## Appendix B

Proposed Amendments to the Small Off-Road Engine Evaporative Emission Regulations, California Code of Regulations, Title 13, Division 3, Chapter 15. Additional Off-Road Vehicles and Engines Pollution Control Requirements, Article 1. Evaporative Emission Requirements for Off-Road Equipment Amend sections 2750, 2752, 2753, 2754, 2754.1, 2754.2, 2755, 2756, 2757, 2758, 2759, 2761, 2762, 2763, 2764, 2765, 2766, 2767, 2767.1, and 2771, title 13, California Code of Regulations, adopt section 2754.3, and repeal section 2768, to read as follows:

(Note: The Proposed Amendments are shown in <u>underline</u> to indicate additions and <del>strikeout</del> to indicate deletions from the existing regulatory text.)

#### Small Off-Road Engine Evaporative Emission Regulations

California Code of Regulations, Title 13, Division 3

## Chapter 15. Additional Off-Road Vehicles and Engines Pollution Control Requirements

Article 1. Evaporative Emission Requirements for Off-Road Equipment §2750. Purpose.

The purpose of these regulations is to:

- (a) Set evaporative emission standards for gasoline-fueled, spark-ignited small off-road engines rated at equal to or less than 19 Kilowatts, and equipment utilizing such engines;
- (b) In order to give manufacturers maximum flexibility, certification programs are available beginning the 2006 model year. The two options are identified in section 2754(a) and in section 2754(b), and require running loss emissions to be controlled during engine operation, which results in greater evaporative emissions reductions. Manufacturers must select one option for each evaporative family they certify through the 2023 model year. Beginning with model year 2024, manufacturers must certify each evaporative family to meet the hot soak plus diurnal emission standards in section 2754(a).

Note: Authority cited: Sections 39600, 39601 and 43013, Health and Safety Code. Reference: Section 43013, Health and Safety Code.

#### §2751. Applicability.

- (a) For the model year engines or equipment subject to this Article, no person shall:
  - (1) manufacture for sale or lease for use or operation in California, or
  - (2) sell or lease or offer for sale or lease for use or operation in California, or

(3) deliver or import into California for introduction into commerce in California, without an evaporative emission control system that has been certified and labeled pursuant to this Article.

#### (b) No person shall:

- (1) manufacture for sale or lease for use or operation in California, or
- (2) sell or lease or offer for sale or lease for use or operation in California, or
- (3) deliver or import into California for introduction into commerce in California, any component of an evaporative emission control system subject to this Article unless that component has been certified, either by itself or as part of an evaporative emission control system, and labeled pursuant to this Article. Starting January 1, 2020, it is presumed that replacement components are subject to this Article if they are capable of being used on an evaporative emission control system on a small off-road engine regulated under this Article.

#### (c) This Article does not apply to:

- (1) engines or equipment that use compression-ignition engines, or engines or equipment powered with compressed natural gas (CNG), propane, liquefied petroleum gas (LPG), or liquefied natural gas (LNG).
- (2) engines or equipment that use small off-road engines manufactured in California for sale and use outside of California.
- (3) snowthrowers or ice augers.

Note: Authority cited: Sections 39600, 39601 and 43013, Health and Safety Code. Reference: Section 43013, Health and Safety Code.

#### §2752. Definitions.

- (a) The definitions in section 2401 (a), and section 2403 (b), Chapter 9, Title 13 of the California Code of Regulations, apply to this Article with the following additions:
  - (1) "Actively-Purged Carbon Canister" means a carbon canister which draws in ambient air to purge adsorbed compounds using a vacuum created by the intake system of the engine.

- (1)-(2) "ANSI/OPEI B71.10-2013" means ANSI/OPEI B71.10-2013, American National Standard for Off-Road Ground-Supported Outdoor Power Equipment Gasoline Fuel Systems Performance Specifications and Test Procedures, published August 26, 2013, and which is incorporated by reference in this Article.
- (3) "ANSI/OPEI B71.10-2018" means ANSI/OPEI B71.10-2018, American
  National Standard for Off-Road Ground-Supported Outdoor Power
  Equipment Gasoline Fuel Systems Performance Specifications and
  Test Procedures, published November 12, 2018, and which is
  incorporated by reference in this Article.
- (2) (4) "CP-901" means Certification Procedure for Evaporative Emission Control Systems on Engines With Displacement Less Than or Equal to 80 Cubic Centimeters, adopted July 26, 2004, and amended September 18, 2017.
- (3) (5) "CP-902" means Certification Procedure for Evaporative Emission Control Systems on <u>Small Off-Road</u> Engines With Displacement Greater Than 80 Cubic Centimeters, adopted July 26, 2004, and <u>last</u> amended September 18, 2017 [insert amended date].
- (4) (6) "Diurnal Emissions" means evaporative emissions resulting from the daily cycling of ambient temperatures and include resting losses, and permeation emissions, as measured according to test procedures incorporated in this Article.
- (5)-(7) "Equivalent Fuel Line" means a fuel line that permeates less than the nominal fuel line being replaced and less than or equal to 15 grams of ROG per square meter of surface area in contact with fuel per day when tested per SAE J1737-(Stabilized May 2013), SAE J30, SAE J1527, or, only for fuel lines with inner diameter 4.75 mm or less, SAE J2996 at 40°C or higher, and ambient pressure using LEV III certification gasoline. The fuel defined in 40 CFR Part 1060.515(a)(2) or CE10 may be used as an alternative test fuel.
- (6) (8) "Evaporative Emissions" means emissions that result from the evaporation of reactive organic gases into the atmosphere.
- (7) (9) "Evaporative Emission Control System" means the fuel system and associated components that are designed to control evaporative emissions.
- (8) (10) "Evaporative Family" means small off-road engine or equipment models in the same engine class that are grouped together based on

similar fuel system characteristics as they relate to evaporative emissions or zero-emission small off-road equipment grouped together based on similar performance characteristics. For engines with displacement less than or equal to 80 cubic centimeters (cc), all models using fuel tanks and fuel lines constructed by the same process with the same material and the same permeation control may be grouped into one evaporative family. The engine family and the evaporative family may be considered equivalent at the manufacturer's discretion.

- (9) (11) "Evaporative Model Emission Limit (EMEL)" means the diurnal or hot soak plus diurnal emission rate declared by the manufacturer for a model within an evaporative family. The declared rate must be based on diurnal evaporative emissions test results for the model of engine or equipment within the evaporative family that is expected to exhibit the highest diurnal evaporative emission rate relative to the applicable diurnal or hot soak plus diurnal emission standard, obtained by following TP-902.
- (10) (12) "Evaporative Family Emission Limit Differential (EFELD)" means the emission rate differential between the diurnal or hot soak plus diurnal emission standard in Tables 1, 2 or 3 of section 2754(a) for the model of engine or equipment within the evaporative family that is expected to exhibit the highest diurnal evaporative emission rate relative to the applicable diurnal or hot soak plus diurnal emission standard and the EMEL declared for the model and is applicable to the entire evaporative family represented by the model.
- (11) (13) "Executive Order of Certification" means an order signed by the Executive Officer that documents certification of evaporative emission control systems on engines or equipment to the evaporative emission standards of this Article.
- (12) (14) "Fuel line" means hose or tubing designed to contain liquid fuel (including molded hose or tubing). This does not include any of the following:
  - (A) Fuel tank vent lines;
  - (B) Segments of hose or tubing whose external surface is normally exposed to liquid fuel inside the fuel tank;
  - (C) Hose or tubing designed to return unused fuel from the carburetor to the fuel tank that does not continuously contain liquid fuel for handheld engines; and

- (D) Primer bulbs that contain liquid fuel only for priming the engine before starting.
   (13) (15) "Holder" means the person to whom the Executive Order of Certification is issued.
- (14) (16) "Hot Soak Emissions" means evaporative emissions that occur for the one-hour period following the termination of engine operation.
- (15) (17) "LEV III certification gasoline" means certification gasoline fuel for LEV III light-duty vehicles and medium-duty vehicles as defined in part II, section A.100.3.1.2 of the 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, as last amended September 2, 2015.
- (16) (18) "Manufacturer" means either an engine manufacturer or equipment manufacturer.
- (17) (19) "Nominal Capacity" means the volume of fuel indicated by the manufacturer that represents the maximum recommended fill level.
- (18) (20) "Nominal Fuel Line" means the fuel line that is used by an engine or equipment manufacturer to certify the evaporative emissions control system on a small off-road engine.
- (19) (21) "Organic material hydrocarbon equivalent" means the total mass of hydrocarbon molecules, ethanol, and other organic compounds, as measured under the test procedures incorporated in this Article.
- (22) "Passively-Purged Carbon Canister" means a carbon canister which draws in ambient air to purge adsorbed compounds using a vacuum created within the fuel tank by normal diurnal temperature variations.
- (20) (23) "Permeation Emissions" means evaporative emissions that result from reactive organic gas molecules penetrating through the walls of fuel system components and evaporating on outside surfaces, as measured by test procedures incorporated in this Article. Permeation emissions are a component of diurnal emissions, as measured by test procedures incorporated in this Article.
- (21) (24) "Permeation Rate" means the total mass of reactive organic gas molecules passing through the internal surface area of a fuel tank or fuel

line in a 24-hour period, as measured by test procedures incorporated in this Article.

- (22) (25) "Production Volume" means the number of engines or equipment units, subject to the requirements of this Article, produced in an evaporative family for which the Holder has a reasonable basis to conclude that sale was or may be made to ultimate purchasers in California. A Holder may estimate production volume through market analysis. An educated and consistent estimate with the best available documentation will be acceptable as the final report of production volume in California.
- (23) (26) "Reactive Organic Gases (ROG)" means any compound of carbon, excluding carbon monoxide, carbon dioxide, carbonic acid, metallic carbides or carbonates, and ammonium carbonate, and excluding the following:

|   |                       | CAS *       |
|---|-----------------------|-------------|
| (1) methane;                              |                       | [74-82-8]   |
| methylene chloride (dichloromethane);     |                       | [75-09-2]   |
| 1,1,1-trichloroethane (methyl chlorofor   | m);                   | [71-55-6]   |
| trichlorofluoromethane (CFC-11);          |                       | [75-69-4]   |
| dichlorodifluoromethane (CFC-12);         |                       | [75-71-8]   |
| 1,1,2-trichloro-1,2,2-trifluoroethane (CF | -C-113);              | [76-13-1]   |
| 1,2-dichloro-1,1,2,2-tetrafluoroethane (  | (CFC-114);            | [76-14-2]   |
| chloropentafluoroethane (CFC-115);        |                       | [76-15-3]   |
| chlorodifluoromethane (HCFC-22);          |                       | [75-45-6]   |
| 1,1,1-trifluoro-2,2-dichloroethane (HCF   | C-123);               | [306-83-2]  |
| 2-chloro-1,1,1,2-tetrafluoroethane (HCl   | FC-124);              | [2837-89-0] |
| 1,1-dichloro-1-fluoroethane (HCFC-141     | b);                   | [1717-00-6] |
| 1-chloro-1,1-difluoroethane (HCFC-142     | ?b);                  | [75-68-3]   |
| trifluoromethane (HFC-23);                |                       | [75-46-7]   |
| pentafluoroethane (HFC-125);              |                       | [354-33-6]  |
| 1,1,2,2-tetrafluoroethane (HFC-134);      |                       | [359-35-3]  |
| 1,1,1,2-tetrafluoroethane (HFC-134a);     |                       | [811-97-2]  |
| 1,1,1-trifluoroethane (HFC-143a);         |                       | [420-46-2]  |
| 1,1-difluoroethane (HFC-152a);            |                       | [75-37-6]   |
| cyclic, branched, or linear completely n  | nethylated siloxanes; | [various]   |
| the following classes of perfluorocarbo   | ns:                   | [various]   |
| / A                                       |                       |             |

- (A) cyclic, branched, or linear, completely fluorinated alkanes;
- (B) cyclic, branched, or linear, completely fluorinated ethers with no unsaturations;
- (C) cyclic, branched, or linear, completely fluorinated tertiary amines with no unsaturations; and

- (D) sulfur-containing perfluorocarbons with no unsaturations and with the sulfur bonds only to carbon and fluorine; and
- (2) the following low-reactive organic compounds which have been exempted by the U.S. EPA:

```
CAS *
acetone;
                                                                               [67-64-1]
                                                                               [74-84-0]
ethane;
methyl acetate;
                                                                               [79-20-9]
perchloroethylene;
                                                                               [127-18-4]
parachlorobenzotrifluoride (1-chloro-4-trifluoromethyl benzene);
                                                                               [98-56-6]
3,3-dichloro-1,1,1,2,2-pentafluoropropane (HCFC-225ca);
1,3-dichloro-1,1,2,2,3-pentafluoropropane (HCFC-225cb);
1,1,1,2,3,4,4,5,5,5-decafluoropentane (HFC 43-10mee);
difluoromethane (HFC-32);
fluoroethane (ethyl fluoride or HFC-161);
1,1,1,3,3,3-hexafluoropropane (HFC-236fa);
1,1,2,2,3-pentafluoropropane (HFC-245ca);
1,1,2,3,3-pentafluoropropane (HFC-245ea);
1,1,1,2,3-pentafluoropropane (HFC-245eb);
1,1,1,3,3-pentafluoropropane (HFC-245fa);
1,1,1,2,3,3-hexafluoropropane (HFC-236ea);
1,1,1,3,3-pentafluorobutane (HFC-365mfc);
chlorofluoromethane (HCFC-31);
1-chloro-1-fluoroethane (HCFC-151a);
1,2-dichloro-1,1,2-trifluoroethane (HCFC-123a);
1,1,1,2,2,3,3,4,4-nonafluoro-4-methoxy-butane (C_4F_9OCH_3 or
HFE-7100);
2-(difluoromethoxymethyl)-1,1,1,2,3,3,3-heptafluoropropane
((CF_3)_2CFCF_2OCH_3);
1-ethoxy-1,1,2,2,3,3,4,4,4-nonafluorobutane (C<sub>4</sub>F<sub>9</sub>OC<sub>2</sub>H<sub>5</sub> or HFE-7200);
2-(ethoxydifluoromethyl)-1,1,1,2,3,3,3-heptafluoropropane
((CF_3)_2CFCF_2OC_2H_5);
1,1,1,2,2,3,3-heptafluoro-3-methoxy-propane (n-C<sub>3</sub>F<sub>7</sub>OCH<sub>3</sub>, HFE-7000);
3-ethoxy-1,1,1,2,3,4,4,5,5,6,6,6-dodecafluoro-2-(trifluoromethyl)-hexane
(HFE-7500);
1,1,1,2,3,3,3-heptafluoropropane (HFC 227ea);
methyl formate (HCOOCH<sub>3</sub>);
1,1,1,2,2,3,4,5,5,5-decafluoro-3-methoxy-4-trifluoromethyl-pentane
(HFE-7300);
propylene carbonate;
dimethyl carbonate;
HCF<sub>2</sub>OCF<sub>2</sub>H (HFE-134);
HCF<sub>2</sub>OCF<sub>2</sub>OCF<sub>2</sub>H (HFE-236cal2);
HCF<sub>2</sub>OCF<sub>2</sub>CF<sub>2</sub>OCF<sub>2</sub>H (HFE-338pcc13);
```

HCF<sub>2</sub>OCF<sub>2</sub>OCF<sub>2</sub>CF<sub>2</sub>OCF<sub>2</sub>H (H-Galden 1040x or H-Galden ZT 130 (or 150 or 180)); trans 1-chloro-3,3,3-trifluoroprop-1-ene; 2,3,3,3-tetrafluoropropene; and 2-amino-2-methyl-1-propanol.

- \* NOTE: Chemical Abstract Service (CAS) identification numbers have been included in brackets [ ] for convenience.
- "Running Loss Emissions" means evaporative emissions from a small off-road engine that occur while it is being operated.
- (25) (28) "SAE J30" means SAE J30, Fuel and Oil Hoses, Revised February 2012, and which is incorporated by reference in this Article.
- (26) (29) "SAE J1527" means SAE J1527, Marine Fuel Hoses, Revised February 2011, and which is incorporated by reference in this Article.
- (27) (30) "SAE J1737" means SAE J1737, Test Procedure to Determine the Hydrocarbon Losses from Fuel Tubes, Hoses, Fittings, and Fuel Line Assemblies by Recirculation, Stabilized May 2013 Revised August 2019, and which is incorporated by reference in this Article.
- (31) "SAE J1930" means SAE J1930, Electrical/Electronic Systems Diagnostic Terms, Definitions, Abbreviations, and Acronyms Equivalent to ISO/TR 15031-2, Revised March 2017, and which is incorporated by reference in this Article.
- (28) (32) "SAE J2996" means SAE J2996, Small Diameter Fuel Line Permeation Test Procedure, Issued January 2013, and which is incorporated by reference in this Article.
- (29) (33) "SHED" (Sealed Housing Evaporative Determination) means the enclosure and associated equipment used to determine evaporative emissions. A SHED must meet the design specifications in 40 Code of Federal Regulations Part 86.107-96.
- (30) (34) "Small Production Volume Tank Exemption" applies to all models with identical tanks produced by an engine or equipment manufacturer with total California production volume of 400 or fewer units per year.
- (31) (35) "TP-901" means Test Procedure for Determining Permeation Emissions from Small Off-Road Engine Fuel Tanks, adopted July 26, 2004, and last amended May 6, 2019 [insert amended date].

- (32) (36) "TP-902" means Test Procedure for Determining <del>Diurnal</del> Evaporative Emissions from Small Off-Road Engines, adopted July 26, 2004, and last amended May 6, 2019 [insert amended date].
- (33) (37) "Walk-Behind Mower" means a grass-cutting product which has:
  - (A) A Class I vertical shaft engine that includes a blade brake mechanism that provides for compliance with ANSI B71.1 requirements; or
  - (B) A horizontally fixed blade and/or string directly attached to the crankshaft of a vertical shaft engine.

Note: Authority cited: Sections 39600, 39601 and 43013, Health and Safety Code. Reference: Section 43013, Health and Safety Code.

#### §2753. Certification Requirements and Procedures.

#### (a) Certification.

Small off-road engines or equipment that use small off-road engines subject to this Article must contain evaporative emission control systems. The evaporative emission control systems must be certified annually to the evaporative emission standards set out in sections 2754 through 2757 of this Article by the California Air Resources Board. An Executive Order of Certification for such engines or equipment must be obtained prior to the sale or lease, or the offering for sale or lease, for use or operation in California or the delivery or importation for introduction into commerce in California. Engine manufacturers or equipment manufacturers may apply for an Executive Order of Certification. For model years 2006-2019, applicants must follow the certification procedures outlined in CP-901, Certification and Approval Procedure for Small Off-Road Engine Fuel Tanks, adopted July 26, 2004, or CP-902, Certification and Approval Procedure for Evaporative Emission Control Systems, adopted July 26, 2004, as applicable, which are incorporated by reference herein. For model years 2020 and subsequent model years through 2023, applicants must follow the certification procedures outlined in CP-901, adopted July 26, 2004, and amended September 18, 2017, or CP-902, adopted July 26, 2004, and amended September 18, 2017, as applicable, which are incorporated by reference herein. For model year 2018 and 2019, an applicant may follow the certification procedures outlined in CP-901, adopted July 26, 2004, and amended September 18, 2017, or CP-902, adopted July 26, 2004, and amended September 18, 2017, as applicable, in lieu of those in CP-901, adopted July 26, 2004, or CP-902, adopted July 26, 2004, as applicable. For model year 2024 and subsequent model years, applicants must follow the certification procedures outlined in CP-902, adopted July 26, 2004, and last amended [insert amended date], which is incorporated by reference herein. For model year 2022 and 2023, an applicant may follow the certification procedures outlined in CP-902, adopted July 26, 2004, and last amended [insert amended date], in lieu of those in CP-901, adopted July 26, 2004, and amended September 18, 2017, or CP-902, adopted July 26, 2004, and amended September 18, 2017, as applicable. An applicant following the certification procedures outlined in CP-902, adopted July 26, 2004, and last amended [insert amended date], for model year 2022 or 2023 must meet the emission standards for model year 2024 and subsequent model years, as shown in Table 2 or 3 of Section 2754, as applicable. An applicant must also meet the bond requirements in section 2774 before an Executive Order of Certification will be issued for model year 2020 and subsequent model year evaporative families.

(b) Certification of Complete Systems for Engines or Equipment using engines with displacement greater than 80 cc through model year 2023.

Certification of a complete evaporative emission control system is required. An application for certification of an evaporative emission control system to the diurnal emission standards in section 2754 or 2757 of this Article must include a determination of the engine or equipment model in the evaporative family that is expected to exhibit the highest diurnal emission rate relative to the applicable diurnal emission standard and detail the criteria used to make that determination. The applicant must also include one of the following for the engine or equipment model in the evaporative family that is expected to exhibit the highest diurnal emission rate relative to the applicable diurnal emission standard:

- (1) Diurnal emission test results, determined using TP-902;
- (2) All of the following:
  - (A) fuel tank permeation data, determined using TP-901,
  - (B) fuel line permeation data, determined using SAE J1737 (Stabilized May 2013), SAE J30, SAE J1527, or, only for fuel lines with inner diameter 4.75 mm or less, SAE J2996, and
  - (C) carbon canister butane working capacity data determined using TP-902 or equivalent; or
- (3) The Executive Order numbers approving the fuel tank, fuel line, and carbon canister pursuant to section 2767.1 of this Article.
- (c) Certification of Complete Systems for Engines or Equipment using engines with displacement less than or equal to 80 cc through model year 2023.

An application for certification of an evaporative emission control system to the fuel tank permeation standard specified in section 2755 or 2757 must include fuel tank permeation data for the fuel tank in the evaporative family that is expected to exhibit the highest permeation rate relative to the applicable permeation emission standard. The application shall also detail the criteria used to determine which fuel tank in the evaporative family is expected to exhibit the highest permeation rate relative to the applicable permeation emission standard.

(d) Certification of Complete Systems for Engines or Equipment using small off-road engines for model year 2024 and subsequent model years.

Certification of a complete evaporative emission control system is required. An application for certification of an evaporative emission control system to the hot soak plus diurnal emission standards in section 2754 of this Article must include a determination of the engine or equipment model in the evaporative family that is expected to exhibit the highest hot soak plus diurnal emission rate relative to the applicable hot soak plus diurnal emission standard and detail the criteria used to make that determination. The applicant must also include a test report for a test performed according to TP-902 for the engine or equipment model in the evaporative family that is expected to exhibit the highest hot soak plus diurnal emission rate relative to the applicable hot soak plus diurnal emission standard.

(d) (e) Modifications to the Evaporative Emission Control System.

For previously certified evaporative emission control systems:

- (1) Holders may replace the nominal fuel line of a certified evaporative emission control system for which diurnal or hot soak plus diurnal emission test results were submitted as part of the certification application with an equivalent fuel line.
- (2) Modification of any certified evaporative emission control systems in any manner other than replacement of the nominal fuel lines with equivalent fuel lines invalidates the certification of the control system. When any evaporative emission control system's certification is invalidated due to an unapproved modification, a new certification is required per CP-902, adopted July 26, 2004, er-CP-902 adopted July 26, 2004, and amended September 18, 2017, or CP-902 adopted July 26, 2004, and last amended [insert amended date], as applicable, depending on the model year.
- (3) Holders shall notify the Executive Officer in writing of any modification of any certified evaporative emission control system. The notification must

include a statement citing the basis for the equivalent fuel line determination.

(e) (f) Reduced Certification Requirements.

Manufacturers meeting the requirements of section 2766 of this Article must be certified annually by the <u>California</u> Air Resources Board by submitting a Letter of Conformance. The Letter of Conformance must include, at a minimum, a statement citing the basis for complying with section 2766. An Executive Order of Certification for such engines or equipment must be obtained prior to the sale or lease, or the offering for sale or lease, or the delivery or importation for introduction into commerce in California of such engines or equipment in California.

- (f) (g) A Holder whose Executive Order has been suspended or revoked must submit diurnal or hot soak plus diurnal emission test results, determined using TP-902, for all evaporative families using engines with displacement greater than 80 cc, as described in subsection (b) or (d) of this section, as applicable, according to the following schedule:
  - (1) For one model year after the first finding of noncompliance;
  - (2) for five model years after the second finding of noncompliance; and
  - (3) for ten model years after any subsequent finding of noncompliance.

Note: Authority cited: Sections 39600, 39601 and 43013, Health and Safety Code. Reference: Section 43013, Health and Safety Code.

## §2754. Diurnal and Hot Soak Plus Diurnal Emission and Design Standards.

(a) <u>(1)</u> Table 1 below specifies the diurnal emission and design standards for small off-road engines, and equipment that use small off-road engines, with displacements greater than 80 cc, on and after the model years indicated, through the 2023 model year. The standards in Table 1 shall continue to apply to large spark-ignition engines subject to section 2433(b)(4)(B) in Title 13, Chapter 9, Article 4.5 of the California Code of Regulations after the 2023 model year.

Table 1
Diurnal Emission and Design Standards

|                                 |   | Design Standards   |   |   |
|---------------------------------|---|--|---|---|
| Effective<br>Date<br>Model Year | Diurnal Emission<br>Standards (g<br>organic material<br>hydrocarbon<br>equivalent·day <sup>-1</sup> ) | Fuel Line<br>Permeation Emission<br>Standard <sup>1</sup><br>(g ROG·m <sup>-2</sup> ·day <sup>-1</sup> ) | Fuel Tank Permeation <sup>2</sup> Emission Standard (g ROG·m <sup>-2</sup> ·day <sup>-1</sup> ) | Carbon Canister <sup>3</sup> or<br>Equivalent<br>Butane Working<br>Capacity Standard<br>(g organic material<br>hydrocarbon<br>equivalent) |
|                                 | Displac   | ement Category: Walk<br>>80 cc - <225 c  | -Behind Mowers  |   |
| 2006                            | None  | 15   | None  | None  |
| 2007 and<br>2008                | 1.3   | N/A  | N/A   | N/A   |
| 2009                            | 1.0   | N/A  | N/A   | N/A   |
|                                 |   |  |   |   |
|                                 | > 80 cc -   | Displacement Cate < 225 cc (except Walk  |   |   |
| 2006                            | None  | 15   | None  | None  |
| 2007<br>through<br>2011         | 1.20 + 0.056 ×<br>nominal capacity<br>(liters)  | 15   | 2.5   | Specified in TP-902   |
| 2012                            | 0.95 + 0.056 ×<br>nominal capacity<br>(liters)  | 15   | 1.5   | Specified in TP-902   |
|                                 | Displacement Category: ≥ 225 cc   |  |   |   |
| 2006 and<br>2007                | None  | 15   | None  | None  |
| 2008                            | 1.20 + 0.056 ×<br>nominal capacity<br>(liters)  | 15   | 2.5   | Specified in TP-902   |
| 2013                            | 1.20 + 0.056 ×<br>nominal capacity<br>(liters)  | 15   | 1.5   | Specified in TP-902   |

<sup>&</sup>lt;sup>1</sup> For model year 2006 only, all engines and equipment with displacements > 80 cc - <225 cc must comply with the fuel line permeation emission standard. For model years 2006 and 2007, all engines and equipment with displacements greater than or equal to 225 cc must comply with the fuel line permeation emission standard.

(2) On or after the model year set out in Table 1 of this section through model year 2023, diurnal emissions from any small off-road engine or equipment unit that uses a small off-road engine with displacement

<sup>&</sup>lt;sup>2</sup> Permeation emissions as determined by TP-901. Permeation emissions must be measured to two significant digits.

<sup>&</sup>lt;sup>3</sup> Canister design requirements and the procedure for determining butane working capacity are specified in TP-902. The Executive Officer may designate technology equivalent to carbon canisters on a case by case basis as part of the certification process per section 2767.

- greater than 80 cc must not exceed the diurnal emission standards specified in Table 1 of this section.
- (3) Table 2, below, specifies the hot soak plus diurnal emission standards for small off-road engines on and after the model years indicated, except for generator engines.

<u>Table 2</u>
<u>Hot Soak Plus Diurnal Emission Standards for Small Off-Road Engines, Except Generator Engines</u>

| Displacement Category          | Effective Date Model Year | Hot Soak Plus Diurnal Emission |
|--------------------------------|---------------------------|--------------------------------|
|                                |                           | Standards¹ (g organic material |
|                                |                           | hydrocarbon equivalent test 1) |
| <u>≤ 80 cc</u>                 | <u>2024</u>               | 0.00                           |
| > 80 cc - < 225 cc Walk-Behind | <u>2024</u>               | 0.00                           |
| <u>Mowers</u>                  |                           |                                |
| > 80 cc - < 225 cc (except     | <u>2024</u>               | 0.00                           |
| Walk-Behind Mowers)            |                           |                                |
| ≥ 225 cc                       | <u>2024</u>               | 0.00                           |

<sup>1</sup> The standards for hot soak plus diurnal emissions are measured in grams of organic material hydrocarbon equivalent per test, which includes both the hot soak test and the 24-hour diurnal test, as specified in TP-902.

- (4) On or after the model year set out in Table 2 of this section, hot soak plus diurnal emissions from any small off-road engine, except generator engines, must not exceed the hot soak plus diurnal emission standard specified in Table 2 of this section. The emission standards in Table 2 of this section are optional for model years 2022 and 2023.
- (5) Table 3, below, specifies the hot soak plus diurnal emission standards for generator engines on and after the model years indicated.

<u>Table 3</u> <u>Hot Soak Plus Diurnal Emission Standards for Generator Engines</u>

| Displacement Category | Effective Date Model Year | Hot Soak Plus Diurnal Emission              |
|-----------------------|---------------------------|---|
|                       |                           | Standards <sup>1</sup> (g organic material  |
|                       |                           | hydrocarbon equivalent·test <sup>-1</sup> ) |
| <u>≤ 80 cc</u>        | <u>2024</u>               | <u>0.50</u>                                 |
|                       | <u>2028</u>               | 0.00  |
| > 80 cc - < 225 cc    | <u>2024</u>               | 0.60  |
|                       | <u>2028</u>               | 0.00  |
| ≥ 225 cc              | <u>2024</u>               | 0.70  |
|                       | <u>2028</u>               | <u>0.00</u>                                 |

<sup>1</sup> The standards for hot soak plus diurnal emissions are measured in grams of organic material hydrocarbon equivalent per test, which includes both the hot soak test and the 24-hour diurnal test, as specified in TP-902.

- (6) On or after the model year set out in Table 3 of this section 2754, hot soak plus diurnal emissions from any generator engine, must not exceed the hot soak plus diurnal emission standard specified in Table 3 of this section. The emission standards in Table 3 of this section are optional for model years 2022 and 2023.
- (b) An applicant certifying engines or equipment to comply with the diurnal emission standards under this section shall do the following through model year 2023:
  - (1) Submit a determination in the certification application that running loss emissions are controlled from being emitted into the atmosphere. The Executive Officer must approve the determination for an Executive Order of Certification to be issued. Approval by the Executive Officer is not required if actively-purged carbon canisters meeting the requirements of this article are used.
  - (2) Provide test data in the certification application showing that all fuel lines meet the permeation requirement of 15 grams of ROG per square meter of surface area of the surface in contact with fuel per day when tested with LEV III Certification Gasoline using test procedure SAE J1737 (Stabilized May 2013), SAE J30, SAE J1527, or, only for fuel lines with inner diameter 4.75 mm or less, SAE J2996, which are incorporated herein by reference. The permeation testing must be conducted at 40°C, or higher, and ambient pressure. The fuel defined in 40 CFR Part 1060.515(a)(2) or CE10 may be used as an alternative test fuel. Alternatively, applicants can submit the Executive Order number approving the fuel lines pursuant to section 2767.1 of this Article.
- (c) An applicant certifying engines or equipment to comply with the diurnal emission standards under this section shall also do one of the following through model year 2023:
  - (1) Provide diurnal emission test data for the engine or equipment model in the evaporative family that is expected to exhibit the highest diurnal emission rate relative to the applicable diurnal emission standard, in accordance with TP-902; or
  - (2) Provide test data in the certification application showing that the fuel tank and carbon canister meet the applicable design standards listed in Table 1 of this section. Alternatively, an applicant can submit the Executive Order numbers approving the fuel tank and carbon canister pursuant to section 2767.1 of this Article.

- (d) For model year 2024 and subsequent model years, an applicant certifying engines or equipment to comply with the hot soak plus diurnal emission standards under this section shall provide diurnal and hot soak emission test data for the engine or equipment model in the evaporative family that is expected to exhibit the highest hot soak plus diurnal emission rate relative to the applicable hot soak plus diurnal emission standard, in accordance with TP-902.
- (d) (e) For model year 2020 and subsequent model years, if carbon canisters are used in an evaporative emission control system, they must be installed in a way that prevents exposing the carbon to water or liquid fuel.
- (e) (f) For model years 2020-and subsequent model years through 2023, all fuel lines must be securely connected to prevent fuel leakage throughout the useful life of the evaporative emission control system. Fuel line assembly testing shall be conducted in accordance with the Fuel Line Assembly Tensile Test in section 5.4 of ANSI/OPEI B71.10-2013, which is incorporated by reference herein or the Fuel line connection tensile test in section 5.5 of ANSI/OPEI B71.10-2018.
- (g) For model year 2024 and subsequent model years, all fuel lines must be securely connected to prevent fuel leakage throughout the useful life of the evaporative emission control system. Fuel line assembly testing shall be conducted in accordance with the Fuel line connection tensile test in section 5.5 of ANSI/OPEI B71.10-2018.
- (h) An applicant certifying engines or equipment to comply with the hot soak plus diurnal emission standards under this section shall submit a determination in the certification application that running loss emissions are controlled from being emitted into the atmosphere. The Executive Officer must approve the determination for an Executive Order of Certification to be issued. Approval by the Executive Officer is not required if actively-purged carbon canisters meeting the requirements of this Article are used. To demonstrate that running loss emissions are controlled from being emitted into the atmosphere, an applicant shall follow the procedure in section 2.4 of TP-902.

Note: Authority cited: Sections 39600, 39601 and 43013, Health and Safety Code. Reference: Section 43013, Health and Safety Code.

#### §2754.1. Certification Averaging, and Banking, and Trading.

(a) Applicability - The averaging requirements specified in this section apply only to engines or equipment with complete evaporative emission control systems certified to the diurnal or hot soak plus diurnal emission standards specified in section 2754(a) or 2757 of this Article and tested according to TP-902.

Participation in the certification averaging, and banking, and trading program is voluntary. The provisions of this section are applicable only for determining compliance with this section.

#### (b) General Provisions.

- (1) The certification averaging, and banking, and trading provisions for diurnal or hot soak plus diurnal emissions from eligible engines and equipment are described in this section.
- (2) A Holder of an Executive Order for an evaporative family subject to this Article may use the averaging, and banking, and trading provisions of this section for the purpose of creating diurnal evaporative emissions credits.
- (3) A Holder shall not include in its calculation of credit generation and may exclude from its calculation of credit usage, any new engines or equipment not subject to this Article. Small off-road engines powered with compressed natural gas (CNG), propane, liquefied petroleum gas (LPG), or liquefied natural gas (LNG) may be certified under this Article, in order to generate evaporative emission credits. CNG, propane, LPG, and LNG engines must meet all applicable requirements in this Article to earn evaporative emission credits.
- (4) A Holder may include its entire inventory of an evaporative family subject to this Article in calculating the <u>diurnal evaporative</u> emissions credit for a given model year.
- (5) A Holder shall certify an evaporative family to an EMEL and shall determine an EFELD. The EFELD is calculated by a Holder and can be positive or negative subject to the limitations in subsections (b)(6) and (b)(7) of this section, provided the sum of the Holder's projected balance of credits from all credit transactions for each engine class in a given model year is greater than or equal to zero, as determined under subsection (e) (f). The EFELD is determined based on the diurnal evaporative test results, in accordance with TP-902, of the model of engine or equipment within an evaporative family expected to exhibit the highest diurnal evaporative emission rate relative to the applicable diurnal or hot soak plus diurnal emission standard. The EFELD is calculated by setting the EMEL for the model of engine or equipment tested at a level above the diurnal evaporative test results and then subtracting the EMEL from the applicable diurnal or hot soak plus diurnal emission standard for the model.

- (A) A Holder of an Executive Order for an evaporative family with a negative EFELD shall obtain positive emission credits sufficient to address the associated credit shortfall within the time period set out in subsection (b)(8) below.
- (B) An evaporative family with a positive EFELD may generate positive emission credits for averaging, or banking, trading, or a combination thereof.
- (6) No walk-behind mowers within an evaporative family may have an EMEL greater than 1.5 times the applicable diurnal standard in section 2754(a) for model year 2023 and earlier model years, or 1.5 grams organic material hydrocarbon equivalent per test for model year 2024 and later model years.
- (7) No model of Class I or Class II engine or equipment (excluding walk-behind mowers) within an evaporative family may have an EMEL greater than 3.0 times the applicable diurnal standard in section 2754(a) for model year 2023 and earlier model years, or 2.1 grams organic material hydrocarbon equivalent per test for model year 2024 and later model years.
- (8) A Holder must demonstrate compliance with this section within 270 days of after the end of the model year.
- (9) No new Executive Order of Certifications will be issued to the Holder until a plan to make up the emissions deficit plus a penal amount of 25% of the deficit has been approved by the Executive Officer.
- (10) The failure of a Holder to comply with the diurnal <u>or hot soak plus diurnal</u> emissions standards in accordance with this section shall be grounds for revocation or suspension of the Executive Order of Certification in accordance with section 2770. A revocation under this provision shall be deemed to revoke the Executive Order of Certification *ab initio*.
- (11) The failure of a Holder to submit the plan required in subsection (b)(9) above within 270 days of after the end of a model year shall be grounds for revocation or suspension of the Executive Order of Certification in accordance with section 2770. A revocation under this provision shall be deemed to revoke the Executive Order of Certification ab initio.

### (c) Averaging.

(1) Negative credits from evaporative families with negative EFELDs must be offset by positive credits from evaporative families having positive

- EFELDs, as allowed under the provisions of this section. Averaging of credits in this manner is used to determine compliance under subsection—(e) (f)(2).
- (2) Subject to the provisions in subsection (b)(9), credits used in averaging for a given model year may be obtained from credits generated in the same model year by another evaporative family, or credits banked in previous model years, or credits of the same or previous model year obtained through trading. The restrictions of this subsection notwithstanding, credits from a given model year may be used to address credit needs of previous model year engines.

#### (d) Banking.

- (1) Beginning with the 2007 model year, a Holder of an Executive Order for an evaporative family with a positive EFELD for model year 2007 and subsequent engines and equipment may bank credits in that model year for use in averaging and trading. Positive credits may be banked only according to the requirements of subsection—(e) (f)(1) of this section.
- (2) A Holder may bank emission credits only after the end of the model year and after <u>C</u>ARB has reviewed the Holder's end-of-year reports. During the model year and before submittal of the end-of-year report, credits originally designated in the certification process for banking will be considered reserved and may be redesignated for averaging <u>or trading</u> in the end-of-year report and final report.
- (3) A Holder may use credits claimed from a previous model year that have not been approved by the <u>CARB</u> in an averaging <u>or trading</u> calculation pending the review of the <u>CARB</u>. In the event such review does not substantiate the amount of credits claimed, an Executive Order will not be issued until a plan to make up the emissions deficit has been approved by the Executive Officer.
- (4) Commencing with the 2018 model year, any previously banked diurnal evaporative emission credits and any new diurnal evaporative emission credits earned can be used for up to five years. In the sixth year, any unused diurnal evaporative emission credits will expire. (For example, if a 2018 model year evaporative family earns diurnal evaporative emission credits, those diurnal evaporative emission credits may be used or banked until the 2023 model year. Any remaining banked diurnal evaporative emission credits earned within the 2018 model year will be invalid for use in the 2024 and subsequent model years.)

## (e) Trading.

- (1) A Holder may exchange evaporative emission credits with other Holders in trading.
- (2) Credits for trading can be obtained from credits banked in previous model years or credits generated during the model year of the trading transaction.
- (3) Traded credits can be used for averaging or banking.
- (4) Traded credits are subject to the limitations on use for past model years, and the use of credits from early banking as set forth in paragraph (d)(3).
- (5) In the event of a negative credit balance resulting from a transaction, both the buyer and the seller are liable, except in cases involving fraud.

  The Executive Officer may void Executive Orders of all evaporative families participating in a negative trade ab initio.
- (e) (f) Credit Calculation and Holder Compliance with Emission Standards.
  - (1) For each evaporative family, <u>diurnal evaporative</u> emission credits (positive or negative) are to be calculated according to the following equations—and rounded to the nearest tenth of a gram. Consistent units with two significant digits are to be used throughout the equations.

EFELD = Applicable diurnal or hot soak plus diurnal emission standard – EMEL

Credits = EFELD × Production Volume

Where:

EMEL = the declared evaporative model emission limit for the model tested within the evaporative family in grams

EFELD = the calculated evaporative family emission limit differential for the evaporative family in grams

Production Volume is as defined in section 2752(a)<del>(21)</del> (25)

(2) Holder compliance with this section is determined on a corporate average basis at the end of each model year. A Holder is in compliance when the sum of positive and negative emission credits it holds is greater than or equal to zero.

#### (f) (g) Certification Using Credits.

- (1) For certification relying on averaging, or banking, or trading of credits, a Holder shall:
  - (A) Submit a statement that the engines for which certification is requested will not, to the best of the Holder's knowledge, cause the Holder to be in noncompliance under subsection (e) (f)(2) when all credits are calculated for all the Holder's evaporative families.
  - (B) Calculate an EFELD for the evaporative family. The EFELD must be calculated to two significant digits.
  - (C) Indicate the projected number of emission credits generated/needed for each evaporative family based on the projected applicable eligible production volume, the EMEL, and the EFELD.
  - (D) Submit calculations in accordance with section 2754.1(e) (f) of projected emission credits (positive or negative) based on production projections for each evaporative family.
  - (E) (i) If an evaporative family is projected to generate negative emission credits, state specifically the source (Holder/evaporative family or reserved) and quantity of the credits necessary to offset the credit deficit according to projected production.
    - (ii) If the evaporative family is projected to generate positive emission credits, state specifically the recipient (Holder/evaporative family or reserved) and quantity of the credits used to offset a deficit banked according to where the projected credits will be applied.
- (2) A Holder may supply the information required above in section 2754.1(f) (g)(1)(C), (D), and (E) by use of a spreadsheet detailing the Holder's annual production plans and the credits generated or consumed by each evaporative family.
- (3) The Holder bears the burden of establishing to the satisfaction of the Executive Officer that the conditions upon which the Executive Order was issued were satisfied.
- (4) Projected credits based on information supplied in the certification application may be used to obtain an Executive Order. However, any

such credits may be revoked based on review of end-of-year reports, follow-up audits, and any other verification steps considered appropriate by the Executive Officer.

#### (g) (h) Maintenance of Records.

- (1) A Holder shall establish, maintain, and retain the following adequately organized and indexed records for each evaporative family:
  - (A) <u>C</u>ARB evaporative family identification code;
  - (B) EMEL for each model within the evaporative family;
  - (C) Projected production volume for the model year; and
  - (D) Records appropriate to establish the quantities of engines or equipment that constitute eligible production volume for each evaporative family.
- (2) Any Holder producing an evaporative family participating in trading reserved credits must maintain the following records on a quarterly basis for each such evaporative family:
  - (A) The evaporative family name,
  - (B) The actual quarterly and cumulative applicable production volume,
  - (C) The values required to calculate credits as given in subsection 2754.1(f),
  - (D) The resulting type and number of credits generated/required,
  - (E) How and where credit surpluses are dispersed, and
  - (F) How and through what means credit deficits are met.
- (23) A Holder shall retain all records required to be maintained under this section for a period of eight years from the due date for the end-of-model year report. Records may be retained as hard copy, CD-ROM, diskettes, and so forth, depending on the Holder's record retention procedure; provided, that in every case all information contained in the hard copy is retained.

- (34) Nothing in this section limits the Executive Officer's discretion in requiring a Holder to retain additional records or submit information not specifically required by this section.
- (4<u>5</u>) A Holder shall submit all information requested by the Executive Officer within 30 days of the date of such request.
- (56) The Executive Officer may revoke or suspend the Executive Order for an evaporative family for which the Holder fails to retain the records required in this section or to provide such information to the Executive Officer upon request. No new Executive Orders will be issued to the Holder until the requested records are made available and/or a plan that describes the records to be retained as required by this section is approved by the Executive Officer.

#### (h) (i) End-of-Year and Final Reports.

- (1) End-of-year and final reports must indicate the evaporative family, the actual production volume, a description of the method used to determine the production volume, the values required to calculate credits as given in subsection—(e) (f), and the number of credits generated/required. Holders shall also submit a description of how and where credit surpluses were dispersed (or are to be banked) and/or how and through what means credit deficits were met. Copies of contracts related to credit trading must be included or supplied by the broker, if applicable. The report must include a calculation of credit balances to show that the credit summation for each class of engines or equipment is equal to or greater than zero.
- (2) The calculation of eligible production volume as defined in section 2752(a)(21)-(25) for end-of-year and final reports must be based on the location of the point of first retail sale (for example, retail customer or dealer) also called the final product purchase location. A Holder may use other methods to track engines for credit calculation purposes, such as shipments to distributors of products intended for sale in California.
- (3) (A) Unless otherwise approved or directed by the Executive Officer, end-of-year reports must be submitted within 90 days of after the end of the model year to:

  Chief, Emissions Compliance, Automotive Regulations and Science Division, Air Resources Board, 9528 Telstar, El Monte, CA 91731.

  Chief, Emissions Certification and Compliance Division, California Air Resources Board, 4001 lowa Street, Riverside, CA 92507.

- (B) Unless otherwise approved or directed by the Executive Officer, final reports must be submitted within 270 days of after the end of the model year to:
  Chief, Emissions Compliance, Automotive Regulations and Science Division, Air Resources Board, 9528 Telstar, El Monte, CA 91731.
  Chief, Emissions Certification and Compliance Division, California Air Resources Board, 4001 lowa Street, Riverside, CA 92507
- (4) Failure by a Holder to submit any end-of-year or final reports in the specified time for any engines or equipment subject to regulation under this section is a violation of this section for each engine or equipment in the evaporative family covered by the report.
- (5) A Holder generating credits for banking only who fails to submit end-of-year reports in the applicable specified time period (90 days after the end of the model year) may not use the credits until such reports are received and reviewed by <u>C</u>ARB. Use of projected credits pending <u>C</u>ARB review is not permitted in these circumstances.
- (6) Errors discovered by <u>C</u>ARB or the Holder in the end-of-year report, including errors in credit calculation, <u>may must</u> be corrected in the final report.
- (7) If <u>C</u>ARB or the Holder determines that a reporting error occurred on an end-of-year or final report previously submitted to <u>C</u>ARB under this section, the Holder's credits and credit calculations must be recalculated. Erroneous positive credits will be void except as provided in subsection-(h) (g) of this section. Erroneous negative credit balances may be adjusted by <u>C</u>ARB.
- (8) If within 270 days of after the end of the model year, CARB review determines a reporting error in the Holder's favor (that is, resulting in an increased credit balance) or if the manufacturer discovers such an error within 270 days of after the end of the model year, CARB must restore the credits for use by the Holder.

Note: Authority cited: Sections 39600, 39601 and 43013, Health and Safety Code. Reference: Section 43013, Health and Safety Code.

#### §2754.2. Validation Study.

(a) To confirm that the performance-based evaporative certification option in section 2754(a) and the design-based evaporative certification option in section 2754(b) are achieving <u>C</u>ARB's overall emission reduction goals, <u>C</u>ARB will

- conduct an inventory validation study utilizing diurnal test data from such equipment.
- (b) This validation study will be conducted at two time periods: (a) in 2010 for the years 2008, 2009 and 2010 and (b) in 2015 for the years 2013, 2014 and 2015.
- (c) For each year in the study, the Executive Officer will select engine and/or equipment evaporative families and request, from the certificate Holder, one production unit from each identified family from production inventory according to a method specified by the Executive Officer. Diurnal testing of each selected unit (including the complete evaporative emission control system) will be conducted pursuant to TP-902, including pre-conditioning. Unless otherwise directed by the Executive Officer, three data points will be generated and submitted to the Executive Officer for each engine and / or equipment tested.
- (d) The number of data points and equipment to be tested for this validation study is as follows:

|      | Number of Data Points       | Number of Data Points       |
|------|-----------------------------|-----------------------------|
|      | (# of Equipment Tested)     | (# of Equipment Tested)     |
| Year | for Units Certified per the | for Units Certified per the |
|      | Performance-Based Standards | Design-Based Standards      |
|      | Under Section 2754(a)       | Under Section 2754(b)       |
| 2008 | 9 (3)                       | 45 (15)                     |
| 2009 | 3 (1)                       | 15 (5)                      |
| 2010 | 3 (1)                       | 15 (5)                      |
| 2013 | 9 (3)                       | 45 (15)                     |
| 2014 | 3 (1)                       | 15 (5)                      |
| 2015 | 3 (1)                       | 15 (5)                      |

- (e) The costs for testing engines or equipment certified under the design-based element of the validation study are the responsibility of the certificate Holder. The costs for testing engines or equipment certified under the performance-based element of the validation study are the responsibility of CARB. For each of the years 2010 and 2015, the Executive Officer will also review the annual performance-based and design-based certification submissions for that year and two prior years (i.e., 2010, 2009, 2008 for the 2010 validation and 2015, 2014, 2013 for the 2015 validation) to supplement this validation study.
- (f) The Executive Officer will evaluate the data collected and, based on reasonable criteria, make a determination whether the performance-based option in section 2754(a) and the design-based option in section 2754(b) are achieving CARB's overall emission reduction goals. In making this determination, the

Executive Officer will consider, among other things, whether a particular product tested is in full compliance with the underlying standards and whether the product configurations are non-representative (i.e., large tanks).

Note: Authority cited: Sections 39600, 39601, and 43013, Health and Safety Code. Reference: Section 43013, Health and Safety Code.

## §2754.3. Evaporative Emission Reduction Credits – Zero-Emission Generator Credits Averaging, Banking, and Trading Provisions.

#### (a) Applicability.

- (1) The requirements of this section 2754.3 are applicable to manufacturers of all zero-emission generators subject to the regulatory requirements of this Article that are produced in the model years 2022 through 2026.

  Participation in this program is voluntary, but if a manufacturer elects to participate, it must do so in compliance with the provisions set forth in this section 2754.3.
- (2) The requirements of this section 2754.3 are applicable to manufacturers of zero-emission generators which are certified for emission credits under title 13, California Code of Regulations, section 2408.2 which may also be certified for evaporative emission credits. Participation in this program is voluntary, but if a manufacturer elects to participate, it must do so in compliance with the provisions set forth in this section 2754.3.

## (b) General provisions.

- (1) Zero-emission generator evaporative credits may only be used to offset emissions for an evaporative family which is exclusively used in generators.
- (2) A manufacturer of engine families certified for zero-emission generator credits under section 2408.2 may generate zero-emission generator evaporative credits.
  - (A) A manufacturer of zero-emission generator engine families
    certified for zero-emission generator credits under section 2408.2,
    shall earn zero-emission generator evaporative credits in
    accordance with Table 1 of this section 2754.3 for averaging,
    banking, or trading, or a combination thereof.
  - (B) Manufacturers must demonstrate compliance under the averaging, banking, and trading provisions of this section 2754.3 for a

particular model year within 270 days after the end of the model year.

Table 1. Minimum Requirements for Zero-Emission Generator Credit Eligibility.

|                     |                    | To Zero-Linission Generator Ci |                                     |
|---------------------|--------------------|--------------------------------|-------------------------------------|
| <u>Product Type</u> | <u>Useful Life</u> | 0,                             | Credit Eligibility                  |
|                     |                    | <u>Requirements</u>            |                                     |
| Level 1             | 5 years            | Supply: 2.5 kWh over 8         | 0.5 g organic material              |
| zero-emission       |                    | hours                          | <u>hydrocarbon</u>                  |
| <u>generator</u>    |                    |                                | equivalent·day <sup>-1</sup>        |
|                     |                    | Surge capability: 3,000 watts  | <u>or</u>                           |
|                     |                    | for 10 seconds                 | 0.5 g organic material              |
|                     |                    |                                | <u>hydrocarbon</u>                  |
|                     |                    |                                | equivalent·test <sup>-1</sup>       |
| Level 2             | 5 Years            | Supply: 6 kWh over 8 hours     | 0.5 g organic material              |
| zero-emission       |                    |                                | <u>hydrocarbon</u>                  |
| <u>generator</u>    |                    | Surge capability: 3,000 watts  | <u>equivalent·day<sup>-1</sup></u>  |
|                     |                    | for 10 seconds                 | <u>or</u>                           |
|                     |                    |                                | 0.5 g organic material              |
|                     |                    |                                | <u>hydrocarbon</u>                  |
|                     |                    |                                | <u>equivalent·test<sup>-1</sup></u> |
| <u>Level 3</u>      | <u>5 Years</u>     | Supply: 12 kWh over 8 hours    | 0.6 g organic material              |
| zero-emission       |                    |                                | <u>hydrocarbon</u>                  |
| <u>generator</u>    |                    | Surge capability: 5,000 watts  | <u>equivalent·day<sup>-1</sup></u>  |
|                     |                    | for 10 seconds                 | <u>or</u>                           |
|                     |                    |                                | 0.6 g organic material              |
|                     |                    |                                | <u>hydrocarbon</u>                  |
|                     |                    |                                | equivalent·test <sup>-1</sup>       |
| Level 4             | 5 Years            | Supply: 25 kWh over 8 hours    | 0.6 g organic material              |
| zero-emission       |                    |                                | <u>hydrocarbon</u>                  |
| <u>generator</u>    |                    | Surge capability: 5,000 watts  | equivalent·day <sup>-1</sup>        |
|                     |                    | <u>for 10 seconds</u>          | <u>or</u>                           |
|                     |                    |                                | 0.6 g organic material              |
|                     |                    |                                | <u>hydrocarbon</u>                  |
|                     |                    |                                | equivalent·test-1                   |

### (c) Averaging.

- (1) One hundred percent of negative credits from evaporative families with EMELs above the applicable emission standard may be offset by positive zero-emission generator evaporative credits, as allowed under the provisions of this section 2754.3. Averaging of credits in this manner is used to determine compliance under subsection 2754.1(f)(2).
- (2) Subject to the limitations above, zero-emission generator evaporative credits used in averaging for a given model year may be obtained from

zero-emission generator evaporative credits banked in previous model years, or zero-emission generator evaporative credits of previous model years obtained through trading.

#### (d) Banking.

- (1) Beginning with model year 2022, a manufacturer of zero-emission generators that meets the zero-emission generator evaporative credit requirements may bank credits for that evaporative family in the model year of certification for use in future years for the purposes of averaging and trading.
- (2) A manufacturer of evaporative families certified for zero-emission generator credits under this section 2754.3 may bank zero-emission generator evaporative credits only after the end of the model year and after CARB has reviewed the manufacturer's end-of-year reports. During the model year, and before submittal of the end-of-year report, credits originally designated in the certification process for banking will be considered reserved, and may be re-designated for trading in the end-of-year report and final report.
- (3) Zero-emission generator evaporative credits may be banked for up to five years.
- (4) Any previously banked zero-emission generator evaporative credits and any new zero-emission generator evaporative credits earned can be used for up to five years. In the sixth year, any unused zero-emission generator evaporative credits will expire. (For example, if a 2022 model year zero-emission generator family earns zero-emission generator evaporative emission credits, those zero-emission generator evaporative emission credits may be used or banked until the 2027 model year. Any remaining banked zero-emission generator evaporative emission credits earned within the 2022 model year will be invalid for use in the 2028 model year.)

### (e) Trading.

- (1) A Holder may exchange zero-emission generator evaporative credits with other Holders in trading.
- (2) Zero-emission generator evaporative credits banked in previous years may be used for trading.

- (3) Traded zero-emission generator evaporative credits can be used for averaging or banking for up to five years from the time of zero-emission generator evaporative credit generation.
- (f) Credit calculation and manufacturer compliance with emission standards. For each evaporative family, zero-emission generator evaporative credits are to be calculated according to the following equation and rounded to the nearest gram. Consistent units are to be used throughout the equation.

<u>Zero-emission generator evaporative credits = Credit eligibility as specified in</u> Table 1 of this section × Sales

#### Where:

Sales must be the same as calculated in certification under section 2408.2.

- (g) Certification using zero-emission generator evaporative credits.
  - (1) In the application for certification of an evaporative family, a manufacturer using zero-emission generator evaporative credits must do all of the following:
    - (A) Submit a statement that the evaporative family for which certification is requested will not, to the best of the manufacturer's belief, cause the manufacturer to be in noncompliance, under subsection 2754.1(f), when accounting for the total amount of credits used for all of the manufacturer's applicable evaporative families;
    - (B) Indicate the projected number of zero-emission generator evaporative credits generated/required for this evaporative family, the projected applicable eligible sales volume, and the values required to calculate zero-emission generator evaporative credits as given in subsection 2754.3(f);
    - (C) Submit calculations in accordance with subsection 2754.3(f) of the projected zero-emission generator evaporative credits based on sales projections for each evaporative family; and
    - (D) Specify the recipient (manufacturer/evaporative family or reserved) and quantity of the zero-emission generator evaporative credits used (whether they are banked, traded, or to be used to offset a deficit).

- (2) The manufacturer of zero-emission generator evaporative families certified for zero-emission generator credits under section 2754.3 may supply the information required in subsections 2754.3(g)(1)(B), 2754.3(g)(1)(C), and 2754.3(g)(1)(D), by use of an electronic spreadsheet detailing the manufacturer's annual production plans, and the zero-emission generator evaporative credits generated by each zero-emission generator evaporative family.
- (3) All Executive Orders issued are conditional upon manufacturer compliance with the provisions of this section 2754.3 both during and after the model year of production.
- (4) Failure to comply with all provisions of this section 2754.3 will be considered to be a failure to satisfy the conditions upon which the Executive Order was issued, and the Executive Order may be determined to be void ab initio.
- (5) The manufacturer bears the burden of establishing to the satisfaction of the Executive Officer that the conditions upon which the Executive Order was issued were satisfied or waived.

#### (h) Maintenance of records.

- (1) The manufacturer of zero-emission generator evaporative families certified for zero-emission generator credits under section 2754.3 must establish, maintain, and retain the following adequately organized and indexed records for each such evaporative family:
  - (A) CARB evaporative family identification code,
  - (B) The zero-emission generator level, according to Table 1 in this section, 2754.3,
  - (C) Projected sales volume for the model year,
  - (D) Records appropriate to establish the quantities of equipment that constitute eligible sales for each zero-emission generator level, and
- (2) Any manufacturer of zero-emission generator evaporative families

  certified for zero-emission generator credits under this section 2754.3

  participating in trading reserved zero-emission generator evaporative

  credits must maintain the following records on a quarterly basis for each such evaporative family:

- (A) The evaporative family name,
- (B) The actual quarterly and cumulative applicable sales,
- (C) The values required to calculate zero-emission generator evaporative credits as given in subsection 2754.3(f),
- (D) The resulting number of zero-emission generator evaporative credits generated, and
- (E) How and where zero-emission generator evaporative credit surpluses are dispersed.
- (3) The manufacturer must retain all records required to be maintained under this section 2754.3 for a period of eight years from the due date for the end-of-year report. Records may be retained as hard copy or reduced to digital media, depending on the manufacturer's record retention procedure.
- (4) Nothing in this section 2754.3 limits the Executive Officer's discretion in requiring the manufacturer to retain additional records or submit information not specifically required by this section 2754.3.
- (5) Pursuant to a request made by the Executive Officer, the manufacturer must submit to the Executive Officer within 30 days of the date of such request the information that the manufacturer is required to retain as noted in this subsection, 2754.3(h).
- (6) The Executive Officer may void ab initio the Executive Order for an engine or evaporative family for which the Holder fails to retain the records required in this section 2754.3 or to provide such information to the Executive Officer upon request. No new Executive Orders will be issued to the Holder until the requested records are made available and/or a plan that describes the records to be retained as required by this section is approved by the Executive Officer.
- (i) End-of-year and final reports.
  - (1) End-of-year and final reports must indicate the zero-emission generator evaporative family, the actual sales volume, a description of the method used to determine the sales volume, the values required to calculate zero-emission generator evaporative credits as given in subsection 2754.3(f), and the number of zero-emission generator evaporative credits generated/required. Manufacturers of zero-emission generator evaporative families certified for zero-emission generator credits under

section 2754.3 must also submit a description of how and where zero-emission generator evaporative credit surpluses were dispersed (or are to be banked) and/or how and through what means credit deficits were met. Copies of contracts related to zero-emission generator evaporative credit trading must be included or supplied by the broker, if applicable. The report must include a calculation of zero-emission generator evaporative credit balances to show that the zero-emission generator evaporative credit summation is equal to or greater than zero.

- (2) The calculation of eligible sales must be the same as defined in section 2408.2.
- (3) End-of-year report and final report submissions.
  - (A) Unless otherwise approved or directed by the Executive Officer, end-of-year reports must be submitted within 90 days after the end of the model year to: Chief, Emissions Certification and Compliance Division, California Air Resources Board, 4001 Iowa Street, Riverside, CA 92507.
  - (B) Unless otherwise approved or directed by the Executive Officer, final reports must be submitted within 270 days after the end of the model year to: Chief, Emission Certification and Compliance Division, California Air Resources Board, 4001 lowa Street, Riverside, CA 92507.
- (4) A manufacturer generating zero-emission generator evaporative credits only for banking who fails to submit end-of-year reports in the applicable specified time period (90 days after the end of the model year) may not use the zero-emission generator evaporative credits until such reports are received and reviewed by CARB. Use of projected zero-emission generator evaporative credits pending CARB review is not permitted in these circumstances.
- (5) Errors discovered by either CARB or the manufacturer in the end-of-year report, including errors in zero-emission equipment evaporative credit calculation, must be corrected in the final report.
- (6) If CARB or the manufacturer determines that a reporting error occurred in an end-of-year or final report previously submitted to CARB under this section 2754.3, the manufacturer's zero-emission generator evaporative credits and credit calculations must be recalculated. Erroneous zero-emission generator evaporative credits will be void except as provided in subsection 2754.3(g).

(7) If within 270 days after the end of the model year, a CARB review reveals a reporting error in the manufacturer's favor (that is, resulting in an increased zero-emission generator evaporative credit balance), or if the manufacturer discovers such an error within 270 days after the end of the model year, CARB will restore the zero-emission generator evaporative credits for use by the manufacturer.

Note: Authority cited: Sections 39600, 39601 and 43013, Health and Safety Code. Reference: Section 43013, Health and Safety Code.

#### §2755. Permeation Emission Standards.

On or after the model year set out herein, <u>and through model year 2023</u>, fuel tanks and fuel lines used on equipment subject to this section must not exceed the following permeation rates:

# Permeation Emission Standards (grams per meter<sup>2</sup> per day)

| Effective Date<br>Model Year | Applicability                                     | Requirement <sup>1</sup>  |
|------------------------------|---|---|
| 2007                         | Small off-road engines with displacements ≤ 80 cc | Fuel tank permeation emissions shall not exceed 2.0 grams per square meter of internal surface area per day as determined by TP-901.  |
| 2020                         | Small off-road engines with displacements ≤ 80 cc | Fuel lines shall meet the requirements of section 2754(b)(2), except that the permeation emission standard for fuel lines used on chainsaws is 225 g·m <sup>-2</sup> ·day <sup>-1</sup> . |

<sup>&</sup>lt;sup>1</sup> Permeation rate must be measured to two significant digits.

- (a) Data documenting the permeation rate of fuel tanks and fuel lines must be included in a certification application.
- (b) The test procedure for determining compliance with the fuel tank permeation emission standard is TP-901, which is incorporated by reference herein and specified in section 2758. The test procedure used to determine compliance with the fuel line permeation emission standard is SAE J1737 (Stabilized May 2013), SAE J30, SAE J1527, or, only for fuel lines with inner diameter 4.75 mm or less, SAE J2996.

Note: Authority cited: Sections 39600, 39601 and 43013, Health and Safety Code. Reference: Section 43013, Health and Safety Code.

#### §2756. Fuel Cap Performance Standard.

On or after the model year set out herein, no person shall sell, supply, offer for sale or manufacture for sale fuel caps for fuel tanks for small off-road engines or equipment that use small off-road engines with displacements > 80 cc subject to this Article that do not meet the following performance standards unless exempted in an Executive Order issued pursuant to section 2767 of the Article:

#### Fuel Cap Performance Standards

- (a) Fuel cap must be permanently tethered to the tank, equipment, or engine; and
- (b) Fuel cap must be designed to provide physical and/or audible feedback to the user that a fuel tank vapor seal is established.;
- (c) Fuel cap must meet the durability requirements in TP-902-; and
- (d) Fuel cap tether must meet the durability requirements in TP-902.

The following table defines equipment subject to the fuel cap performance standards of this section:

Engines Subject to the Fuel Cap Performance Standards

| Effective Date<br>Model Year | Applicability   |
|------------------------------|---|
| 2007                         | Fuel caps for all small off-road engines > 80 cc to < 225 cc (must meet subsections (a) and (b) only) |
| 2008                         | Fuel caps for all small off-road engines<br>≥ 225 cc (must meet subsections (a) and (b) only)         |
| 2020                         | Fuel caps for all small off-road engines > 80 cc (must meet subsections (a), (b), and (c))            |
| 2024                         | Fuel caps for all small off-road engines (must meet subsections (a), (b), (c), and (d))               |

Note: Authority cited: Sections 39600, 39601 and 43013, Health and Safety Code. Reference: Section 43013, Health and Safety Code.

#### §2757. Optional Evaporative Emission Standards.

The <u>California</u> Air Resources Board recognizes that evaporative emissions can be further reduced by incorporating advanced fuel system designs that reduce or eliminate carburetor and permeation emissions. These optional evaporative emission standards are emission targets that are more stringent than the evaporative emission standards set out in sections 2754 and 2755. These optional evaporative emission standards will be part of a statewide clean air-labeling program. Upon implementation, a manufacturer certifying to an optional evaporative emission standard would be allowed to affix a "Blue Sky Label" on their equipment. <u>This section is applicable through model year 2023</u>. No model year 2024 or later engine may be certified to the emission standards in this section.

# Optional Permeation Emission Standard

| Effective Date<br>Model Year | Applicability   | Requirement <sup>1</sup><br>Tank Permeation  |
|------------------------------|---|--|
| 2007                         | Equipment that use gasoline powered small off-road engines with displacements < 80 cc | Fuel tank permeation rate shall not exceed 1.0 grams per square meter per day as determined by TP-901.   |
| 2018                         | Small off-road engines with<br>displacements ≤ 80 cc                                  | Fuel tank permeation rate shall<br>not exceed 0.40 grams ROG per<br>square meter of internal surface<br>area per day as determined by<br>TP-901. |

<sup>&</sup>lt;sup>1</sup> Permeation rate must be measured to two significant digits.

# Optional Diurnal Emission Standards (Grams per 24-hour diurnal test)

| Effective Date<br>Model Year | Applicability  | Requirement <sup>1</sup>  |
|------------------------------|--|---|
| 2007                         | All equipment that use small off-road engines with displacements > 80 cc to < 225 cc | Diurnal emissions shall not<br>exceed 0.5 grams total<br>hydrocarbons per day as<br>determined by TP-902.                   |
| 2018                         | Small off-road engines with displacements > 80 to < 225 cc                           | Diurnal emissions shall not exceed 0.20 g organic material hydrocarbon equivalent per day as determined by TP-902.          |
| 2008                         | All equipment that use small off-road engines with displacements ≥ 225 cc            | Diurnal emissions shall not<br>exceed 1.0 grams total<br>hydrocarbons per day as<br>determined by TP-902.                   |
| 2018                         | Small off-road engines with displacements ≥ 225 cc                                   | Diurnal emissions shall not<br>exceed 0.40 g organic material<br>hydrocarbon equivalent per day<br>as determined by TP-902. |

<sup>&</sup>lt;sup>1</sup> Diurnal emissions must be measured to two significant digits.

Note: Authority cited: Sections 39600, 39601 and 43013, Health and Safety Code. Reference: Section 43013, Health and Safety Code.

#### §2758. Test Procedures.

- (a) Testing to determine compliance with section 2754 of this Article shall be performed using the following test procedures:
  - (1) for model years 2007 through 2017, TP-902, adopted July 26, 2004, which is incorporated by reference herein;
  - (2) for model years 2018 and 2019,
    - (A) for Holders following CP-902, adopted July 26, 2004, TP-902, adopted July 26, 2004, or
    - (B) for Holders following CP-902, adopted July 26, 2004, and amended September 18, 2017, TP-902, adopted July 26, 2004, and last amended May 6, 2019, which is incorporated by reference herein;
  - (3) for model years 2020 and subsequent model years 2021, TP-902, adopted July 26, 2004, and last amended May 6, 2019-;
  - (4) for model years 2022 and 2023,
    - (A) for Holders following CP-902, adopted July 26, 2004, and amended September 18, 2017, TP-902, adopted July 26, 2004, and amended May 6, 2019, or
    - (B) for Holders following CP-902, adopted July 26, 2004, and last amended [insert amended date], TP-902, adopted July 26, 2004, and last amended [insert amended date], which is incorporated by reference herein;
  - (5) for model year 2024 and subsequent model years, TP-902, adopted July 26, 2004, and last amended [insert amended date].
- (b) Testing to determine compliance with section 2755 of this Article shall be performed using the following test procedures:
  - (1) for model years 2007 through 2017, TP-901, adopted July 26, 2004, which is incorporated by reference herein;
  - (2) for model years 2018 and 2019,
    - (A) for Holders following CP-901, adopted July 26, 2004, TP-901, adopted July 26, 2004, or

- (B) for Holders following CP-901, adopted July 26, 2004, and amended September 18, 2017:
  - 1. TP-901, adopted July 26, 2004, and <del>last amended May 6, 2019, and</del>
  - 2. One of the following:
    - i. SAE J1737,
    - ii. SAE J30, or
    - iii. SAE J1527, or
    - iv. only for fuel lines with inner diameter 4.75 mm or less, SAE J2996;
- (3) for model years 2020 and subsequent model years 2021,
  - (A) TP-901, adopted July 26, 2004, and <del>last amended May 6, 2019, and</del>
  - (B) One of the following:
    - 1. SAE J1737,
    - 2. SAE J30, or
    - 3. SAE J1527, or
    - 4. only for fuel lines with inner diameter 4.75 mm or less, SAE J2996.
- (4) for model years 2022 and 2023,
  - (A) One of the following:
    - TP-901, adopted July 26, 2004, and amended May 6, 2019, or
    - TP-901, adopted July 26, 2004, and last amended [insert amended date], which is incorporated by reference herein, and

- (B) One of the following:
  - 1. SAE J1737,
  - 2. SAE J30, or
  - 3. SAE J1527, or
  - 4. only for fuel lines with inner diameter 4.75 mm or less, SAE J2996.
- (c) Testing to determine compliance with section 2757 of this Article shall be performed using the following test procedures:
  - (1) for model years 2007 through 2017,
    - (A) TP-901, adopted July 26, 2004, to determine permeation emissions, and
    - (B) TP-902, adopted July 26, 2004, to determine diurnal emissions;
  - (2) for model years 2018 and 2019,
    - (A) for Holders following CP-901, adopted July 26, 2004, TP-901, adopted July 26, 2004, to determine permeation emissions,
    - (B) for Holders following CP-902, adopted July 26, 2004, TP-902, adopted July 26, 2004, to determine diurnal emissions,
    - (C) for Holders following CP-901, adopted July 26, 2004, and amended September 18, 2017, TP-901, adopted July 26, 2004, and last-amended May 6, 2019, to determine permeation emissions, and
    - (D) for Holders following CP-902, adopted July 26, 2004, and amended September 18, 2017, TP-902, adopted July 26, 2004, and last amended May 6, 2019, to determine diurnal emissions;
  - (3) for model years 2020 and subsequent model years 2021,
    - (A) TP-901, adopted July 26, 2004, and last-amended May 6, 2019, to determine permeation emissions, and
    - (B) TP-902, adopted July 26, 2004, and <del>last amended May 6, 2019, to determine diurnal emissions.</del>

- (4) for model years 2022 and 2023,
  - (A) One of the following to determine permeation emissions:
    - 1. TP-901, adopted July 26, 2004, and amended May 6, 2019, or
    - 2. TP-901, adopted July 26, 2004, and last amended [insert amended date], and
  - (B) TP 902, adopted July 26, 2004, and amended May 6, 2019, to determine diurnal emissions.

Test procedures referred to in this Article may be obtained from the California Air Resources Board at P.O. Box 2815, Sacramento, California 95812 or over the Internet at http://www.arb.ca.gov.

Note: Authority cited: Sections 39600, 39601 and 43013, Health and Safety Code. Reference: Section 43013, Health and Safety Code.

# §2759. Equipment and Component Labeling.

- (a) Purpose. The <u>California</u> Air Resources Board recognizes that certain emissions-critical and/or emissions-related parts must be properly labeled in order to identify equipment that meets applicable evaporative emission standards. These specifications require Holders to affix a certification label (or labels) on each production equipment unit (or engine, as applicable).
- (b) Applicability. These specifications apply to:
  - (1) Engines, equipment, fuel lines, fuel tanks, and carbon canisters that have been certified to the applicable evaporative emission standards in this Article.
  - (2) Equipment manufacturers who use an engine certified under this Article if their equipment obscures the emissions control label of such certified engine.
- (c) Complete Evaporative Emission Control System Certification Label Content and Location.
  - (1) A certification label must be welded, riveted or otherwise permanently attached by the Holder to an area on the engine or equipment unit in such a way that it will be readily visible.

- (2) In selecting an acceptable location, the possibility of accidental damage must be considered (e.g. possibility of tools or sharp instruments coming in contact with the label). Each certification label must be affixed in such a manner that it cannot be removed without destroying or defacing the label, and must not be affixed to any engine (or equipment, as applicable) component that is easily detached from the engine or equipment as applicable.
- (3) The certification label information must be written in the English language and use block letters and numerals (i.e., sans serif, upper-case characters) that must be of a color that contrasts with the background of the label.
- (4) The certification label must contain the following information:
  - (A) The label heading must read: "IMPORTANT EMISSIONS INFORMATION." "Important Emissions Information." When combined with an exhaust label, "EMISSIONS"—"Emissions" relates to both exhaust and evaporative emissions.
  - (B) The full corporate name or trademark of the Holder.
    - 1. A Holder may request approval to delete its name and trademark, and substitute the name and trademark of another manufacturer, original equipment manufacturer, or third-party distributor.
    - 2. Such an approval does not relieve the Holder of complying with the requirements imposed by this Article.
  - (C) Identification of the evaporative emission control system.

    Abbreviations per SAE J1930 revised October 2008, or Holder's evaporative code as defined in the owner's manual are allowed if they are submitted as part of the certification application.
  - (D) The date (month and year) of evaporative emission control system manufacture.
  - (E) An unconditional statement of compliance with the appropriate model year(s) (for 2006 and later) California regulations; for example, "THIS ENGINE MEETS 2006 CALIFORNIA EVP EMISSION REGULATIONS FOR SMALL OFF-ROAD ENGINES" "This engine meets 2006 California evp emission regulations for small off-road engines".

- (F) Evaporative emissions family. Attachment 1 of CP-902, adopted July 26, 2004, and Attachment 1 of CP-902, adopted July 26, 2004, and amended September 18, 2017, and Attachment 1 of CP-902, adopted July 26, 2004, and last amended [insert amended date], contain the classification criteria for determining an evaporative family.
- (d) Evaporative Emission Control Component Certification Label Content and Location.
  - (1) Fuel lines, fuel tanks, and carbon canisters certified to the evaporative emission standards in this Article shall be clearly labeled or marked by a permanent identification showing the Holder's name, the Executive Order number, and model or part number.
  - (2) The label information shall be written in the English language and use block letters and numerals (i.e., sans serif, upper-case characters) that are raised or contrast with the background of the label or component.
  - (3) The Holder's three-character manufacturer code assigned by U.S. EPA may be used in place of the Holder's name if the manufacturer code is declared in the certification application. If only one model or part number is certified under the applicable Executive Order, the model or part number may be omitted from the label information.
- (e) Conformance with Other Requirements. A certification label may state that the equipment conforms to any applicable Federal, Canadian, or European evaporative emission standards for new equipment; or any other information that the Holder deems necessary for, or useful to, the proper operation and satisfactory maintenance of the evaporative emission control system.
- (f) Label Visibility. As used in these specifications, readily visible to the average person means that a label is readable from a distance of 46 centimeters (18 inches) without any obstructions from equipment or engine parts (including all original equipment manufacturer or engine manufacturer (as applicable) available optional equipment) except for flexible parts (e.g., vacuum hoses, ignition wires) that can be moved out of the way without disconnection. Alternatively, information required by these specifications to be printed on the equipment and/or engine (as applicable) must be no smaller than 2 millimeters in height provided that no equipment or engine parts (including all original equipment manufacturer available optional equipment), except for flexible parts, obstruct the label(s). The label may be under a hinged door or other readily opened or removed cover, subject to the limitations of subsection (c)(2)

- of this section. It may not be hidden by any cover attached with screws or any similar designs.
- (g) Label Durability. The certification labels and any adhesives used must be designed to withstand, for the equipment's useful life, typical equipment environmental conditions in the area where the labels required by this section are attached. Typical equipment environmental conditions include, but are not limited to, exposure to engine fuels, lubricants and coolants (e.g., gasoline, motor oil, water, and ethylene glycol). The applicant must submit, with its certification application, a statement attesting that its certification labels comply with these requirements.
- (h) Sample Label Submission. Samples of all actual production certification labels used within an evaporative family must be submitted to the Executive Officer within thirty days after the start of production. Sample certification labels are not required for carry over certification unless labels are revised.
- (i) The Executive Officer may approve alternate certification label locations or may, upon request, waive or modify the label content requirements provided that the intent of these specifications is met. Such approval may be conditioned upon providing such information in the owner's manual as the Executive Officer deems appropriate.
- (j) Labeling Enforcement.

Use of certification labels that are different from those approved will be grounds for revocation or suspension of the Executive Order of Certification.

Note: Authority cited: Sections 39600, 39601 and 43013, Health and Safety Code. Reference: Section 43013, Health and Safety Code.

# §2760. Defects Warranty Requirements for Small Off-Road Engines.

- (a) Applicability. This section applies to evaporative emission control systems on small off-road engines or equipment that use small off-road engines subject to the emission standards in this Article. The warranty period begins on the date the engine or equipment is delivered to an ultimate purchaser.
- (b) General Evaporative Emissions Warranty Coverage. The engine or equipment must be warranted to the ultimate purchaser and any subsequent owner that the evaporative emission control system when installed was:
  - (1) Designed, built, and equipped so as to conform with all applicable regulations; and

- (2) Free from defects in materials and workmanship that causes the failure of a warranted part for a period of two years.
- (c) The warranty on evaporative emissions-related parts will be interpreted as follows:
  - (1) Any warranted part that is not scheduled for replacement as required maintenance in the written instructions required by subsection (e) must be warranted for the warranty period defined in subsection (b)(2). If any such part fails during the period of warranty coverage, it must be repaired or replaced by the Holder or the Holder's contracted warranty provider according to subsection (4) below. Any such part repaired or replaced under the warranty must be warranted for a time not less than the remaining warranty period.
  - (2) Any warranted part that is scheduled only for regular inspection in the written instructions required by subsection (e) must be warranted for the warranty period defined in subsection (b)(2). A statement in such written instructions to the effect of "repair or replace as necessary" shall advise owners of the warranty coverage for evaporative emissions related parts. Replacement within the warranty period is covered by the warranty and will not reduce the period of warranty coverage. Any such part repaired or replaced under warranty must be warranted for a time not less than the remaining warranty period.
  - (3) Any warranted part that is scheduled for replacement as required maintenance in the written instructions required by subsection (e) must be warranted for the period of time prior to the first scheduled replacement point for that part. If the part fails prior to the first scheduled replacement, the part must be repaired or replaced by the manufacturer according to subsection (4) below. Any such part repaired or replaced under warranty must be warranted for a time not less than the remainder of the period prior to the first scheduled replacement point for the part.
  - (4) Repair or replacement of any warranted part under the warranty provisions of this article must be performed at no charge to the owner at a warranty station.
  - (5) Notwithstanding the provisions of subsection (4) above, warranty services or repairs must be provided at distribution centers that are franchised to service the subject engines or equipment.

- (6) The owner must not be charged for diagnostic labor that leads to the determination that a warranted part is in fact defective, provided that such diagnostic work is performed at a warranty station.
- (7) Throughout the evaporative emission control system's warranty period set out in subsection (b)(2), the Holder or the Holder's contracted warranty provider must maintain a supply of warranted parts sufficient to meet the expected demand for such parts and must obtain additional parts if that supply is exhausted.
- (8) Manufacturer-approved replacement parts that do not increase the exhaust or evaporative emissions of the engine or evaporative emission control system must be used in the performance of any warranty maintenance or repairs and must be provided without charge to the owner. Such use will not reduce the warranty obligations of the Holder or the Holder's contracted warranty provider.
- (9) The use of add-on or modified parts may be grounds for disallowing a warranty claim made in accordance with this Article. The Holder or the Holder's contracted warranty provider will not be liable under this Article to warrant failures of warranted parts caused by the use of an add-on or modified part.
- (10) The Holder shall provide any documents that describe that Holder warranty procedures or policies within five working days of request by the Executive Officer.
- (d) A list of all evaporative emission warranty parts must be included with each new engine or equipment subject to this Article. The evaporative emission warranty parts list shall include all parts whose failure would increase evaporative emissions, and may contain, but is not limited to, the following parts:
  - (1) Fuel Tank
  - (2) Fuel Cap
  - (3) Fuel Lines (for liquid fuel and fuel vapors)
  - (4) Fuel Line Fittings
  - (5) Clamps\*
  - (6) Pressure Relief Valves\*
  - (7) Control Valves\*

- (8) Control Solenoids\*
- (9) Electronic Controls\*
- (10) Vacuum Control Diaphragms\*
- (11) Control Cables\*
- (12) Control Linkages\*
- (13) Purge Valves\*
- (14) Gaskets\*
- (15) Liquid/Vapor Separator
- (16) Carbon Canister
- (17) Canister Mounting Brackets
- (18) Carburetor Purge Port Connector

\*Note: As they relate to the evaporative emission control system.

- (e) Written instructions for the maintenance and use of the evaporative emissions control system by the owner shall be furnished with each new engine or equipment subject to this Article. The instructions must be consistent with this Article and applicable regulations contained herein.
- (f) The documents required by subsections (d) and (e) must be submitted with the application for evaporative emission control system certification for approval by the Executive Officer. Approval by the Executive Officer of the documents required by subsections (d) and (e) is a condition of certification. The Executive Officer will approve or disapprove the documents required by subsections (d) and (e) within 90 days of the date such documents are received.
- (g) The application for evaporative emission control system certification must also include a statement regarding the maintenance of the evaporative emission control system. The statement must include, but not be limited to, information on evaporative emission control system maintenance, and a maintenance schedule.
- (h) Any other warranty statements applicable to engines or equipment units must not imply a limitation on the evaporative emissions warranty period or its

applicability to subsequent owners after the ultimate purchaser. If the warranty period for any warranty other than the emissions warranty is less than two years, the statement of such warranty must specifically state that it does not limit the evaporative emissions warranty period of two years from purchase. If any warranty other than the emissions warranty does not extend to subsequent owners after the ultimate purchaser, the statement of such warranty must specifically state that it does not affect the applicability of the evaporative emissions warranty to subsequent owners after the ultimate purchaser.

Note: Authority cited: Sections 39600, 39601 and 43013, Health and Safety Code. Reference: Section 43013, Health and Safety Code.

# §2761. Emission-Related Defect and Production Volume Reporting Requirements.

- (a) Applicability. This section applies to evaporative emission control systems on 2007 model year and later small off-road engines and equipment that use small off-road engines. The requirement to report evaporative emission-related defects affecting a given evaporative family will remain applicable for five years from the end of the calendar year in which the affected evaporative family was manufactured.
- (b) A Holder must file a defect information report whenever, on the basis of data obtained subsequent to the effective date of these regulations:
  - (1) The Holder determines, in accordance with procedures established by the Holder to identify either safety-related or performance defects, that a specific evaporative emission-related defect exists; and
  - (2) A specific evaporative emission-related defect exists in 25 or more evaporative emission control systems of a given evaporative family manufactured under the same Executive Order or in the same model year.
- (c) No report must be filed under this section for any evaporative emission-related defect corrected prior to the sale of the affected engines or equipment to ultimate purchasers.
- (d) The Holder must submit defect information reports to Chief, Emissions

  <u>Certification and Compliance</u>, Automotive Regulations and Science Division,
  California Air Resources Board, 4001 Iowa Street, Riverside, CA 92507-9528

  <u>Telstar, El Monte, CA 91731</u>, not more than 15 working days after an
  emission-related defect is found to affect 25 or more evaporative emission
  control systems certified under the same Executive Order or in the same model
  year, unless otherwise directed by the Executive Officer. Information required

by subsection (e) of this section that is either not available within 15 working days or is significantly revised must be submitted to the Executive Officer as it becomes available.

- (e) Each defect report must contain the following information:
  - (1) The Holder's corporate name.
  - (2) A description of the defect.
  - (3) A description of each evaporative family potentially affected by the defect including make, model, model year, calendar year produced, and any other information required to identify the engines affected.
  - (4) For each evaporative family described in response to subsection (d) of this section, the following must also be provided:
    - (A) The number of evaporative emission control systems known or estimated to have the defect and an explanation of the means by which this number was determined.
    - (B) The address of the plant(s) at which the potentially defective evaporative emission control systems were produced.
  - (5) An evaluation of the evaporative emissions impact of the defect and a description of any operational problems that a defective evaporative emission control system might exhibit.
  - (6) Available evaporative emission data that relate to the defect.
  - (7) An indication of any anticipated Holder follow-up.
- (f) End-of-Year and Final Production Volume Reports.
  - (1) A Holder shall submit end-of-year and final production volume reports for all of the Holder's evaporative families. End-of-year and final production volume reports must indicate the production volume for each evaporative family. Production volume must be provided for each equipment type by engine family and fuel tank volume within each evaporative family.
  - (2) (A) Unless otherwise approved or specified by the Executive Officer, end-of-year production volume reports must be submitted within 90 days of-after the end of the model year to:

Chief, Emissions <u>Certification and Compliance</u>, <u>Automotive</u>
Regulations and <u>Science</u> Division, <u>California</u> Air Resources Board, <u>4001 Iowa Street</u>, <u>Riverside</u>, <u>CA 92507</u>-9528 Telstar, <u>El Monte</u>, <u>CA 91731</u>.

- (B) Unless otherwise approved or specified by the Executive Officer, final production volume reports must be submitted within 270 days of after the end of the model year to:
  Chief, Emissions Certification and Compliance, Automotive Regulations and Science Division, California Air Resources Board, 4001 lowa Street, Riverside, CA 92507 9528 Telstar, El Monte, CA 91731.
- (3) Failure by a Holder to submit any end-of-year or final production volume reports in the specified time for any evaporative family subject to this Article is a violation of this section for each engine or equipment in the evaporative family covered by the report.
- (4) Errors discovered by <u>C</u>ARB or the Holder in the end-of-year production volume report may be corrected in the final production volume report.
- (5) Reports submitted to meet the requirements of section 2754.1 of this Article may be used to meet the requirements of this section.
- (6) A report submitted to <u>C</u>ARB to meet the requirements of section 1054.250 of the "California Exhaust Emission Standards and Test Procedures for New 2013 and Later Small Off-Road Engines; Engine-Testing Procedures (Part 1054)," adopted October 25, 2012, and <u>amended [insert amended date]</u>, for an engine family may be used to meet the requirements of this section for an evaporative family that is equivalent to the engine family.

Note: Authority cited: Sections 39600, 39601 and 43013, Health and Safety Code. Reference: Section 43013, Health and Safety Code.

# §2762. Voluntary Emission Recall Program.

- (a) When any Holder initiates a voluntary emissions recall program involving 25 or more evaporative emission control systems, the Holder must submit a report describing the Holder's voluntary emissions recall plan as prescribed by this section within 15 working days of the date owner notification began. The report must contain the following:
  - (1) A description of each evaporative family recalled including the number of evaporative emission control systems to be recalled, the model year, the

- make, the model, and such other information as may be required to identify the units recalled;
- (2) A description of the specific modifications, alterations, repairs, corrections, adjustments, or other changes to be made to correct the evaporative emission control systems affected by the emission-related defect;
- (3) A description of the method by which the Holder will notify evaporative emission control system owners and, if applicable, the method by which the Holder will determine the names and addresses of evaporative emission control system owners;
- (4) A description of the proper maintenance or use, if any, upon which the Holder conditions eligibility for repair under the recall plan, an explanation of the Holder's reasons for imposing any such conditions, and a description of the proof to be required of an evaporative emission control system owner to demonstrate compliance with any such conditions;
- (5) A description of the procedure to be followed by evaporative emission control system owners to obtain correction of the nonconformity. This may include designation of the date on or after which the owner can have the nonconformity remedied, the time reasonably necessary to perform the labor to remedy the defect, and the designation of facilities at which the defect can be remedied;
- (6) A description of the class of persons other than dealers and authorized warranty agents of the Holder who will remedy the defect;
- (7) When applicable, three copies of any letters of notification to be sent engine owners;
- (8) A description of the system by which the Holder will assure that an adequate supply of parts is available to perform the repair under the plan, and that the supply remains both adequate and responsive to owner demand;
- (9) Three copies of all necessary instructions to be sent to those persons who are to perform the repair under the recall plan;
- (10) A description of the impact of the proposed changes on fuel consumption, performance, evaporative emissions, and safety of each evaporative family to be recalled;

- (11) A sample of any label to be applied to evaporative emission control systems that participated in the voluntary recall campaign.
- (b) The Holder must submit at least one report on the progress of the recall campaign. Such report must be submitted no later than 18 months from the date notification was begun and include the following information:
  - (1) The methods used to notify evaporative emission control system owners, dealers and other individuals involved in the recall campaign;
  - (2) The number of evaporative emission control systems to be affected by the emission-related defect and an explanation of the means by which this number was determined:
  - (3) The number of evaporative emission control systems actually receiving repair under the plan; and
  - (4) The number of evaporative emission control systems determined to be ineligible for remedial action due to a failure to properly maintain or use such evaporative emission control systems.
- (c) Unless otherwise directed by the Executive Officer, the Holder shall send the defect report, voluntary recall plan, and the voluntary recall progress report to: Chief, Emissions <u>Certification and Compliance</u>, <u>Automotive Regulations and Science</u> Division, <u>California Air Resources Board</u>, <u>4001 Iowa Street</u>, <u>Riverside</u>, <u>CA 92507-9528 Telstar Avenue</u>, <u>El Monte</u>, <u>CA</u>, 91731.
- (d) The Holder shall retain the information gathered by the Holder to compile the reports for not less than five years from the date of the end of the model year in which the defect occurred. The Holder must make this information available to duly authorized officials of the <u>C</u>ARB upon request.
- (e) The filing of any report under the provisions of this section does not affect a Holder's responsibility to file reports or applications, obtain approval, or give notice under any provision of law.
- (f) The act of filing an emission defect information report is inconclusive as to the existence of a defect subject to the warranty provided by section 2764 of this Article.
- (g) A Holder may include on each page of its emission defect information report a disclaimer stating that the filing of a report pursuant to these regulations is not conclusive as to the applicability of the warranty provided by section 2764 of this Article.

Note: Authority cited: Sections 39600, 39601 and 43013, Health and Safety Code. Reference: Section 43013, Health and Safety Code.

#### §2763. Ordered Recalls.

(a) (1) If the Executive Officer determines that a substantial number of any evaporative emission control systems, or components used on such evaporative emission control systems in an evaporative family certified pursuant to section 2753, although properly maintained and used, do not meet the evaporative emission standards prescribed under this Article, when in actual use throughout their useful life, the Executive Officer shall immediately notify the responsible Holder of such nonconformity and require the Holder to submit a plan for remedying the nonconformity.

The Holder's plan shall provide that the nonconformity of any such evaporative emission control systems that are properly used and maintained will be remedied at the expense of the Holder.

If the Holder disagrees with such determination of nonconformity, the Holder may appeal such determination pursuant to section 2771.

- (2) Any notification required to be given by the Holder under subsection (a)(1) of this section with respect to any evaporative family shall be given to dealers, ultimate purchasers, and subsequent purchasers (if known) in such manner and containing such information as required in section 2761 of this Article.
- (3) (A) Prior to an <u>C</u>ARB-ordered recall, the Holder may perform a voluntary emissions recall pursuant to section 2762 of this Article. Such Holder is subject to the reporting and record keeping requirements of subsections (c) and (d) of section 2762 of this Article.
  - (B) Once <u>C</u>ARB determines that a substantial number of evaporative emission control systems fail to conform to the requirements of this Article, the Holder will not have the option of a voluntary recall.
- (b) The Holder bears all cost obligation a dealer incurs as a result of a requirement imposed by subsection (a) of this section. The transfer of any such cost obligation from a Holder to a dealer through franchise or other agreement is prohibited.
- (c) Any inspection of an evaporative emission control system for purposes of subsection (a)(1) of this section, after its sale to the ultimate purchaser, is to be

made only if the owner of such evaporative emission control system voluntarily permits such inspection to be made, except as may be provided by any state or local inspection program.

Note: Authority cited: Sections 39600, 39601 and 43013, Health and Safety Code. Reference: Section 43013, Health and Safety Code.

### §2764. Evaporative Emission Control System Warranty Statement.

(a) Any application for an evaporative emission control system certification must include a copy of the warranty statement in subsection (b) of this section. Text in parentheses shall be replaced with the appropriate information. A combined exhaust and evaporative warranty statement is acceptable. For combined warranty statements, "evaporative emission" may be replaced with "emissions" where "emissions" is understood to mean both exhaust and evaporative emissions. If a Holder contracts with a third party to provide warranty service, the Holder's contracted warranty service provider's name may be specified in lieu of the Holder's name in the warranty statement.

(b)

# CALIFORNIA EVAPORATIVE EMISSION CONTROL WARRANTY STATEMENT

# YOUR WARRANTY RIGHTS AND OBLIGATIONS California Evaporative Emission Control System Warranty Statement

# Your Warranty Rights and Obligations

The California Air Resources Board (and Holder's name) are pleased to explain the evaporative emission control system's warranty on your (year(s)) (equipment type). In California, new equipment that use small off-engines must be designed, built, and equipped to meet the State's stringent anti-smog standards. (Holder's name) must warrant the evaporative emission control system on your (equipment type) for the period listed below provided there has been no abuse, neglect or improper maintenance of your equipment leading to the failure of the evaporative emission control system.

Your evaporative emission control system may include parts such as: carburetors, fuel tanks, fuel lines (for liquid fuel and fuel vapors), fuel caps, valves, canisters, filters, clamps, connectors, and other associated components.

# MANUFACTURER'S WARRANTY COVERAGE: Manufacturer's Warranty Coverage:

This evaporative emission control system is warranted for two years. If any evaporative emission-related part on your equipment is defective, the part will be repaired or replaced by (Holder's name).

# OWNER'S WARRANTY RESPONSIBILITIES: Owner's Warranty Responsibilities:

- As the (equipment type) owner, you are responsible for performance of the required maintenance listed in your owner's manual. (Holder's name) recommends that you retain all receipts covering maintenance on your (equipment type), but (Holder's name) cannot deny warranty coverage solely for the lack of receipts or for your failure to ensure the performance of all scheduled maintenance.
- As the (equipment type) owner, you should be aware that (Holder's name) may deny you warranty coverage if your (equipment type) or a part has failed due to abuse, neglect, or improper maintenance or unapproved modifications.
- You are responsible for presenting your (equipment type) to a (Holder's name) distribution center or service center as soon as the problem exists. The warranty repairs shall be completed in a reasonable amount of time, not to exceed 30 days. If you have a question regarding your warranty coverage, you should contact (Insert chosen Holder's contact) at (1-XXX-XXX-XXXX).

Note: Authority cited: Sections 39600, 39601 and 43013, Health and Safety Code. Reference: Section 43013, Health and Safety Code.

# §2765. New Equipment Compliance Testing.

- (a) Compliance Test Procedures.
  - (1) The Executive Officer may order a Holder to make available for compliance testing and/or inspection five or more fuel lines, carbon canisters, or fuel tanks, or one or more engines or equipment units with complete evaporative emission control systems. Unless otherwise directed by the Executive Officer, the fuel lines, carbon canisters, fuel tanks, engines, or equipment units shall be delivered to 4001 lowa Street, Riverside, CA 92507 the Haagen-Smit Laboratory, 9528 Telstar Avenue, El Monte, California. Fuel lines, carbon canisters, fuel tanks, engines or equipment units must be selected at random from sources specified by the Executive Officer according to a method approved by the Executive Officer, that, insofar as practical, must exclude engines or equipment that would result in an unreasonable disruption of the Holder's distribution system. Such an order may include a requirement to demonstrate that the measured rate or volume of purge from a representative sample of production canisters and engines certified under section 2754 meets any design specification required by the Executive Officer in the applicable Executive Order of Certification or included by the Holder in the application for such an Order.

- (2) The Executive Officer may obtain five or more fuel lines, carbon canisters, or fuel tanks, or one or more engines or equipment units with complete evaporative emission control systems manufactured for sale or lease for use or operation in California, sold or leased or offered for sale or lease for use or operation in California, or delivered or imported into California for introduction into commerce in California for compliance testing or inspection.
- (3) The method for selection and testing of the fuel lines, carbon canisters, fuel tanks, engines or equipment and the evaluation of test data must be made in accordance with the procedures set forth herein.
- (4) <u>California</u> Air Resources Board personnel shall have access to the fuel line, carbon canister, fuel tank, engine, or equipment assembly plants, or distribution facilities for the purposes of fuel line, carbon canister, fuel tank, engine, or equipment selection and testing. Scheduling of access shall be arranged with the representative designated in the application for certification.
- (5) All testing must be conducted in accordance with the applicable model year evaporative emission test procedures, except that durability testing and preconditioning may be omitted or conducted at a lower temperature at the Executive Officer's discretion. Any evaporative emission control system parameters must be set to values or positions that are within the range available to the ultimate purchaser as determined by CARB. No break-in, modifications, adjustments, special preparation or maintenance will be allowed on fuel lines, carbon canisters, fuel tanks, engines or equipment units chosen for compliance testing without the written consent of the Executive Officer.
- (6) Correction of damage or maladjustment that may reasonably be found to have resulted from shipment of the engine or equipment is permitted only after an initial test of the engine or equipment, except where 100 percent of the Holder's production is given that inspection or maintenance by the Holder's own personnel. The Holder may request that the engine or equipment be repaired from shipping damage, and be retested. If the Executive Officer concurs, the engine or equipment may be retested, and the original test results may be replaced by the after-repair test results.
- (7) Engines or equipment must be randomly chosen from the selected evaporative family or subgroup, as designated by the Executive Officer.

(8) An evaporative family will be deemed to have passed the compliance testing if the <u>diurnal evaporative</u> emissions from all tested engines or equipment units are below the applicable diurnal <u>or hot soak plus diurnal</u> emission standard in section 2754 or 2757, or the EMEL, if applicable. If any engine or equipment unit has <u>diurnal evaporative</u> emissions above the applicable diurnal <u>or hot soak plus diurnal emission</u> standard in section 2754 or 2757, or the EMEL, if applicable, the evaporative family will be deemed to have failed compliance testing.

The fuel lines, carbon canisters, or fuel tanks certified under an Executive Order will be deemed to have passed the compliance testing if all tested samples meet the applicable design standard in section 2754, 2755, or 2757. The fuel lines, carbon canisters, or fuel tanks certified under an Executive Order will be deemed to have failed compliance testing if any fuel line, carbon canister, or fuel tank does not meet the applicable design standards in section 2754, 2755, or 2757.

- (9) An evaporative family may be deemed to have failed compliance testing without testing if any engine or equipment unit selected for testing visibly leaks fuel, except that subsection (a)(6) shall still apply.
- (10) If any fuel line, carbon canister, fuel tank, engine, or equipment unit selected for inspection fails a compliance test as determined by subsection (a)(8) or (a)(9), or fails to conform to the labeling requirements of section 2759, the Executive Officer shall notify the Holder in accordance with subsection (b).

#### (b) Notification of Failure.

If compliance testing identifies fuel lines, carbon canisters, fuel tanks, or evaporative families that do not meet the standards in sections 2754 through 2757 or the labeling requirements in section 2759, the Executive Officer will notify the Holder of the Executive Order of Certification covering the fuel lines, carbon canisters, fuel tanks, or evaporative families. The Executive Officer shall also notify such Holder that the Executive Order of Certification may be suspended or revoked. The Holder of the Executive Order of Certification shall have 30 calendar days in which to notify the Executive Officer of their intent to provide additional information or independent test results for five fuel lines, carbon canisters, fuel tanks, engines, or equipment units, selected by the Executive Officer, that document compliance of the evaporative family, fuel lines, carbon canister, or fuel tanks. An evaporative family will be deemed to have overcome the failure of compliance testing under subsection (a)(8) or (a)(9) of this section and to have passed compliance testing if the average of the

diurnal evaporative emissions from the five engines or equipment units selected by the Executive Officer for independent testing under this subsection does not exceed the applicable diurnal or hot soak plus diurnal emission standard in section 2754 or 2757, or the EMEL, if applicable. The fuel lines, carbon canisters, or fuel tanks certified under an Executive Order will be deemed to have overcome the failure of compliance testing under subsection (a)(8) or (a)(9) of this section and to have passed compliance testing if the five fuel lines, carbon canisters, or fuel tanks selected by the Executive Officer for independent testing under this subsection meet the applicable design standard in section 2754, 2755, or 2757. The Executive Officer may request the engines, equipment units, fuel lines, carbon canisters, or fuel tanks selected by the Executive Officer for independent testing under this subsection be delivered to an CARB facility for additional inspection or testing. The Executive Officer will consider all relevant information, including, but not limited to, emission credits and corrective actions applied by the Holder to the evaporative family, fuel lines, carbon canisters, or fuel tanks to remedy the failure or determine if the evaporative family, fuel lines, carbon canisters, or fuel tanks comply with the standards in sections 2754 through 2757.

- (c) Suspension and Revocation of Executive Orders.
  - (1) The Executive Officer shall not revoke or suspend the Executive Order of Certification without considering any information provided by the Holder of such certification pursuant to (b) above.
  - (2) If the results of the compliance testing indicate that the failed fuel lines, carbon canisters, fuel tanks, or evaporative family certified under an Executive Order are produced at one plant, the Executive Officer may elect to suspend the Executive Order of Certification with respect to that evaporative family for engines or equipment manufactured at that plant.
  - (3) Notwithstanding the foregoing, the Executive Officer may suspend an Executive Order of Certification, in whole or in part, effective upon written notice to the Holder if the Executive Officer finds that:
    - (A) The Holder of the Executive Order of Certification has refused to comply with any of the requirements of this section; or
    - (B) The Holder has submitted false or incomplete information in any report or information provided to the Executive Officer under this section;
    - (C) The Holder has rendered inaccurate any test data submitted under this section;

- (D) That <u>C</u>ARB personnel have been denied the opportunity to conduct activities authorized under this section after a warrant or court order is presented to the Holder;
- (E) That <u>C</u>ARB personnel were unable to conduct activities authorized in this Article because the facility is located in a foreign jurisdiction where local law prohibits those activities.
- (4) The Executive Officer may revoke an Executive Order of Certification for an evaporative family, fuel line, carbon canister, or fuel tank after the Executive Order of Certification has been suspended pursuant to subsection (1), (2), or (3) of this section if the proposed remedy for the nonconformity, as reported by the Holder to the Executive Officer, is one requiring a design change or changes to the evaporative emission control system, fuel line, carbon canister, or fuel tank as described in the application for certification of the affected evaporative family, fuel line, carbon canister, or fuel tank.
- (5) Once an Executive Order of Certification has been suspended for a failed fuel line, carbon canister, fuel tank, or evaporative family, as provided for in subsection (1), (2), or (3) of this section, the Holder must take the following actions before the Executive Order of Certification can be reinstated:
  - (A) Appeal the suspension pursuant to Section 2771; or
  - (B) Remedy the nonconformity;
  - (C) Demonstrate that the fuel line, carbon canister, fuel tank, or evaporative family conforms to the standards in sections 2754 through 2757 and the labeling requirements in section 2759, as applicable, by retesting each fuel line, carbon canister, fuel tank, or evaporative family in accordance with these regulations and submitting to the Executive Officer samples of all actual production labels used within the evaporative family; and
  - (D) Submit a written report to the Executive Officer, after successful completion of testing on the failed fuel line, carbon canister, fuel tank, or evaporative family that contains a description of the remedy and test results for each fuel line, carbon canister, fuel tank, or evaporative family in addition to other information that may be required by this Article.
- (6) Once an Executive Order of Certification for a failed evaporative family, fuel line, carbon canister, or fuel tank has been suspended pursuant to

subsection (1), (2) or (3) of this section, the Holder must take the following actions before the Executive Officer will consider reinstating the Executive Order of Certification:

- (A) Submit a written report to the Executive Officer that identifies the reason for the noncompliance of the fuel lines, carbon canisters, fuel tanks, or evaporative family, describes the proposed remedy, including a description of any proposed quality control and/or quality assurance measures to be taken by the Holder to prevent future occurrences of the problem, and states the date on which the remedies will be implemented; and
- (B) Demonstrate that the evaporative family, fuel line, carbon canister, or fuel tank for which the Executive Order of Certification has been suspended does in fact comply with the regulations of this Article by testing no fewer than five fuel lines, carbon canisters, fuel tanks, engines, or equipment units. Such testing must comply with the provisions of this section.
- (7) Once the Executive Order of Certification has been revoked for an evaporative family, fuel lines, carbon canister, or fuel tank, if the Holder desires to continue introduction into commerce of a modified version of that evaporative family or subgroup, the Holder must:
  - After implementing the change or changes intended to remedy the nonconformity, demonstrate that the modified evaporative family, fuel line, carbon canister, or fuel tank does in fact conform to the applicable standards of this Article by testing five fuel lines, carbon canisters, fuel tanks, engines or equipment units selected by the Executive Officer from the modified evaporative family unless such testing is waived by the Executive Officer.
- (8) To permit a Holder to avoid storing non-test engines or equipment while conducting subsequent testing of the noncomplying evaporative family, a Holder may request that the Executive Officer conditionally reinstate the Executive Order of Certification for that evaporative family.

Note: Authority cited: Sections 39600, 39601 and 43013, Health and Safety Code. Reference: Section 43013, Health and Safety Code.

### §2766. Exemptions.

(a) Low Permeation Tanks - Metal tanks, coextruded multilayer tanks, and structurally integrated nylon fuel tanks on SORE equipment with engine displacements < 80 cc are specifically exempt from section 2755 of this Article</p> through model year 2019. Tank permeation data is not required to be submitted in the certification application. This exemption shall not apply to model year 2020 and subsequent model year evaporative emission control systems or fuel tanks.

- (b) Small Production Volume Tank Exemption. These engines or equipment qualifying under section 2752(a)(30) (34) are exempt from the diurnal standards in section 2754 and the fuel tank permeation standard in section 2754 of this Article through model year 2019 if the equipment contains the following:
  - (1) An evaporative emission control system certified by an engine manufacturer that uses an actively\_-purged carbon canister, an equivalent fuel line, and a sealed tethered fuel cap; or
  - (2) An evaporative emission control system that passively vents fuel tank vapors to a carbon canister with a minimum butane working capacity as specified in TP-902, an equivalent fuel line, and a sealed tethered fuel cap.

Tank permeation data is not required to be submitted in the certification application for Small Production Volume Tanks. This exemption shall not apply to model year 2020 and subsequent model year evaporative emission control systems or fuel tanks.

(c) Equipment Fueled by a Vehicle Fuel Tank – Generators that are fueled from the fuel tank of an on-road motor vehicle or marine vessel are exempt from the diurnal emission, hot soak plus diurnal emission, fuel tank permeation, and carbon canister design standards in section 2754. However, these generators must use fuel lines that meet the design standard specified in section 2754.

Note: Authority cited: Sections 39600, 39601 and 43013, Health and Safety Code. Reference: Section 43013, Health and Safety Code.

#### §2767. Innovative Products.

- (a) The Executive Officer may make a determination that tank vent emission control achieved by an innovative technology may be approved per section 2767.1 if an evaluation of the innovative technology reveals that the technology can enable evaporative emission control systems to meet the evaporative emission requirements in section 2754 or 2757.
- (b) The Executive Officer may make a determination to exempt engines and equipment from section 2756(b) of this Article if an evaluation of the innovative technology reveals that the technology can enable engines or equipment to meet the diurnal or hot soak plus diurnal emission standards in section 2754.

- (c) A manufacturer must apply in writing to the Executive Officer for an innovative product equivalency claimed under subsection (a) or (b). The application must include the supporting documentation that quantifies the emissions from at least 5 engines or equipment units with complete evaporative emission control systems using the innovative product, including the test methods used to generate the data. The test methods shall include criteria for reproducibility, accuracy, and sampling and laboratory procedures. In addition, the applicant must provide any information to enable the Executive Officer to establish conditions for making a determination of "equivalency". All information, including proprietary data submitted by a manufacturer pursuant to this section, shall be handled in accordance with the procedures specified in title 17, California Code of Regulations, sections 91000-91022.
- (d) Within 30 days of receipt of the application, the Executive Officer shall determine whether an application is complete.
- (e) Within 90 days after an application has been deemed complete, the Executive Officer will determine whether, under what conditions, and to what extent, a determination of "equivalency" will be permitted. The applicant and the Executive Officer may mutually agree to a longer time period for reaching a decision. An applicant may submit additional supporting documentation before a decision has been reached. The Executive Officer will notify the applicant of the decision in writing and specify such terms and conditions that are necessary to ensure that emissions from engines or equipment using the innovative product will meet the evaporative emission standards in section 2754 or 2757.
- (f) If the evaporative emission standards or test procedures are amended for a product category, all innovative "equivalency" determinations granted for products in the product category, except as provided in subsection (g), have no force and effect as of the effective date of the amended evaporative emission standards or test procedures.
- (g) If the Executive Officer believes that a product for which an "equivalency" determination has been granted no longer meets the criteria for an innovative product specified in subsections (a) or (b), the Executive Officer may hold a public hearing in accordance with the procedures specified in title 17, California Code of Regulations, Article 1, Subchapter 1.25, Chapter 1, Division 3, to determine if the "equivalency" determination should be modified or revoked.

Note: Authority cited: Sections 39600, 39601 and 43013, Health and Safety Code. Reference: Section 43013, Health and Safety Code.

§2767.1. Approved Evaporative Emission Control System Components.

- (a) The Executive Officer may make a determination to approve components (fuel tanks, fuel lines, and carbon canisters) for use on evaporative emission control systems that have been shown to meet the Design Standards in Table 1 of section 2754, section 2755, or section 2757 of this Article.
- (b) A component manufacturer must apply in writing to the Executive Officer for a component claimed under subsection (a). The application shall include the supporting documentation that quantifies the emissions or performance from at least five production samples of the component intended for installation on small off-road engines, including the test methods used to generate the data. If the test methods are not as prescribed in this article the test methods shall include criteria for reproducibility, accuracy, and sampling and laboratory procedures. All information, including proprietary data submitted by a manufacturer pursuant to this section, shall be handled in accordance with the procedures specified in title 17, California Code of Regulations, sections 91000-91022.
- (c) Within 30 days of receipt of the application, the Executive Officer shall determine whether an application is complete.
- (d) Within 90 days after an application has been deemed complete, the Executive Officer will approve/disapprove the component. If approved, an Executive Order will be issued for the component for a period of four years. The applicant and the Executive Officer may mutually agree to a longer time for reaching a decision. An applicant may submit additional supporting documentation before a decision has been reached. The Executive Officer will notify the applicant of the decision in writing and specify such terms and conditions that are necessary to ensure that the component will meet the design standards in subsection (a).
- (e) If the Evaporative Emission Standards in section 2754, 2755, or 2757 or test procedures are amended for a product category, all "approvals" granted for components in the product category, except as provided in subsection (f), have no force and effect as of the effective date of the amended standards or the date testing must be conducted according to the amended test procedures, as specified in CP-901 or CP-902.
- (f) If the Executive Officer determines that a component for which an "approval" has been granted no longer meets the design standards specified in subsection (a), the Executive Officer may deny, suspend or revoke the Executive Order pursuant to section 2770 of this Article.
- (g) Certification of a fuel line or fuel tank may be renewed prior to the end of the four-year certification period if no changes to the component have been made that could affect its evaporative emissions. A Holder must submit a declaration signed by an authorized representative stating that no changes have been

made that could affect the component's evaporative emissions as part of a request for certification renewal. The signed declaration shall also state that the certification test data originally submitted to <u>C</u>ARB still represent the model of the component with the highest permeation rate relative to the permeation emission standard.

(h) Certification of a carbon canister may be renewed prior to the end of the four-year certification period if no changes to the carbon canister have been made that could affect its butane working capacity. A Holder must submit a declaration signed by an authorized representative stating that no changes have been made that could affect the butane working capacity of the carbon canister as part of a request for certification renewal. The signed declaration shall also state that the certification test data originally submitted to CARB still represent the butane working capacity of the carbon canister.

Note: Authority cited: Sections 39600, 39601 and 43013, Health and Safety Code. Reference: Section 43013, Health and Safety Code.

### §2768. [Repealed] Variances.

- (a) Any manufacturer of small off-road engines or equipment that use small off-road engines subject to this Article that cannot meet the requirements set forth in sections 2754 through 2757 of this Article, due to extraordinary reasons beyond the manufacturer's reasonable control, may apply in writing for a variance. The variance application must set forth:
  - (1) The provisions of the regulations for which a variance is sought;
  - (2) the specific grounds upon which the variance is sought;
  - (3) the proposed date(s) by which compliance will be achieved; and
  - (4) a compliance plan detailing the method(s) that will achieve compliance.
- (b) Within 75 calendar days of receipt of a variance application containing the information required in subsection (a), the Executive Officer or his nominee shall hold a public hearing to determine whether, under what conditions, and to what extent, a variance is necessary and should be allowed. Notice of the time and place of the hearing must be sent to the applicant by certified mail not less than 30 days before the hearing. Notice of the hearing must also be submitted for publication in the California Regulatory Notice Register and sent to every person who requests such a notice, not less than 30 days before the hearing. The notice must state that the parties may, but are not required to, be represented by counsel at the hearing. At least 30 days before the hearing, the variance application must be made available to the public for inspection.

Interested members of the public must be allowed a reasonable opportunity to testify at the hearing and their testimony must be considered.

- (c) No variance may be granted unless all of the following findings are made:
  - (1) that, due to reasons beyond the reasonable control of the applicant, compliance would result in extraordinary economic hardship;
  - (2) that the public interest in mitigating the extraordinary hardship to the applicant by issuing the variance outweighs the public interest in avoiding any increased emissions of air contaminants that would result from issuing the variance;
  - (3) that the compliance plan proposed by the applicant can reasonably be implemented, and will achieve compliance as expeditiously as possible; and
  - (4) that the applicant has mitigated the noncompliance to the maximum extent feasible.
- (d) Any variance order shall specify a final date by which compliance will be achieved. Any variance order shall contain a condition that specifies increments of progress necessary to assure timely compliance, and such other conditions that the Executive Officer, in consideration of the testimony received at the hearing, finds necessary to carry out the purposes of Division 26 of the Health and Safety Code.
- (e) A variance shall cease to be effective upon failure of the party to whom the variance was granted to comply with any term or condition of the variance.
- (f) Upon the application of any person, the Executive Officer may review, and for good cause, modify or revoke a variance from requirements of sections 2754 through 2757 or section 2759 after holding a public hearing in accordance with the provisions of subsection (b).
- (g) A variance shall not be granted for more than one full model year after the year such variance is granted.

Note: Authority cited: Sections 39600, 39601 and 43013, Health and Safety Code. Reference: Section 43013, Health and Safety Code.

### §2769. Inspection.

The Executive Officer, or an authorized representative of the Executive Officer, may periodically inspect any facility of Holders, manufacturers of equipment, manufacturers

of engines, or manufacturers of evaporative emission control components, technology, or systems subject to this Article as deemed necessary to ensure compliance with these regulations. Failure of a Holder, manufacturer, distributor, or retailer or other person subject to this Article to allow access for inspection purposes shall be grounds for suspension or revocation of an Executive Order of Certification.

Note: Authority cited: Sections 39600, 39601 and 43013, Health and Safety Code. Reference: Section 43013, Health and Safety Code.

### §2770. Denial, Suspension or Revocation of Certification.

- (a) The Executive Officer for just cause may deny, suspend or revoke an Executive Order of Certification in any of the following circumstances:
  - (1) An applicant or Holder has materially misrepresented the meaning, findings, effect or any other material aspect of the certification application, including submitting false or incomplete information in its application for certification regardless of the applicant's personal knowledge of the falsity or incompleteness of the information.
  - (2) An applicant or Holder that uses a label other than the approved label on any engine or equipment, or the label used otherwise fails to comply with the requirements of this Article.
  - (3) An applicant or Holder may be denied certification or be subject to a suspension or revocation action pursuant to this section based upon the actions of an agent, employee, licensee, or other authorized representative.
  - (4) Pursuant to sections 2754.1(b)(10) and (11), 2765(c), and 2769 above.
  - (5) A Holder does not meet the bond requirements of section 2774.
- (b) The Executive Officer shall notify the applicant or Holder by certified mail of any action taken by the Executive Officer to deny, suspend or revoke any certification granted under this Article. The notice shall set forth the reasons for and evidence supporting the action(s) taken. A suspension or revocation is effective upon receipt of the notification.
- (c) A Holder may request that the suspension or revocation be stayed pending a hearing under section 2771. In determining whether to grant the stay, the Executive Officer shall consider the harm the Holder will likely suffer if the stay is not granted. The Executive Officer shall deny the stay if the adverse effects of the stay on the public health, safety, and welfare outweigh the harm to the Holder if the stay is not granted.

- (d) Once an Executive Order of Certification has been suspended pursuant to (a) above, the Holder must satisfy and correct all noted reasons for the suspension and submit a written report to the Executive Officer advising him or her of all such steps taken by the Holder before the Executive Officer will consider reinstating the Executive Order of Certification.
- (e) Nothing in this section shall prohibit the Executive Officer from taking any other action provided for by law for violations of the Health and Safety Code.

Note: Authority cited: Sections 39600, 39601 and 43013, Health and Safety Code. Reference: Section 43013, Health and Safety Code.

### §2771. Appeals.

- (a) Any person whose application for an Executive Order of Certification has been denied, or whose certification has been suspended or revoked, may request a hearing to review the action as provided herein. Any such request shall be made within twenty days of the date the action for which review is sought became final.
- (b) Hearing Procedure.

Except as provided for in subsection (c) below, any appeal pursuant to this section shall be conducted in accordance with the Administrative Hearing Procedures for Petitions for Review of Executive Officer Decisions, title 17, California Code of Regulations, Division 3. Chapter 1 Article 2, commencing with section 60055.1.

- (c) Review by written submission.
  - (1) In lieu of the hearing procedure set forth in (b) above, a Holder may request that a review of the Executive Officer's decision be conducted by a hearing officer solely by written submission.
  - (2) A Holder may request a review of the Executive Officer's decision to deny, suspend or revoke a certification no later than 20 days from the date of issuance of the notice of the denial, suspension, or revocation. Such request shall include, at a minimum, the following:
    - (A) name of the Holder, the name, address and telephone number of the person representing the Holder and a statement signed by a senior officer of the Holder warranting that the representative has full authority to bind the Holder as to all matters regarding the appeal;

- (B) copy of the Executive Order granting certification, if any, and the written notification of denial, suspension, or revocation;
- (C) A statement of the objections to the decision upon which review is requested; a verified statement of the facts, data and other relevant evidence in support of the objections; a demand for the specific relief the petitioner seeks; a short, concise statement of legal argument, with citation to authorities, in support of the objections and the relief requested. The verification may be made on information and belief; and
- (D) the signature of the representative named in (A) above.
- (3) Upon receipt by the Clerk of the Board of a request for review, the request shall be referred to the administrative hearing office of the state board for assignment of a hearing officer.
- (4) Within 15 days of appointment of a hearing officer <u>C</u>ARB staff shall file with the Clerk of the Board and serve on the petitioner a written response to the Holder's submission and documents.
- (5) Within 7 days of receipt of the <u>C</u>ARB response, the Holder may submit one rebuttal statement that shall be limited to the issues raised in the <u>C</u>ARB rebuttal.
- (6) If the Holder submits a rebuttal, <u>C</u>ARB staff may, within 7 days of receipt of the Holder's rebuttal, submit one rebuttal statement that shall be limited to the issues raised in the Holder's rebuttal.
- (7) The hearing officer shall receive all statements and documents and render a written decision. The hearing officer's decision shall be mailed to the Holder no later than 60 working days after the final deadline for submission of papers.

Note: Authority cited: Sections 39600, 39601 and 43013, Health and Safety Code. Reference: Section 43013, Health and Safety Code.

#### §2772. Penalties.

In addition to suspension or revocation of an Executive Order of Certification as provided in this Article, the Executive Officer may seek civil or criminal penalties as provided for by law and/or such equitable relief deemed appropriate by the Executive Officer for any violation of these regulations. Such penalties shall apply on a per

engine, equipment unit, or evaporative component basis. Each day in which there is a violation shall be a separate violation.

Note: Authority cited: Sections 39600, 39601 and 43013, Health and Safety Code. Reference: Section 43013, Health and Safety Code.

### §2773. Severability.

Each part of this Article is severable, and in the event that any part of this Article is held to be invalid, the remainder of this Article remains in full force and effect.

Note: Authority cited: Sections 39600, 39601 and 43013, Health and Safety Code. Reference: Section 43013, Health and Safety Code.

# §2774. Bond Requirements.

- (a) This section generally applies to Holders. It also applies to importers that do not certify evaporative emission control systems as described in subsection (j) of this section. Before introducing certified engines into California commerce, a Holder shall post a bond to cover any potential compliance or enforcement actions under this Article with respect to evaporative emission control systems certified under this Article unless the Holder demonstrates in an application for certification that the Holder is able to meet any potential compliance- or enforcement-related obligations, as described in this section. A Holder may also need to post bond under this section to meet warranty obligations under section 2760. Any bond posted to meet the requirements of this section shall be obligated to the California Air Resources Board.
- (b) The bond requirements apply if the Holder does not have long-term assets in the United States meeting either of the following thresholds:
  - (1) A threshold of \$3 million applies if the Holder has held an Executive Order of Certification in each of the preceding ten years without failing a compliance test under section 2765 or having been found by the Executive Officer to be out of compliance with any requirement of this Article.
  - (2) A threshold of \$10 million applies if the Holder does not qualify for the smaller bond threshold in subsection (b)(1) of this section.
- (c) For the purpose of establishing the Holder's level of long-term assets under subsection (b) of this section, the Holder must include the values from the Holder's most recent balance sheet for buildings, land, and fixed equipment, but subtract depreciation and related long-term liabilities (such as a mortgage). If the Holder has sufficient long-term assets to avoid bond payments under this

section, the Holder must identify the location of these assets in an application for certification.

- (d) Determine the value of the bond as follows:
  - (1) Calculate a value based on the per-engine bond value of \$500 and on the projected California-directed production volume from each displacement grouping for the model year. For example, if the Holder has projected a California-directed production volume of 2,000 engines in 2018, the calculated bond amount is \$1,000,000. If the calculated value is less than \$500,000, the appropriate bond amount is \$500,000. If the calculated value exceeds the applicable threshold value specified in subsection (b) of this section, use the applicable threshold value as the appropriate value of the bond. These values may be adjusted as described in subsections (d)(2) and (3) of this section. A Holder may generally change the projected California-directed production volume under CP-901 or CP-902 during the model year; however, a Holder may not decrease the bond based on new projected California-directed production volumes once the Holder has imported or otherwise introduced into California commerce any engine from that model year.
  - (2) If a Holder's or importer's estimated or actual California-directed production volume increases beyond the level appropriate for that Holder's or importer's current bond payment, the Holder must post additional bond to reflect the increased volume within 90 days after the Holder changes the estimate or determines the actual production volume. A Holder may not decrease the bond in a given year, but may calculate a lower bond value in a later year based on the highest actual California-directed production volumes from the preceding three years.
  - (3) The minimum bond value is \$25,000 instead of \$500,000 for a Holder with production volume of fewer than 1000 engines or equipment units who has held an Executive Order in each of the preceding five years without failing a compliance test under section 2765 or having been found by the Executive Officer to be out of compliance with any requirement of this Article.
- (e) The thresholds identified in subsection (b) of this section and the bond values identified in subsection (d) of this section are in 2016 dollars. These values shall be adjusted for 2020 and later, and every 10 years after that, by considering the current Consumer Price Index values published by the Bureau of Labor Statistics relative to 2016. These values shall be rounded for thresholds and total bond obligations as follows:
  - (1) Round calculated values at or below \$125,000 to the nearest \$5,000.

- (2) Round calculated values above \$125,000 and at or below \$2.25 million to the nearest \$50,000.
- (3) Round calculated values above \$2.25 million to the nearest \$500,000.
- (f) If a Holder is required to post a bond under this section, the Holder shall get the bond from a third-party surety that is cited in the U.S. Department of Treasury Circular 570, "Companies Holding Certificates of Authority as Acceptable Sureties on Federal Bonds and as Acceptable Reinsuring Companies" (<a href="https://fiscal.treasury.gov/surety-bonds/circular-570.html">https://fiscal.treasury.gov/surety-bonds/circular-570.html</a>). A Holder shall maintain this bond for every year in which the Holder sells certified engines. The surety agent remains responsible for obligations under the bond for two years after the bond is cancelled or expires without being replaced.
- (g) If a Holder forfeits some or all of a bond in an enforcement action, the Holder must post any appropriate bond for continuing sale within 90 days after forfeiting the bond amount.
- (h) A Holder will forfeit the proceeds of the bond posted under this section if the Holder needs to satisfy any California administrative settlement agreement, administrative final order, or judicial judgment against the Holder arising from a violation of this Article, or violation of any other applicable provisions of the California Clean Air Act.
- (i) If a Holder is required to post a bond under this section, the Holder shall note that in an application for certification as described in CP-901 or CP-902. Certification is conditioned on a Holder's compliance with this section. All Executive Orders held by a Holder shall be suspended if the Holder fails to comply with the requirements of this section. The Executive Officer may also revoke a Holder's Executive Orders if the Holder does not meet the requirements of this section.
- (j) The following provisions apply to importers of engines or equipment for resale when the importer is not also the Holder:
  - (1) The importer and the Holder are each responsible for compliance with the requirements of this Article. For example, the Executive Officer may require the importer to comply with the warranty requirements in section 2760.
  - (2) The importer does not need to post bond if the importer or the Holder complies with the bond requirements in this section. The importer also does not need to post bond if the Holder complies with the asset

requirements of this section and the warranty requirements in section 2760.

Note: Authority cited: Sections 39600, 39601 and 43013, Health and Safety Code. Reference: Section 43013, Health and Safety Code.