

ATTACHMENT 1

PROPOSED MODIFIED TEXT OF THE REGULATIONS TO AMEND THE NEW PASSENGER MOTOR VEHICLE GREENHOUSE GAS EMISSION STANDARDS

The following text shows the Board-approved modifications to the originally proposed regulatory text for section 1961.1, title 13 of the California Code of Regulations and to the "California Exhaust Emission Standards and Test Procedures for 2001 and subsequent Model Passenger Cars, Light-Duty Trucks, and Medium-Duty Vehicles." Unless otherwise indicated below, the text of the originally proposed amendments is shown in underline to indicate additions and ~~strikeout~~ to indicate deletions. The modified language now proposed by staff is shown in double underline to indicate additions and ~~double-strikeout~~ to indicate deletions. Staff is proposing modifications to limited portions of the original proposal; for some portions for which no modifications are proposed, the text has been omitted and the omission indicated by "* * * *".

There are no additional suggested modifications to the originally proposed amendments to section 1961, title 13, CCR.

1. Amend section 1961.1, title 13, CCR as follows:

§ 1961.1. Greenhouse Gas Exhaust Emission Standards and Test Procedures - 2009 and Subsequent Model Passenger Cars, Light-Duty Trucks, and Medium-Duty Vehicles.

(a) *Greenhouse Gas Emission Requirements.* The greenhouse gas emission levels from new 2009 and subsequent model year passenger cars, light-duty trucks, and medium-duty passenger vehicles shall not exceed the following requirements. Light-duty trucks from 3751 lbs. LVW – 8500 lbs. GVW that are certified to the Option 1 LEV II NOx Standard in section 1961(a)(1) are exempt from these greenhouse gas emission requirements, however, passenger cars, light-duty trucks 0-3750 lbs. LVW, and medium-duty passenger vehicles are not eligible for this exemption.

(1) *Fleet Average Greenhouse Gas Requirements for Passenger Cars, Light-Duty Trucks, and Medium-Duty Passenger Vehicles.*

(A) The fleet average greenhouse gas exhaust mass emission values from passenger cars, light-duty trucks, and medium-duty passenger vehicles that are produced and delivered for sale in California each model year by a large volume manufacturer shall not exceed:

FLEET AVERAGE GREENHOUSE GAS EXHAUST MASS EMISSION REQUIREMENTS FOR PASSENGER CAR, LIGHT-DUTY TRUCK, AND MEDIUM- DUTY PASSENGER VEHICLE WEIGHT CLASSES¹ (4,000 mile Durability Vehicle Basis)		
<i>Model Year</i>	<i>Fleet Average Greenhouse Gas Emissions</i>	
	<i>(grams per mile CO₂-equivalent)</i>	
	<i>All PCs; LDTs 0-3750 lbs. LVW</i>	<i>LDTs 3751 lbs. LVW - 8500 lbs. GVW; MDPVs</i>
2009	323	439
2010	301	420
2011	267	390
2012	233	361
2013	227	355
2014	222	350
2015	213	341
2016+	205	332

¹ Each manufacturer shall demonstrate compliance with these values in accordance with section 1961.1(a)(1)(B).

1. For each model year, a manufacturer must demonstrate compliance with the fleet average requirements in this section 1961.1(a)(1)(A) based on one of two options applicable throughout the model year, either:

Option 1: the total number of passenger cars, light-duty trucks, and medium-duty passenger vehicles that are certified to the California exhaust emission standards in this section 1961.1, and are produced and delivered for sale in California; or

Option 2: the total number of passenger cars, light-duty trucks, and medium-duty passenger vehicles that are certified to the California exhaust emission standards in this section 1961.1, and are produced and delivered for sale in California, the District of Columbia, and all states that have adopted California's greenhouse gas emission standards for that model year pursuant to Section 177 of the federal Clean Air Act (42 U.S.C. § 7507).

a. For the 2009 and 2010 model years, a manufacturer that selects compliance Option 2 must notify the Executive Officer of that selection, in writing, within 30 days of the effective date of the amendments to this section (a)(1)(A)1 or must comply with Option 1.

b. For the 2011 and later model years, a manufacturer that selects compliance Option 2 must notify the Executive Officer of that selection, in writing, prior to the start of the applicable model year or must comply with Option 1.

c. When a manufacturer is demonstrating compliance using Option 2 for a given model year, the term "in California" as used in subsections 1961.1(a)(1)(B)3. and 1961.1(b) means California, the District of Columbia, and all states that have adopted California's greenhouse gas emission standards for that model year pursuant to Section 177 of the federal Clean Air Act (42 U.S.C. § 7507).

d. A manufacturer that selects compliance Option 2 must provide to the Executive Officer separate values for the number of vehicles produced and delivered, and for sales values separately for in the District of Columbia and for each individual state within the average.

(B) *Calculation of Fleet Average Greenhouse Gas Value.*

1. *Basic Calculation.*

a. Option A: Each manufacturer shall calculate both a "city" grams per mile average CO₂-equivalent value for each GHG vehicle test group and a "highway" grams per mile average CO₂-equivalent value for each GHG vehicle test group, including vehicles certified in accordance with section 1960.5 and vehicles certified in accordance with section 1961(a)(14), using the following formula. Option B: For a manufacturer that elects to demonstrate compliance with the greenhouse gas requirements using CAFE data, "GHG vehicle test group" shall mean "subconfiguration" in this subsection 1961.1(a)(1)(B)1.a. Greenhouse Gas emissions used for the "city" CO₂-equivalent value calculation shall be measured using the "FTP" test cycle (40 CFR, Part 86, Subpart B). Greenhouse Gas emissions used for the "highway" CO₂-equivalent value calculation shall be based on emissions measured using the Highway Test Procedures.

$$\text{CO}_2\text{-Equivalent Value} = \text{CO}_2 + 296 \times \text{N}_2\text{O} + 23 \times \text{CH}_4 - \text{A/C Direct Emissions Allowance} - \text{A/C Indirect Emissions Allowance}$$

A manufacturer may use N₂O = 0.006 grams per mile in lieu of measuring N₂O exhaust emissions. A manufacturer that elects to use CAFE Program emissions data to demonstrate compliance with the greenhouse requirements may substitute the term 1.9 CO₂-equivalent grams per mile for the terms "296 x N₂O + 23 x CH₄" in this equation.

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(b) *Calculation of Greenhouse Gas Credits/Debits.*

Sections (b)(1) and (b)(2). [No change.]

(3) *Procedure for Offsetting Greenhouse Gas Debits.*

(A) A manufacturer shall equalize Greenhouse Gas emission debits by earning g/mi Greenhouse Gas emission credits in an amount equal to the g/mi Greenhouse Gas debits, or by submitting a commensurate amount of g/mi Greenhouse Gas credits to the Executive Officer that were earned previously or acquired from another manufacturer. A manufacturer shall equalize Greenhouse Gas debits for PCs, LDTs, and MDPVs within five model years after they are earned. If emission debits are not equalized within the specified time period, the manufacturer shall be subject to the Health and Safety Code section 43211 civil penalty applicable to a manufacturer which sells a new motor vehicle that does not meet the applicable emission standards adopted by the state board. The cause of action shall be deemed to accrue when the emission debits are not equalized by the end of the specified time period. For a manufacturer demonstrating compliance under Option 2 in subsection 1961.1(a)(1)(A)1., the emission debits that are subject to a civil penalty under Health and Safety Code section 43211 shall be calculated separately for California, the District of Columbia, and each individual state that is included in the fleet average greenhouse gas requirements in subsection 1961.1(a)(1)(A)1. These emission debits shall be calculated for each individual state using the formula in subsections 1961.1(b)(1)(B) and 1961.1(b)(2), except that the "Total No. of Vehicles Produced and Delivered for Sale in California, including ZEVs and HEVs" shall be calculated separately for the District of Columbia and each individual state.

For the purposes of Health and Safety Code section 43211, the number of passenger cars and LDT1s not meeting the state board's emission standards shall be determined by dividing the total amount of g/mi Greenhouse Gas emission debits for the model year calculated for California by the g/mi Greenhouse Gas fleet average requirement for PCs and LDTs 0 3750 lbs. LVW applicable for the model year in which the debits were first incurred. For the purposes of Health and Safety Code section 43211, the number of LDT2s and MDPVs not meeting the state board's emission standards shall be determined by dividing the total amount of g/mi Greenhouse Gas emission debits for the model year calculated for California by the g/mi Greenhouse Gas fleet average requirement for LDTs 3751 lbs. LVW – 8500 lbs. GVW and MDPVs applicable for the model year in which the debits were first incurred.

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Note: Authority cited: Sections 39500, 39600, 39601, 43013, 43018, 43018.5, 43101, 43104 and 43105, Health and Safety Code. Reference: Sections 39002, 39003, 39667, 43000, 43009.5, 43013, 43018, 43018.5, 43100, 43101, 43101.5, 43102, 43104, 43105, 43106, 43204, 43205, and 43211, Health and Safety Code.