gov</u> to request the recommended retail station or fleet exemption application form. All approved Exemption EOs are available at <u>Alternative Diesel Fuels Executive Orders | California Air Resources Board</u>.

8. When can I apply for the ADF regulation in-use requirement Exemption Executive Order and how much time is required to process the application and potentially approve?

Fleet operators and retail station owners can submit an application at any time. Application processing and approval may take 3 to 4 weeks if all information is provided. The Executive Order is effective upon approval date. It is important that interested retail and fleet owners and operators apply for Exemption EOs as soon as possible to be able to continue use of unmitigated B20 at exempted locations after July 31, 2021.

9. Are there any changes to the ADF Reporting Requirements?

The ADF reporting form has been revised to include new ADF formulations (R55B20 and R75B20) and all fleet and retail fueling station Exemption EO options. Blenders and producers supplying unmitigated biodiesel must select an applicable option showing that unmitigated biodiesel was sold or supplied according to ADF regulation requirements. The ADF reporting form is available at <u>Alternative Diesel Fuels Reporting | California Air Resources Board</u>. Please check for the latest reporting form as it will be updated periodically.