State of California AIR RESOURCES BOARD

Resolution 95-44

October 26, 1995

Agenda Item No.: 95-11-1

WHEREAS, sections 39600 and 39605 of the Health and Safety Code authorize the Air Resources Board (the "Board") to act as necessary to execute the powers and duties granted to and imposed upon the Board and to assist the local air pollution control and air quality management districts ("districts");

WHEREAS, in California, mobile sources account for approximately 60 percent of all ozone forming emissions and 90 percent of all carbon monoxide emissions;

WHEREAS, in California, heavy-duty mobile sources account for approximately 3 percent of all on-road vehicles, yet produce nearly 50 percent of the emissions of oxides of nitrogen from all on-road vehicles;

WHEREAS, the Board has adopted the nation's most extensive and stringent motor vehicle emissions control and fuels regulations, which have resulted in, and will continue to result in, significant emission reductions;

WHEREAS, opportunities exist to further reduce emissions from mobile sources which go beyond the Board's existing regulations;

WHEREAS, the Board, the districts and other parties have expressed considerable interest in the development of methods for generating mobile source emission reduction credits to accommodate industrial and commercial growth in California;

WHEREAS, the Board is authorized to issue guidelines under authority found in section 39003 of the Health and Safety Code, which directs the Board to coordinate efforts to attain and maintain ambient air quality standards; section 39605(a) of the Health and Safety Code, which authorizes the Board to provide assistance to the districts; and sections 39500 and 41500 of the Health and Safety Code, which require the Board to coordinate, encourage, and review the efforts of governmental agencies as they relate to air pollution;

WHEREAS, in February 1993 the Board approved a set of guidelines entitled "Mobile Source Emission Reduction Credits: Guidelines for the Generation and Use of Mobile Source Emission Reduction Credits" (the "Guidelines");

WHEREAS, in November 1993, the Board approved an addition to the Guidelines entitled "Mobile Source Emission Reduction Credits: Guidelines for the Generation and Use of Mobile Source Emission Reduction Credits Through the Retrofit of Existing Vehicles";

WHEREAS, at the Board's direction, staff has developed an addition to the Guidelines entitled "Mobile Source Emission Reduction Credits: Guidelines for the Generation of Mobile Source Emission Reduction Credits Through the Purchase and Operation of New, Reduced-Emission Heavy-Duty Vehicles" (the "New Heavy-Duty Guidelines");

WHEREAS, at the Board's direction, staff has taken into consideration written and oral comments received at public consultation meetings, and has incorporated responses to such comments into the New Heavy-Duty Guidelines;

WHEREAS, the purpose of the Guidelines is to assist districts and interested parties in developing and implementing mobile source emission reduction credit programs, and to ensure that district mobile source credit programs are not in conflict with or compromise the Board's comprehensive motor vehicle emission controls and fuels programs;

WHEREAS, the staff has used the most current and accurate information available to establish calculation procedures for the subject credit generating programs;

WHEREAS, the Board finds that mobile source emission reduction credits should be 1) real and surplus to existing and anticipated state, local, and federal regulations, 2) enforceable, and 3) quantifiable, with an established lifespan;

WHEREAS, the Board has held a duly noticed public meeting to consider approval of the Guidelines, and has considered the comments presented by Board members, staff, districts, affected industries, and other interested persons and agencies.

NOW, THEREFORE, BE IT RESOLVED that the Board approves the document entitled "Mobile Source Emission Reduction Credits: Guidelines for the Generation of Mobile Source Emission Reduction Credits Through the Purchase and Operation of New, Reduced-Emission Heavy-Duty Vehicles" for incorporation into the Guidelines.

BE IT FURTHER RESOLVED that the Board encourages districts to implement mobile source emission reduction credit programs that provide increased flexibility and opportunity for cost savings by regulated sources so long as district programs do not conflict with or compromise California's motor vehicle emission controls and fuels programs.