



2018 ANNUAL ENFORCEMENT REPORT

JUNE 27, 2019



OUTLINE

- Overview
- Enforce Certification Requirements
- Compliance in the Trucking Industry
- Focus in Disadvantaged Communities
- Supplemental Environmental Projects
- A Review and a Look Forward

ENFORCEMENT – GOALS AND ACTIONS

Our goal is to achieve compliance

- Protect public health and the environment
- Ensure a level playing field across industry

Our actions increase the effectiveness of CARB programs

- Investigate, resolve, and deter non-compliance
- Provide compliance assistance
- Assess programmatic effectiveness and areas for improvement

REPORT HIGHLIGHTS

- Describes defeat device enforcement and Fiat Chrysler case
- Provides status update on truck and bus enforcement, and a detailed evaluation of overall compliance in the trucking industry
- Outlines enforcement efforts in disadvantaged communities
- Presents results of Supplemental Environmental Projects
- Reviews implementation of Enforcement Policy/Programs

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CERTIFICATION REQUIREMENTS

- CARB specifies product requirements
 - Applies to vehicles, engines, parts, fuels, and consumer products
 - Includes chemical content or emissions limits, labelling requirements, and/or reporting



VEHICLE AND ENGINE ENFORCEMENT

- Vehicle testing identifies certification violations
- Multiple manufacturers are under investigation
- Potential violations
 - Failure to meet regulatory reporting requirements
 - Improper testing
 - Undisclosed software that defeats emissions controls

FIAT CHRYSLER CASE RESOLUTION

- Enhanced screening and emissions testing
- 13,325 California Dodge Ram trucks and Jeep Cherokees
- Undisclosed software resulted in excess emissions
- Settlement includes
 - Recall and fix all vehicles
 - Mitigation payment offsets the excess NOx emissions
 - Penalty payment deters future violations

AFTERMARKET PARTS ENFORCEMENT

- CARB exempts aftermarket parts from anti-tampering regulations
- Enforcement focuses on illegal sales
 - Pep Boys
 - AZAA Investments, Inc. (AutoAnything)
- Both companies stopped sales and settled violations



CONSUMER PRODUCT ENFORCEMENT

- Regulations specify product content
- We purchase products and test for compliance
 - Mothers Polishes, Waxes, Cleaners, Inc.
 - CRC Industries, Inc.
 - Provenza Floors, Inc.



FUELS ENFORCEMENT



- Regulations specify fuel characteristics
- Inspections identified illegal fuel offloaded from a tanker at port
 - Imported by GE Warren
 - Discharged through Shell Oil Company
 - Distributed for retail sale
- Tesoro Refining misreported LCFS fuel

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ASSESSING COMPLIANCE

- Compliance assessment allows CARB to improve implementation and enforcement
- The annual report highlights compliance in five programs
- Today we will discuss compliance in the trucking industry
 - Operator requirements to use and maintain technology
 - Manufacturer requirements with certification
 - Enforcement responses

OPERATORS – TRUCK AND BUS

- Applies to 1.4 million trucks and buses operating in California
 - 400,000 vehicles registered in California
 - Up to 1 million vehicles registered in fleets reporting operation in California
- Current compliance rate – 80%
- Lower compliance rate in smaller fleets

STREAMLINED TRUCK ENFORCEMENT PROCESS (STEP)

- Data and deadline-driven process to facilitate efficient enforcement
- Dramatic improvement in enforcement staff productivity
- As of June 24, 2019
 - Initiated enforcement process for 34,314 vehicles
 - Completed enforcement action on 25,874 vehicles
 - DMV registration holds placed on 19,374 vehicles
 - \$3.8 M in penalties collected

DMV REGISTRATION REQUIREMENTS

- Effective January 1, 2020, must demonstrate compliance to register
- Up to 80,000 vehicles may be impacted in 2020
- Up to 200,000 may be impacted between 2020 and 2023

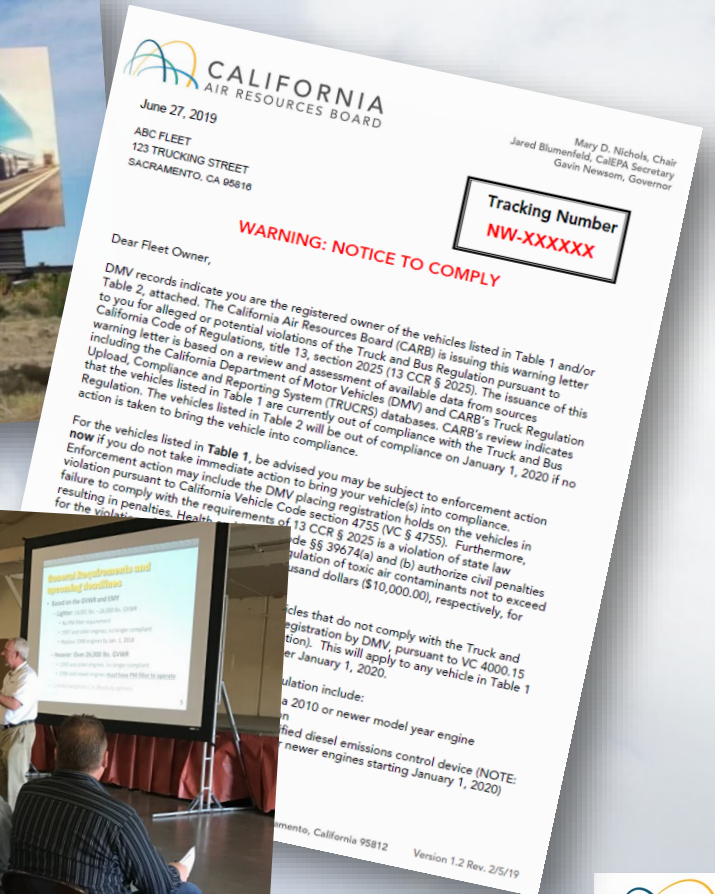


CARB is providing \$50 million this year to the truck loan assistance program to help fleets comply

Funding resources: https://ww3.arb.ca.gov/msprog/truckstop/azregs/fa_resources.htm

OUTREACH

- Media campaign
- Bilingual outreach
 - Website
 - One-Stop events
 - Billboards, radio, and TV
- Video display at DMV
- Signage on gas station pumps
- Direct Outreach
 - Certified letters



INCENTIVIZING MAINTENANCE

- Poor maintenance leads to excess emissions
- Operators required to keep vehicles well maintained
- New regulation will be enforced in 2020
 - 5% opacity limit for filter-equipped trucks
- Enforcement is adapting
 - Amending inspection procedures for OBD and opacity limit
 - Training opacity testers
 - Expanding STEP process for Periodic Smoke Inspection Program

HOLDING MANUFACTURERS ACCOUNTABLE

- Real world emissions higher than expected
- High warranty claims in some engine components
- CARB enforcement responses
 - Recalls for faulty components
 - Enforcement of certification and warranty violations
- New regulations needed
 - Improvements to certification requirements
 - Heavy-duty Inspection and Maintenance Program

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ADDRESSING ENVIRONMENTAL JUSTICE

Staff is committed to reducing emissions in communities disproportionately impacted by air pollution.

- Focused inspections in disadvantaged communities
 - 60% of the 28,311 total inspections in 2018
- Responded to transportation refrigeration unit (TRU) complaints
 - 748 TRUs inspected and 213 citations issued
- Targeted enforcement at ports
 - 1081 inspections and 18 NOVs issued

WORKING WITH COMMUNITIES

- Participated in EJ initiatives in Imperial Valley and South Stockton
- Developing enforcement plans for the Community Air Protection Program (AB 617)
 - Engaging with communities
 - Partnering with air districts
 - Addressing community identified issues

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SUPPLEMENTAL ENVIRONMENTAL PROJECTS (SEP)

- Reduce emissions and/or exposure
- Increase environmental compliance
- Improve public and community health
- Raise public awareness through education

Violators contribute up to 50% of their penalty to a CARB-approved SEP benefitting disadvantaged communities

SEP STATISTICS

- Since transitioning to the new SEP program:
 - 41 SEPs listed eligible, requesting a total of \$29 million
 - 22 SEPs fully funded with a total of \$5.2 million
 - 3 SEPs partially funded with a total of about \$1 million
- In 2018, 20 violators funded 18 SEPs with \$2.2 million committed
- Audit of longstanding SEPs completed – results available at <https://ww2.arb.ca.gov/supplemental-environmental-project-sep-policy-audit>

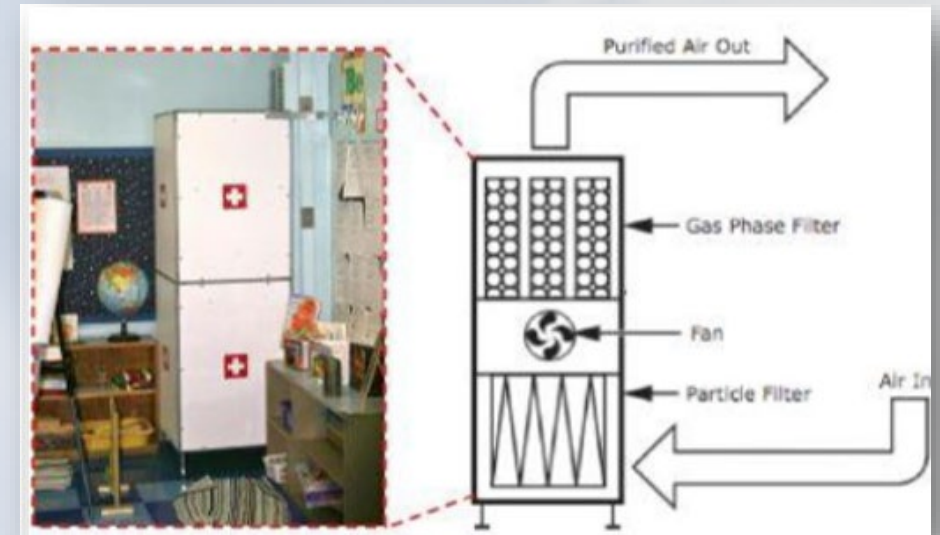
SEP HIGHLIGHT: BreathMobile



- A free mobile asthma clinic
- Serves pre-school and K-12 school aged children with asthma
- Visits every 4-6 weeks
- Provides full service asthma evaluation, treatment, and education
- 283 patients seen

SEP HIGHLIGHT: Installation of Air Filtration Systems in Schools

- South Coast Air Quality Management District is partnering with IQAir
- Install and maintain high-performance air filtration systems in schools located in disadvantaged communities
- Reduce the amount of PM in classrooms of disadvantaged communities



More SEPs at: <https://www.arb.ca.gov/resources/documents/approved-seps>

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ENFORCEMENT POLICY

- Defined the CARB enforcement process
- Updated in 2017
- Provided framework for addressing minor violations
- Expanded framework for voluntary disclosure
- Increased transparency in assessed penalties
 - Updated in Appendix J of Annual Enforcement Report

MINOR VIOLATIONS

- Little impact to regulatory program function and no emissions impact
- Responsible party provides complete cooperation and resolves the problem expeditiously
- Implementation
 - 4,041 trucks in STEP process resolved without penalty
 - 103 refrigerant management cases resolved without penalty
- Results in increased productivity with appropriate case resolution

VOLUNTARY DISCLOSURE

- Reduce penalties for violations that are voluntarily disclosed
- Dependent on the extent to which criteria in the policy are met
- Implementation to date:
 - Eight voluntary disclosure cases resolved
 - Penalty reduction consistent with enforcement policy

EXPANDING THE STATIONARY SOURCE ENFORCEMENT PROGRAM

- Increase enforcement of Landfill Methane Regulation (LMR)
- Review San Joaquin Valley Emission Reduction Credit Program
- Support Imperial County permit and enforcement program enhancements
- Update training programs

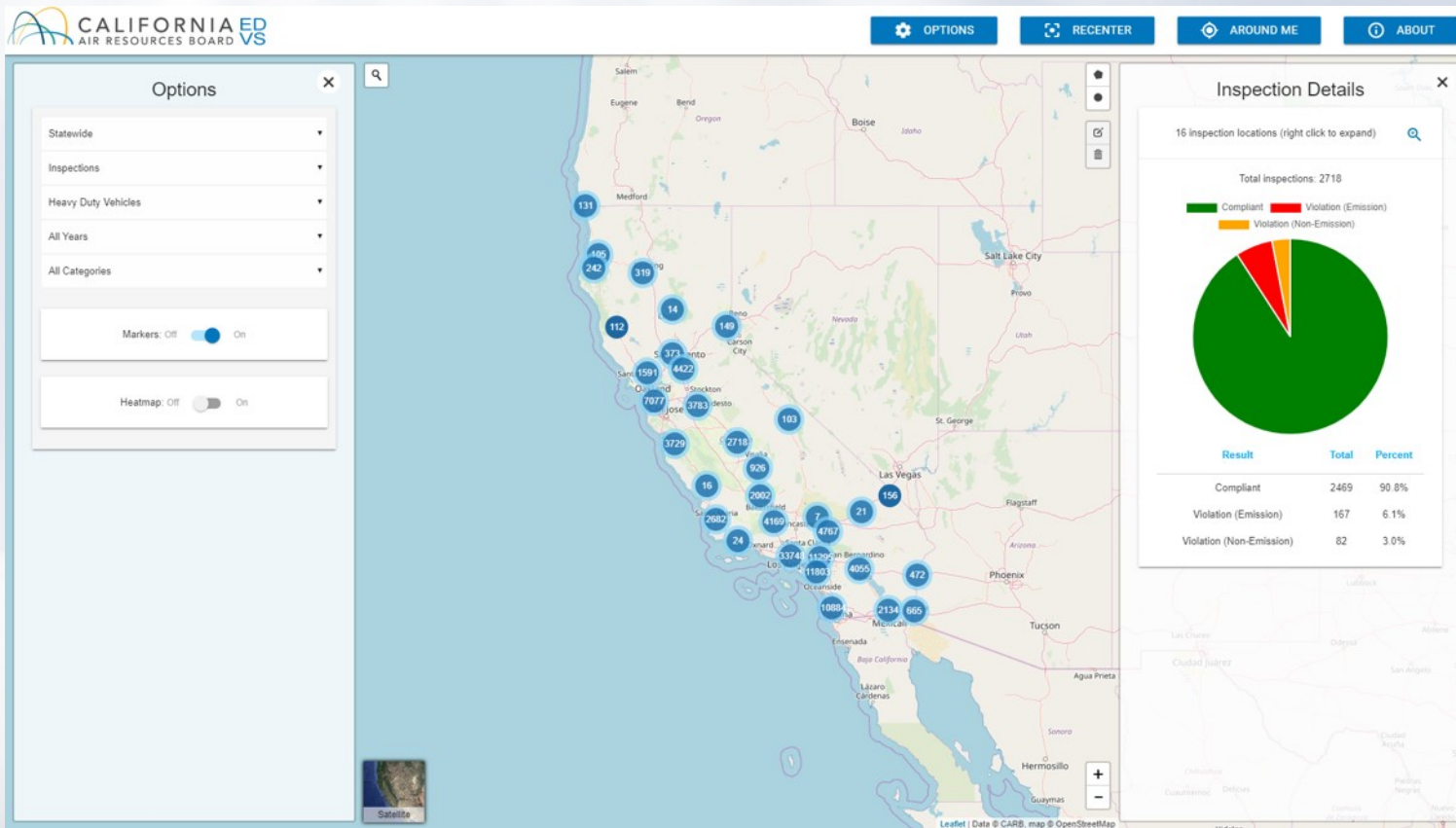


EXPANDING FIELD ENFORCEMENT



- Increase field presence and target enforcement efforts
 - Out-of-State trucks
 - Disadvantaged communities
- Implement the use of Portable Emissions Acquisition System (PEAQs)
- Evaluate existing enforcement efforts related to diesel fleet regulations

NEW INSPECTION WEBSITE



- New interactive website visually displays location and compliance status of CARB inspections across California

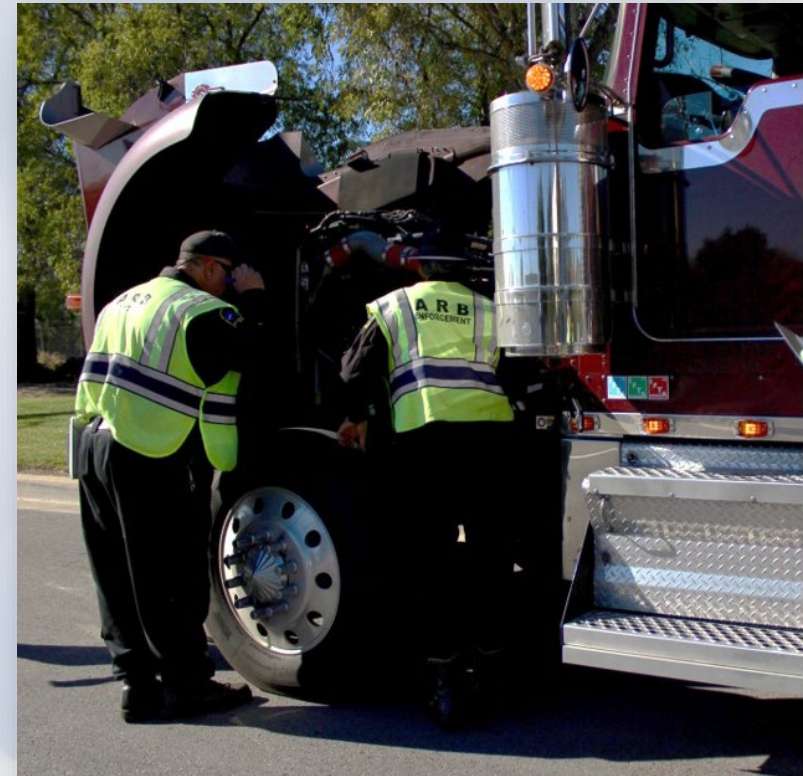
Website is now available at: <https://webmaps.arb.ca.gov/edvs/>

2018 ENFORCEMENT HIGHLIGHTS

- Resolved the Fiat Chrysler case to recall and fix vehicles, mitigate environmental harm and deter violations
- Conducted 28,311 inspections
- Addressed 11,238 complaints
- Assessed \$13 million in penalties
- Provided training to 4,854 students
- Allocated \$1.5 million to SEPs benefitting disadvantaged communities

CONCLUSION

- Enforcement is focused on creating a level playing field to protect public health and the environment
- This is accomplished by
 - Providing compliance assistance
 - Enforcing regulatory requirements
 - Continuously reviewing and improving programs



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Available online at:

[https://www.arb.ca.gov/enf/reports/
2018 enf annual report.pdf](https://www.arb.ca.gov/enf/reports/2018_enf_annual_report.pdf)

