# TITLE 13. CALIFORNIA AIR RESOURCES BOARD

### NOTICE OF PUBLIC HEARING TO CONSIDER PROPOSED AMENDMENTS TO THE NEW PASSENGER MOTOR VEHICLE GREENHOUSE GAS EMISSION STANDARDS FOR MODEL YEARS 2017-2025 TO PERMIT COMPLIANCE BASED ON FEDERAL GREENHOUSE GAS EMISSIONS STANDARDS AND ADDITIONAL MINOR REVISIONS TO THE LEV III AND ZEV REGULATIONS

The Air Resources Board (ARB or Board) will conduct a public hearing at the time and place noted below to consider adoption of amendments to the Low-Emission Vehicle (LEV III) greenhouse gas emissions standards, and additional minor revisions to the LEV III criteria pollutant and Zero-Emission Vehicle (ZEV) regulations, approved by the Board on January 26, 2012.

DATE: November 15, 2012

TIME: 9:00 a.m.

PLACE: California Environmental Protection Agency Air Resources Board Byron Sher Auditorium 1001 | Street Sacramento, California 95814

This item may be considered at a two-day meeting of the Board, which will commence at 9:00 a.m., November 15, 2012, and may continue at 8:30 a.m., on November 16, 2012. This item may not be considered until November 16, 2012. Please consult the agenda for the hearing, which will be available at least 10 days before November 15, 2012, to determine the day on which this item will be considered.

### INFORMATIVE DIGEST OF PROPOSED ACTION AND POLICY STATEMENT OVERVIEW

**Sections Affected**: Proposed amendments to California Code of Regulations, title 13, section(s) 1900, 1956.8, 1960.1, 1961, 1961.2, 1961.3, 1962.1, 1962.2, and 1976; and to the following documents incorporated by reference therein: "California 2015 and Subsequent Model Criteria Pollutant Exhaust Emission Standards and Test Procedures and 2017 and Subsequent Model Greenhouse Gas Exhaust Emission Standards and Test Procedures for Passenger Cars, Light-Duty Trucks, and Medium-Duty Vehicles," adopted March 22, 2012; "California 2001 through 2014 Model Criteria Pollutant Exhaust Emission Standards and Test Procedures for Model Greenhouse Gas Exhaust Emission Standards and Test Procedures for Model Greenhouse Gas Exhaust Emission Standards and Test Procedures for Model Greenhouse Gas Exhaust Emission Standards and Test Procedures for Model Greenhouse Gas Exhaust Emission Standards and Test Procedures for Model March 22, 2012; "California Non-Methane Organic Gas Test Procedures," as last amended March 22, 2012; "California Evaporative Emission Standards and Test Procedures," as last amended March 22, 2012; "California Evaporative Emission Standards and Test Procedures," as last amended March 22, 2012; "California Evaporative Emission Standards and Test Procedures," as last amended March 22, 2012; "California Evaporative Emission Standards and Test Procedures," as last amended March 22, 2012; "California Evaporative Emission Standards and Test Procedures," as last amended March 22, 2012; "California Evaporative Emission Standards and Test Procedures," as last amended March 22, 2011; "California Evaporative Emission Standards and Test Procedures," as last amended March 22, 2012; "California Evaporative Emission Standards and Test Procedures for 2001 and Subsequent Model Motor Vehicles," as last amended

March 22, 2012; "California Exhaust Emission Standards and Test Procedures for 2004 and Subsequent Model Heavy-Duty Otto-Cycle Engines," as last amended March 22, 2012; "California Exhaust Emission Standards and Test Procedures for 2004 and Subsequent Model Heavy-Duty Diesel Engines and Vehicles," as last amended March 22, 2012; "California Exhaust Emission Standards and Test Procedures for 2009 through 2017 Model Zero-Emission Vehicles and Hybrid Electric Vehicles, in the Passenger Car, Light-Duty Truck and Medium-Duty Vehicle Classes," as last amended March 22, 2012; and "California Exhaust Emission Standards and Test Procedures for 2018 and Subsequent Model Zero-Emission Vehicles and Hybrid Electric Vehicles, in the Passenger Car, Light-Duty Truck and Medium-Duty Vehicle Classes," as last amended March 22, 2012; and "California Exhaust Emission Standards and Test Procedures for 2018 and Subsequent Model Zero-Emission Vehicles and Hybrid Electric Vehicles, in the Passenger Car, Light-Duty Truck and Medium-Duty Vehicle Classes," adopted March 22, 2012.

#### **Documents Incorporated by Reference:**

SAE Standard J2727, Revision Feb2012, Published 02/23/2012. "Mobile Air Conditioning System Refrigerant Emission Charts for R-134a and R-1234yf".

SAE Standard J2841: "Utility Factor Definitions for Plug-In Hybrid Electric Vehicles Using Travel Survey Data" (September 2010)

#### Background:

#### 2009-2016 Model Year Greenhouse Gas Regulations

Recognizing the increasing threat of climate change to the well-being of California's citizens and the environment, in 2002 the legislature adopted and the Governor signed AB 1493 (Chapter 200, Statutes 2002, Pavley). AB 1493 directed the Air Resources Board (ARB or Board) to adopt the maximum feasible and cost-effective reductions in greenhouse gas emissions from light-duty vehicles. Vehicle greenhouse gas emissions included carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), and nitrous oxide (N<sub>2</sub>O) that are emitted from the tailpipe, as well as emissions of HFC134a, the refrigerant currently used in most vehicle air conditioning systems.

In 2004, in response to AB 1493, ARB approved what are commonly referred to as the Pavley regulations, the first in the nation to require significant reductions of greenhouse gases from motor vehicles. These regulations, covering the 2009 through 2016 and later model years, will result in a 17% overall reduction in climate change emissions from the light-duty fleet by 2020 and a 25% overall reduction by 2030. They also formed the foundation for the national greenhouse gas program (National Program) for light-duty vehicles for 2012 through 2016 model years that was developed by the U.S. Environmental Protection Agency (USEPA), in coordination with the National Highway Traffic Safety Administration (NHTSA), which administers Corporate Average Fuel Economy (CAFE) Standards.

This initial National Program embraced California's program for lower greenhouse gas emissions and technologies (e.g., for engines, transmission, and air-conditioning system content and operation) to achieve comparable 2016 new vehicle fleet greenhouse gas emission reductions nationally. As part of its commitment to the National Program, ARB modified its regulations to explicitly accept federal compliance with the USEPA standards as sufficient to demonstrate compliance with California's standards for the 2012 through 2016 model years, creating a consistent requirement to reduce greenhouse gas emissions nationwide.

#### 2017 and Later Model Year Greenhouse Gas Regulations

Subsequent to ARB's adoption of the Pavley regulations, the legislature adopted and the Governor signed AB 32, the California Global Warming Solutions Act (Chapter 488, Statutes 2006, Nuñez/Pavley). AB 32 charges ARB with the responsibility of monitoring and regulating greenhouse gas emissions in the State. AB 32 also directed ARB to prepare a Scoping Plan outlining the State's strategy to achieve the maximum feasible and cost-effective reductions in furtherance of reducing greenhouse gas emissions to 1990 levels by 2020. Measure T1 of the Scoping Plan anticipates an additional 3.8 million metric tons carbon dioxide equivalent (MMTCO<sub>2</sub>e) reduction by 2020 beyond the reductions from the 2009 through 2016 Pavley standards, with greater reductions realized in subsequent years. In addition, in 2005, in order to mitigate the long-term impacts of climate change, the Governor issued Executive Order S-3-05. Among other actions, the Executive Order called for reducing greenhouse gas emissions to 80 percent below 1990 levels by 2050; this ambitious yet achievable reduction path and goal are considered necessary to stabilize the long-term climate. AB 32 and Executive Order S-3-05, combined with AB 1493, drove development of California's second generation passenger vehicle greenhouse gas regulations for model years 2017 and beyond.

In May of 2010, a Presidential Memorandum<sup>1</sup> directed USEPA and NHTSA to build on their 2012 through 2016 National Program and work with California to jointly develop continuing national greenhouse gas standards for model years 2017 through 2025. The Memorandum requested that USEPA and NHTSA work closely with ARB on a 2010 technical assessment that would assess technologies and costs to achieve varying levels for greenhouse gas emission reduction through model year 2025. The result was a September 2010 *Interim Technical Assessment Report,* jointly authored by USEPA, NHTSA, and ARB. Subsequent to that collaborative technical work ARB staff closely monitored the work of USEPA and NHTSA, and the staffs continued to jointly hold meetings with various stakeholders (e.g., individual automakers), examine updated technical materials, and develop consistent technology assumptions.

In July 2011, automakers, California, and the federal government committed to a series of actions that would allow for the development of national greenhouse gas standards for model years 2017 through 2025 that would meet the needs of California as well as the nation as a whole. California's commitments (as conveyed by a letter<sup>2</sup> from Chairman Mary Nichols to USEPA and the U.S. Department of Transportation) are:

<sup>&</sup>lt;sup>1</sup> The Presidential Memorandum is found at: <u>http://www.whitehouse.gov/the-press-office/presidential-memorandum-regarding-fuel-efficiency-standards</u>

<sup>&</sup>lt;sup>2</sup> California Air Resources Board, Letter from Mary D. Nichols, Chairman, to The Honorable Lisa Jackson, Administrator, United States Environmental Protection Agency and The Honorable Ray LaHood, Secretary, United

- (1) California committed that if USEPA proposed federal greenhouse gas standards and NHTSA proposed CAFE standards for model years 2017 and beyond substantially as described in the July 2011 Notice of Intent (published in the Federal Register on August 9, 2011), and the agencies adopted standards substantially as proposed, California would not contest such standards;
- (2) California committed to propose to revise its standards on greenhouse gas emissions from new motor vehicles for the 2017 through 2025 model years, such that compliance with the greenhouse gas emissions standards adopted by USEPA for those model years that are substantially as described in the July 2011 Notice of Intent, even if amended after 2012, shall be deemed in compliance with the California greenhouse gas emissions standards, in a manner that is applicable to states that adopt and enforce California's greenhouse gas standards under Clean Air Act (CAA) Section 177; and
- (3) California committed to propose that its revised Zero-Emission Vehicle (ZEV) program for the 2018 through 2021 model years include a provision providing that over-compliance with the federal greenhouse gas standards in the prior model year may be used to reduce in part a manufacturer's ZEV obligation in the next model year.

The Notice of Proposed Rulemaking (NPRM) for the 2017 through 2025 model year national greenhouse gas program was issued on December 1, 2011. 76 Fed.Reg. 74854 (December 1, 2011). That NPRM also furthered USEPA and the U.S. Department of Transportation commitments to re-evaluate the state of vehicle technology to determine whether any adjustments to the stringency of the 2022 through 2025 model year national greenhouse gas standards, adopted as a result of these commitments are appropriate. This re-evaluation of vehicle technology is referred to as a "Mid-term Review." Regarding the Mid-term Review, Chairman Nichols's commitment stated "California will fully participate in the mid-term evaluation, however, California reserves all rights to contest final actions taken or not taken by EPA or NHTSA as part of or in response to the mid-term evaluation." The Board confirmed California's commitment to participating in the Mid-term Review by including the following language in Resolution 12-113, "BE IT FURTHER RESOLVED that the Board directs the Executive Officer to participate in U.S. EPA's mid-term review of the 2022 through 2025 model year passenger vehicle greenhouse gas standards being proposed under the 2017 through 2025 MY National Program."

States Department of Transportation, July 28, 2011, available at http://www.epa.gov/otaq/climate/letters/carbcommitment-ltr.pdf

<sup>&</sup>lt;sup>3</sup> State of California, Air Resources Board, Resolution 12-11, January 26, 2012, Agenda Item No.: 12-1-2, ADVANCED CLEAN CARS REGULATION PACKAGE, <u>http://www.arb.ca.gov/regact/2012/cfo2012/res12-11.pdf</u>

In January 2012, the ARB approved its second generation greenhouse gas regulations as part of the Low-Emission Vehicle III (LEV III) element of the Advanced Clean Cars program. This program combines the control of smog-causing pollutants and greenhouse gas emissions into a single coordinated package of requirements for model years 2017 through 2025 and assures the development of environmentally superior cars that will continue to deliver the performance, utility, and safety vehicle owners have come to expect. A second element of the Advanced Clean Cars program, the ZEV regulations, includes regulatory changes that implement California's third (3) commitment above.<sup>4</sup>

The second generation greenhouse gas regulations contained in the Advanced Clean Cars program require significant reductions in greenhouse gas emissions from passenger cars and light-duty trucks (i.e., vehicles less than 8,500 lbs. gross vehicle weight) and sport utility vehicles (i.e., medium-duty passenger vehicles). These requirements will reduce car CO<sub>2</sub> emissions by about 36% and truck CO<sub>2</sub> emissions by about 32% from model year 2016 through 2025. The ZEV element of the Advanced Clean Cars program also fulfills California's third commitment towards the development of the 2017 through 2025 model year national greenhouse gas program, as discussed above.

At the January 2012 hearing, the Board also confirmed California's commitment to make regulatory changes that implement California's first (1) commitment above by including the following language in Resolution 12-11, "BE IT FURTHER RESOLVED that the Board directs the Executive Officer to either propose modifications to the approved regulatory amendments, or to return to the Board with a new regulatory proposal, to accept compliance with the 2017 through 2025 MY National Program as compliance with California's greenhouse gas emission standards in the 2017 through 2025 model years, if the Executive Officer determines that U.S. EPA has adopted a final rule that at a minimum preserves the greenhouse reduction benefits set forth in U.S. EPA's December 1, 2011 Notice of Proposed Rulemaking for 2017 through 2025 model year passenger vehicles;" The Board re-iterated this commitment at the March 2012 "Public Hearing to Consider Approval of Responses to Public Comments on the Environmental Analysis for the Advanced Clean Cars Regulations and to Take Final Action on These Regulations" by including the following language in Resolution 12-21<sup>5</sup>, "WHEREAS, in consideration of the proposed Final Regulation Orders, written comments, and public testimony it has received to date, the Board finds that: It is appropriate to accept compliance with the 2017 through 2025 model year National Program as compliance with California's greenhouse gas emission standards in the 2017 through 2025 model years, once United States Environmental Protection Agency (U.S. EPA) issues their Final Rule on or after its current July 2012 planned release, provided that the greenhouse gas reductions set forth in U.S. EPA's December 1, 2011 Notice of Proposed Rulemaking for 2017 through 2025 model year passenger vehicles

<sup>&</sup>lt;sup>4</sup> Another element of the Advanced Clean Cars program, the Clean Fuels Outlet regulations, designed to assure ultra-clean fuels such as hydrogen are available to meet vehicle demands brought on by these amendments to the ZEV program, are mentioned here for completeness. However, there are no proposed amendments to these regulations at this time and none are needed to meet the above-described commitments.

<sup>&</sup>lt;sup>5</sup> State of California, Air Resources Board, Resolution 12-21, March 22, 2012, Agenda Item No.: 12-2-7, ADVANCED CLEAN CARS REGULATION PACKAGE, <u>http://www.arb.ca.gov/regact/2012/leviiighg2012/res12-21.pdf</u>

are maintained, except that California shall maintain its own reporting requirements". Accepting such National Program compliance for the 2017 through 2025 model years is the subject of this rulemaking proposal.

#### **Objectives and Benefits:**

The objective of this rulemaking is to follow through on the commitment made to USEPA and NHTSA by Chairman Nichols on July 28, 2011 and in Board Resolutions 12-11 and 12-21 to propose for adoption appropriate language to accept manufacturerdemonstrated compliance with the final national passenger motor vehicle greenhouse gas regulations for the 2017 through 2025 model years, as an option to achieve compliance with California's regulations for those model years.

This proposal also makes minor changes to ARB's regulations. In general these proposed changes correct errors, and update procedures to reflect information received since adoption of the regulations in January, 2012. Staff is not proposing to amend the regulations to be identical to the final National Program. For example ARB's regulation would continue to treat upstream emissions differently than the final National Program. Other areas in which the California rule and the final federal greenhouse rule do not align are discussed in the Staff Report: Initial Statement of Reasons for this rulemaking. In practice, most if not all manufacturers are expected to use compliance with the national rule to satisfy California requirements. However a manufacturer may choose to comply with the ARB requirements, and the ARB regulation would remain in place in the event the National Program ceases.

It should also be noted that adoption of this proposal would not eliminate the reporting requirements for California. Specifically, a manufacturer will still be required to submit emission testing data and sales data for California and each of the Section 177 states in sufficient detail to allow staff to verify the manufacturer's average greenhouse gas levels for each model year. In addition, staff is also proposing minor revisions to the LEV III criteria pollutant regulations and the ZEV regulations to correct errors and to clarify the regulations.

The national greenhouse gas program for the 2017 through 2025 model years is marginally less stringent than California's program due to differences between the two programs in their treatment of advanced technology vehicles and the application and calculation of credits for improved air conditioning systems, off-cycle technologies and hybridization of full-size trucks. Staff has determined that the differences in the federal credit scheme for select technologies are largely limited to the early years of the program and will have a minimal impact on greenhouse gas emission reductions from the light-duty fleet. The combined impact of these federal provisions results in a slight decrease in accumulated  $CO_2$  reductions in California in 2025. On page 162 of the Initial Statement of Reasons<sup>6</sup> for LEV III (LEV III ISOR), staff estimated that the impact of these provisions would result in a 4.5% loss of accumulated  $CO_2$  emission reductions in 2025.

<sup>&</sup>lt;sup>6</sup> The Initial Statement of Reasons can be found at <u>http://www.arb.ca.gov/regact/2012/leviiighg2012/levisor.pdf</u>

Nonetheless, while implementation of a compliance option that allows manufacturers to certify to the 2017 through 2025 model year national greenhouse gas program instead of the California program would result in a slight decrease in accumulated CO<sub>2</sub> reductions in California, greater CO<sub>2</sub> reductions would be achieved nationwide, as was the case when California adopted the federal program option for the 2012 through 2016 model years. For 2017 and later model years, staff estimates that in 2050, the California program would reduce greenhouse gas emissions from light-duty vehicles by 43 million metric tons (MMT) (LEV III ISOR page 176). USEPA has estimated greenhouse gas reductions of 569 MMTs from the national program in 2050.<sup>7</sup> This occurs because the national program applies to a national fleet that is approximately ten times larger than the California fleet.

Additionally, as noted in Appendix J, staff is proposing to correct an error in the carbon monoxide (CO) standards for medium-duty vehicles that were adopted as part of the original LEV III rulemaking. The CO standards that are currently in place were inadvertently copied from an earlier proposal and are not consistent with those presented in the LEV III ISOR.

### CONSISTENCY AND COMPATIBILITY WITH EXISTING STATE REGULATIONS

Staff does not believe the proposed regulation is inconsistent or incompatible with existing state regulations.

### MANDATED BY FEDERAL LAW OR REGULATIONS

This regulation is not mandated by federal law or regulations.

### COMPARABLE FEDERAL REGULATIONS

On August 28, 2012, a Final Rulemaking (FRM) was issued by USEPA and NHTSA for a joint rulemaking of coordinated federal greenhouse gas emission reduction and fuel economy program for light-duty vehicles, beginning in the 2017 model year (see footnote 7). While, as discussed above, differences remain between the proposed California greenhouse gas regulations and those presented in the FRM, greater greenhouse gas reductions occur nationwide under the National Program than under the California program alone. Staff's amendments allow manufacturers to comply with these federal standards as an alternative to compliance with California's greenhouse gas regulations for the 2017 through 2025 model years.

### AVAILABILITY OF DOCUMENTS

ARB staff has prepared a Staff Report: Initial Statement of Reasons (ISOR) for the proposed regulatory action, which includes a summary of the economic and environmental impacts of the proposal. The report is entitled: "Proposed Amendments

<sup>&</sup>lt;sup>7</sup> "2017 and Later Model Year Light-Duty Vehicle Greenhouse Gas Emissions and Corporate Average Fuel Economy Standards" final rule, adopted August 28, 2012, available at <u>http://epa.gov/otaq/climate/documents/2017-2025-ghg-cafe-standards-frm.pdf</u>

to New Passenger Motor Vehicle Greenhouse Gas Emission Standards for Model Years 2017-2025 to Permit Compliance Based on Federal Greenhouse Gas Emission Standards and Additional Minor Revisions to the LEV III and ZEV Regulations."

Copies of the ISOR and the full text of the proposed regulatory language, in underline and strikeout format to allow for comparison with the existing regulations, may be accessed on ARB's website listed below, or may be obtained from the Public Information Office, Air Resources Board, 1001 I Street, Visitors and Environmental Services Center, First Floor, Sacramento, California, 95814, (916) 322-2990, on September 14, 2012.

#### Final Statement of Reasons Availability

Upon its completion, the Final Statement of Reasons (FSOR) will be available and copies may be requested from the agency contact persons in this notice, or may be accessed on ARB's website listed below.

#### AGENCY CONTACT PERSONS

Inquiries concerning the substance of the proposed regulation may be directed to the designated agency contact persons, Mr. Paul Hughes, Manager, Low-Emission Vehicle Implementation Section, at (626) 575-6977, or Ms. Sarah Carter, Staff Air Pollution Specialist, at (626) 575-6845.

Further, the agency representative and designated back-up contact persons, to whom non-substantive inquiries concerning the proposed administrative action may be directed are Ms. Lori Andreoni, Manager, Board Administration and Regulatory Coordination Unit, (916) 322-4011, or Ms. Amy Whiting, Regulations Coordinator, (916) 322-6533. The Board staff has compiled a record for this rulemaking action, which includes all the information upon which the proposal is based. This material is available for inspection upon request to the contact persons.

#### Internet Access

This notice, the ISOR and all subsequent regulatory documents, including the FSOR, when completed, are available on ARB's website for this rulemaking at <a href="http://www.arb.ca.gov/regact/2012/leviiidtc12/leviiidtc12.htm">http://www.arb.ca.gov/regact/2012/leviiidtc12/leviiidtc12.htm</a>

#### FISCAL IMPACT

The determinations of the Board's Executive Officer concerning the costs or savings necessarily incurred by public agencies and private persons and businesses in reasonable compliance with the proposed regulations are presented below.

### DISCLOSURES REGARDING THE PROPOSED REGULATION

Pursuant to Government Code sections 11346.5(a)(5) and 11346.5(a)(6), the Executive Officer has determined that the proposed regulatory action would not create costs or savings to any State agency or in federal funding to the State, costs or mandate to any local agency or school district, whether or not reimbursable by the State pursuant to

Government Code, title 2, division 4, part 7 (commencing with section 17500), or other nondiscretionary cost or savings to State or local agencies.

# COST IMPACTS ON REPRESENTATIVE PRIVATE PERSONS OR BUSINESSES

In developing this regulatory proposal, ARB staff evaluated the potential economic impacts on representative private persons or businesses. The ARB is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action.

It is not possible to quantify the potential economic benefit of the additional compliance flexibility provided to automobile manufacturers with these proposed amendments due to the confidentiality of product placement strategies. Additionally, this alternate compliance path is optional, making the number of automobile manufacturers that will utilize these proposed amendments uncertain.

# SIGNIFICANT STATEWIDE ADVERSE ECONOMIC IMPACT DIRECTLY AFFECTING BUSINESS, INCLUDING ABILITY TO COMPETE

The Executive Officer has made an initial determination that the proposed regulatory action would not have a significant statewide adverse economic impact directly affecting businesses, including the ability of California businesses to compete with businesses in other states, or on representative private persons.

# STATEMENT OF THE RESULTS OF THE ECONOMIC IMPACT ASSESSMENT PREPARED PURSUANT TO GOVERNMENT CODE SEC. 11346.3(b)

The Executive Officer has determined that the proposed regulatory action would not affect the creation or elimination of jobs within the State of California, the creation of new businesses or elimination of existing businesses within the State of California, or the expansion of businesses currently doing business within the State of California. A detailed assessment of the economic impacts of the proposed regulatory action can be found in the ISOR.

### Benefits of the Proposed Regulation:

While the stringency of the California standards remains unchanged, the alternative compliance option will benefit manufacturers by providing them with greater flexibility and will increase the cumulative emission reductions – and therefore the resultant public health and environmental benefits – due to application across the national fleet. The benefits of this additional flexibility are not quantified due to the confidential nature of manufacturers' product placement strategies.

### EFFECT ON SMALL BUSINESS

The Executive Officer has also determined, pursuant to California Code of Regulations, title 1, section 4, that the proposed regulatory action would not affect small businesses because small businesses are not regulated parties under these regulations.

In accordance with Government Code sections 11346.3(c) and 11346.5(a)(11), the Executive Officer has found that the reporting requirements of the regulation which apply to businesses are necessary for the health, safety, and welfare of the people of the State of California.

## ALTERNATIVES

Before taking final action on the proposed regulatory action, the Board must determine that no reasonable alternative considered by the Board, or that has otherwise been identified and brought to the attention of the Board would be more effective in carrying out the purpose for which the action is proposed, or would be as effective and less burdensome to affected private persons than the proposed action, or would be more cost-effective to affected private persons and equally effective in implementing the statutory policy or other provisions of law.

### ENVIRONMENTAL ANALYSIS

In accordance with ARB's certified regulatory program, California Code of Regulations, title 17, sections 60006 through 60007, and the California Environmental Quality Act, Public Resources Code section 21080.5, ARB has conducted an analysis of the potential for significant adverse and beneficial environmental impacts associated with the proposed regulatory action. The environmental analysis of the proposed regulatory action can be found in Chapter V of the ISOR.

### SUBMITTAL OF COMMENTS AND WRITTEN COMMENT PERIOD

Interested members of the public may also present comments verbally or in writing at the meeting, and comments may be submitted by postal mail or by electronic submittal before the meeting. The public comment period for this regulatory action will begin on September 14, 2012. To be considered by the Board, written comments, not physically submitted at the meeting, must be submitted on or after September 14, 2012 and received **no later than 12:00 noon on November 14, 2012**, and must be addressed to the following:

Postal mail: Clerk of the Board, Air Resources Board 1001 I Street, Sacramento, California 95814

Electronic submittal: http://www.arb.ca.gov/lispub/comm/bclist.php

You can sign up online in advance to speak at the Board meeting when you submit an electronic board item comment. For more information go to: <u>http://www.arb.ca.gov/board/online-signup.htm</u>.

Please note that under the California Public Records Act (Gov. Code, § 6250 et seq.), your written and verbal comments, attachments, and associated contact information (e.g., your address, phone, email, etc.) become part of the public record and can be released to the public upon request.

ARB requests that written and email statements on this item be filed at least 10 days prior to the hearing so that ARB staff and Board members have additional time to consider each comment. The Board encourages members of the public to bring to the attention of staff in advance of the hearing any suggestions for modification of the proposed regulatory action.

Additionally, the Board requests but does not require that persons who submit written comments to the Board reference the title of the proposal in their comments to facilitate review.

# STATUTORY AUTHORITY AND REFERENCES

This regulatory action is proposed under the authority granted in Health and Safety Code, sections 38510, 38560, 38562, 39500, 39515, 39600, 39601, 39667, 43006, 43013, 43018, 43018.5, 43101, 43104, 43105, 43200, 43210, 43210.5, and 44036.2, and Vehicle Code section 27156. This action is proposed to implement, interpret, and make specific sections 38501, 38510, 38560, 39002, 39003, 39667, 40000, 43000, 43004, 43006, 43008.6, 43009.5, 43100, 43101, 43101.5, 43102, 43104, 43106, 43205, 43205.5, 43210, 43211, 43212, and 43213, Health and Safety Code.

# HEARING PROCEDURES

The public hearing will be conducted in accordance with the California Administrative Procedure Act, Government Code, title 2, division 3, part 1, chapter 3.5 (commencing with section 11340).

Following the public hearing, the Board may adopt the regulatory language as originally proposed, or with non-substantial or grammatical modifications. The Board may also adopt the proposed regulatory language with other modifications if the text as modified is sufficiently related to the originally proposed text that the public was adequately placed on notice and that the regulatory language as modified could result from the proposed regulatory action; in such event, the full regulatory text, with the modifications clearly indicated, will be made available to the public, for written comment, at least 15-days before it is adopted.

The public may request a copy of the modified regulatory text from ARB's Public Information Office, Air Resources Board, 1001 I Street, Visitors and Environmental Services Center, First Floor, Sacramento, California, 95814, (916) 322-2990.

# SPECIAL ACCOMMODATION REQUEST

Special accommodation or language needs can be provided for any of the following:

- An interpreter to be available at the hearing;
- Documents made available in an alternate format or another language; or
- A disability-related reasonable accommodation.

To request these special accommodations or language needs, please contact the Clerk of the Board at (916) 322-5594 or by facsimile at (916) 322-3928 as soon as possible, but no later than 10 business days before the scheduled Board hearing. TTY/TDD/Speech to Speech users may dial 711 for the California Relay Service.

Comodidad especial o necesidad de otro idioma puede ser proveído para alguna de las siguientes:

- Un intérprete que esté disponible en la audiencia.
- Documentos disponibles en un formato alterno u otro idioma.
- Una acomodación razonable relacionados con una incapacidad.

Para solicitar estas comodidades especiales o necesidades de otro idioma, por favor llame a la oficina del Consejo al (916) 322-5594 o envíe un fax a (916) 322-3928 lo más pronto posible, pero no menos de 10 días de trabajo antes del día programado para la audiencia del Consejo. TTY/TDD/Personas que necesiten este servicio pueden marcar el 711 para el Servicio de Retransmisión de Mensajes de California.

CALIFORNIA AIR RESOURCES BOARD

James N. Goldstene Executive Officer

Date: August 31, 2012

The energy challenge facing California is real. Every Californian needs to take immediate action to reduce energy consumption. For a list of simple ways you can reduce demand and cut your energy costs, see our website at <u>www.arb.ca.gov</u>.