## State of California

## CALIFORNIA AIR RESOURCES BOARD

## Executive Order G-714-ADF-ST1-01

## Regulation of the Commercialization of Alternative Diesel Fuels (Alternative Diesel Fuels Regulation) Stage 1 Pilot Program Executive Order for Optimus Technologies Inc.

Pursuant to Sections 39600, 39601, 43013, 43018, and 43101 of the Health and Safety Code, the California Air Resources Board (CARB) adopted the Regulation on Commercialization of Alternative Diesel Fuels (ADF regulation) published at title 13, California Code of Regulations (CCR), section 2293 et seq<sup>1</sup>. Effective since January 1, 2016, the ADF regulation establishes a comprehensive, multi-stage process administering the commercialization of alternative diesel fuels in California. The ADF regulation governs the introduction and use of innovative alternative diesel fuels in California while preserving or enhancing public health, environmental, and emission benefits of the existing motor vehicle diesel fuel regulations.

The multi-stage process governing the commercialization of new ADFs in California starts with a screening analysis that would allow limited sales of a regulated diesel substitute while it undergoes an initial evaluation (Stage 1); an intermediate stage with expanded sales governed by enhanced monitoring, testing, and a multimedia evaluation (Stage 2); and a final stage with full-scale commercial sales and provisions designed to maintain environmental and public health protections as needed (Stage 3).

An applicant applying for the commercialization of an alternative diesel fuel must submit required information as specified in section 2293.5(a)(1). After the application is deemed complete, it will be posted for public comment on the CARB Alternative Diesel Fuels Resources page for 30 days. The applicant must address all relevant comments received during the comment period and may revise the application before the application is deemed final.

When the application is finalized and approved by CARB, a Stage 1 Executive Order (EO) will be issued. A Stage 1 EO allows limited, small fleet use of innovative fuels while requiring screening tests and assessments to quickly determine whether there will be unreasonable potential impacts on air quality, the environment and vehicular performance. Such data will help inform more extensive testing and analysis to be conducted in Stage 2. Applicants must also meet all other applicable local, State, and federal requirements.

<sup>1</sup> All subsequent section citations in the EO, unless otherwise specified, are to provisions of the ADF regulation

Optimus Technologies (Optimus), headquarters located at 6901 Lynn Way, Pittsburgh, PA 15208, submitted an ADF Stage 1 application containing the information required in section 2293.5(a)(1) for the use of biodiesel (B99 or B100) with the Optimus Vector System (Vector System) on January 13, 2021. The purpose of the Optimus application is to advance the commercialization of B99 or B100 for fuel use in an on-road setting in conjunction with the Vector System.

The Optimus Stage 1 Pilot Program involves 13 trucks equipped with diesel particulate filter (DPF) and selective catalytic reduction (SCR) technologies and is expected to use approximately 125,000 gallons of B99 or B100 over the course of a year. The listed vehicles will be operating in San Joaquin and Fresno counties.

Pursuant to section 2293.5(a)(1) of the ADF regulation, Optimus submitted a Stage 1 application on January 13, 2021, for the use of B100 with the Vector System. The Optimus ADF Stage 1 application was deemed complete on June 25, 2021.

CARB posted a version of this application, with confidential business information redacted, on the ADF website from August 18, 2021 to September 30, 2021 with a request for public comments on the application. No comments were received during the comment period.

The Optimus application for commercialization of the Vector System contains both fuel and aftermarket part components. Manufacturers of aftermarket and modified parts, such as Optimus, who plan to sell their product for use in California vehicles, must apply for and receive an Aftermarket Parts Exemption administered by CARB under California Vehicle Code, section 27156. An Aftermarket Parts Exemption is granted if the product has been determined not to cause any increase in vehicular emissions. Optimus must obtain an Aftermarket Parts Exemption EO for the Vector System with B100 use prior to beginning the Stage 1 Pilot Program.

NOW, THEREFORE, (IT IS ORDERED AND RESOLVED) that Optimus has submitted all required information needed for the ADF Stage 1 EO and is granted Stage 1 Pilot Program approval under the provisions in section 2293.5(a)(1) of the ADF regulation.

As a condition of this approval under subsection 2293.5(a)(3)(D), the one-year period of the Stage 1 Pilot Program shall begin on the date of issuance of an Aftermarket Parts Exemption EO for the Vector System with B100. This Stage 1 Pilot Program EO will expire and become invalid twelve (12) months after the signature date below if Optimus is unable to obtain an Aftermarket Parts Exemption EO for the Vector System with B100 for the Vector System with B100.

Optimus must remain consistent with the estimates and expectations reported in their application as required by section 2293.5(a)(1)(A) to (E) for the duration of the Stage 1 Pilot Program. Any changes to these estimates and expectations must be approved by CARB prior to implementation.

Optimus shall also update CARB staff if at any point the information submitted in the Optimus application changes or new information becomes available.

Optimus shall provide information on any vehicle fuel, exhaust, and powertrain damage or failure as early as detected.

Optimus shall operate under all terms and conditions in this EO and in section 2293.5(a)(4).

Optimus must meet all other applicable local, State, and federal requirements.

CARB reserves the right in the future to review this ADF Stage 1 Pilot Program EO to confirm that the EO continues to support the requirements, conditions, standards, and procedures of title 13, California Code of Regulations, section 2293, et seq.

Violation of any of the above conditions shall be grounds for revocation of this Executive Order.

Executed at Sacramento, California, this <u>17th</u> day of <u>December</u>, 2021.

Carolyn Zog

Chief, Oil and Gas and GHG Mitigation Branch