

State of California
AIR RESOURCES BOARD

Notice of Public Availability of Modified Text

**PUBLIC HEARING TO CONSIDER AMENDMENTS TO
THE COST OF IMPLEMENTATION FEE REGULATION**

Hearing Date: September 18, 2014
Public Availability Date: October 2, 2014
Deadline for Public Comment: October 17, 2014

At its September 18, 2014, public hearing, the Air Resources Board (ARB or Board) approved for adoption the proposed amendments to sections 95201, 95202, 95203, and 95204, title 17, California Code of Regulations, which clarify provisions in the Cost of Implementation Fee Regulation (Fee Regulation) and align the Fee Regulation with the Mandatory Reporting of Greenhouse Gas Emissions Regulation and the Market-Based Compliance Mechanisms Regulation.

At the hearing, staff presented, and the Board approved for adoption, modified regulatory language developed in response to comments received since the Initial Statement of Reasons was released to the public on July 29, 2014. These modifications include clarifications to the exemption for emissions from the combustion of biodiesel and renewable diesel; a clarification regarding the effective date of the proposed amendments; clarifications to the definition of petroleum coke; clarifications to the methodology for calculating fuel emission factors; clarifications to the electricity fee rate for electricity delivered in California including corrections to the transmission loss correction factor; and clarifications to reporting and recordkeeping requirements.

The Board directed the Executive Officer to make the modified regulatory language, and any additional conforming modifications, available for public comment, with any additional supporting documents and information, for a period of at least 15 days as required by Government Code section 11346.8. The Board further directed the Executive Officer to consider written comments submitted during the public review period and make any further modifications that are appropriate available for public comment for at least 15 days, and present the regulation to the Board for further consideration if warranted, or take final action to adopt the regulation after addressing all appropriate modifications.

The resolution and all other regulatory documents for this rulemaking are available online at the following ARB website:

<http://www.arb.ca.gov/regact/2014/feereg2014/feereg2014.htm>

The text of the modified regulatory language is shown in Attachment A. The originally proposed regulatory language is shown in ~~striketrough~~ to indicate deletions and underline to indicate additions. New deletions and additions to the proposed language that are made public with this notice are shown in ~~double striketrough~~ and double underline format, respectively.

In the Final Statement of Reasons, staff will respond to all comments received on the record during the comment periods. The Administrative Procedure Act requires that staff respond to comments relating to changes that are noticed. Therefore, staff will only address comments that are responsive to this notice, documents added to the record, or the changes detailed in Attachment A.

Summary of Proposed Modifications

1. In Section 95201(c), clarifications were made to the excluded biodiesel and renewable diesel fuels consistent with the Mandatory Reporting Regulation;
2. In Section 95201(d), a sentence was added clarifying the effective date of the proposed amendments;
3. In Section 95202(a)(111), the terms catalyst coke have been removed from the definition of petroleum coke;
4. In Section 95203(d), the term “arithmetic” has been added to clarify that fuel emission factors will be calculated using an arithmetic average of fuel grades taken from column C of 40 CFR 98 Table MM-1. Additionally, the website for the ARB Greenhouse Gas Inventory was added;
5. In Section 95203(e), corrections were made to the description for the electricity fee rate for electricity imported into California. Additionally, language has been added to refer to the transmission loss correction factor per Section 95111(b) of the Mandatory Reporting Regulation;
6. In Section 95204(b), clarifications were made to identify the section of the Mandatory Reporting Regulation that requires certification of reported emissions data; and
7. In Section 95204(i), corrections were made to the records retention provision aligning the Fee Regulation with the Mandatory Reporting Regulation.

Agency Contact Persons

Inquiries concerning the substance of the proposed regulation may be directed to the designated agency contact persons, Mr. David Mallory, Manager of ARB Climate Change Policy Section, Stationary Source Divisions, at (916) 445-8316, or Mrs. Trish Johnson, Staff, Air Pollution Specialist, at (916) 445-3365.

Public Comments

Written comments will only be accepted on the modifications identified in this notice and may be submitted by postal mail or electronic mail submittal as follows:

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

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

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

In order to be considered by the Executive Officer, comments must be directed to ARB in one of the two forms described above and received by ARB by 5:00 p.m., on the deadline date for public comment listed at the beginning of this notice. Only comments relating to the above-described modifications to the text of the regulations shall be considered by the Executive Officer.

If you need this document in an alternate format or another language, please contact the Clerk of the Board at (916) 322-5594 or by facsimile at (916) 322-3928 no later than five (5) business days from the release date of this notice. TTY/TDD/Speech to Speech users may dial 711 for the California Relay Service.

Si necesita este documento en un formato alternativo u otro idioma, por favor llame a la oficina del Secretario del Consejo de Recursos Atmosféricos al (916) 322-5594 o envíe un fax al (916) 322-3928 no menos de cinco (5) días laborales a partir de la fecha del lanzamiento de este aviso. Para el Servicio Telefónico de California para Personas con Problemas Auditivos, ó de teléfonos TDD pueden marcar al 711.

Attachment

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