(Adopted May 7, 2021)

RULE 2305. WAREHOUSE INDIRECT SOURCE RULE – WAREHOUSE ACTIONS AND INVESTMENTS TO REDUCE EMISSIONS (WAIRE) PROGRAM

(a) Purpose

The purpose of this rule is to reduce local and regional emissions of nitrogen oxides and particulate matter, and to facilitate local and regional emission reductions associated with warehouses and the mobile sources attracted to warehouses in order to assist in meeting state and federal air quality standards for ozone and fine particulate matter.

(b) Applicability

This rule applies to owners and operators of warehouses located in the South Coast Air Quality Management District (South Coast AQMD) jurisdiction with greater than or equal to 100,000 square feet of indoor floor space in a single building.

(c) Definitions

For the purpose of this rule, the following definitions shall apply:

(1) ALTERNATIVE ENERGY GENERATION EQUIPMENT means systems at a warehouse facility capable of generating electricity without the use of diesel or gasoline.

(2) ALTERNATIVE-FUELED VEHICLE means a vehicle or engine which is not powered by gasoline or diesel fuel.

(3) ALTERNATIVE FUELING STATION means fuel dispensing equipment for alternative-fueled vehicles.

(4) CLASS 2B TRUCK means a truck with a Gross Vehicle Weight Rating (GVWR) of 8,501 to 10,000 pounds.

(5) CLASS 3 TRUCK means a truck with a GVWR of 10,001 to 14,000 pounds.

(6) CLASS 4 TRUCK means a truck with a GVWR of 14,001 to 16,000 pounds.

(7) CLASS 5 TRUCK means a truck with a GVWR of 16,001 to 19,500 pounds.

(8) CLASS 6 TRUCK means a truck with a GVWR of 19,501 to 26,000 pounds.

(9) CLASS 7 TRUCK means a truck with a GVWR of 26,001 to 33,000 pounds.

(10) CLASS 8 TRUCK means a truck with a GVWR of greater than 33,001 pounds.

(11) COLD STORAGE WAREHOUSE means a warehouse that temporarily stores perishable goods which are required to be either refrigerated or frozen.

(12) COMPLIANCE PERIOD means the 12-month period during which a warehouse facility or land owner, or operator is required to earn Points, as specified in paragraph (d)(1).

(13) DIESEL PARTICULATE MATTER (DPM) means the particles found in the exhaust of diesel fueled internal combustion engines. DPM is a component of fine particulate matter.

(14) DWELL TIME means the number of hours per day a truck or tractor is parked at a warehouse.

(15) ELECTRIC CHARGER means an electric charging station for vehicles that can operate at 208 Volts or greater. Each unique plug that can charge an individual vehicle at any time, regardless of whether other electric chargers/plugs are operating, counts as one electric charger. This equipment is also referred to as Electric Vehicle Supply Equipment (EVSE).

(16) FUEL TYPE means the fuel used to power a vehicle, such as electricity, hydrogen, natural gas, gasoline, or diesel fuel.

(17) MERV 16 means the minimum efficiency reporting value of filters used in heating, ventilation, and air conditioning units that remove at least 95% of particles 0.3 microns and larger as stated in the American Society of Heating, Refrigerating and Air-Conditioning Engineers Standard 52.2.

(18) NEAR-ZERO EMISSIONS (NZE) TRUCKS means trucks or tractors with engines meeting the California Air Resources Board's lowest non-zero optional NOx standard applicable at the time of manufacture as defined in the California Code of Regulations Title 13, section 1956.8.

(19) NITROGEN OXIDES (NOx) mean the sum of nitric oxides and nitrogen dioxides emitted, calculated as nitrogen dioxide.

(20) PARENT COMPANY means a company or other entity that owns a controlling interest in a company directly or through one or more subsidiaries.

(21) STRAIGHT TRUCK means a truck that carries cargo on the same chassis as the power unit and cab.

(22) TRACTOR means a heavy-duty Class 7 or 8 truck designed to pull a semi-trailer.

(23) TRANSPORT REFRIGERATION UNIT (TRU) means a refrigeration system designed to control the environment of temperature sensitive products transported in trucks or trailers.

(24) TRUCK CLASS means the size of a truck based on its GVWR.

(25) TRUCK TRIP means the one-way trip a truck or tractor makes to or from a site with at least one warehouse to deliver or pick up goods stored at that warehouse for later distribution to other locations. A truck or tractor entering a warehouse site and then leaving that site counts as two trips.

(26) VEHICLE MILES TRAVELED (VMT) means total annual miles of vehicle travel.

(27) WAREHOUSE means a building that stores cargo, goods, or products on a short- or long-term basis for later distribution to businesses and/or retail customers.

(28) WAREHOUSE FACILITY means a property that includes a warehouse as well as accessory uses such as parking areas and driving lanes for trucks, trailers, or passenger vehicles; entry and exit points for vehicles; accessory maintenance or security buildings; and fueling or charging infrastructure for vehicles.

(29) WAREHOUSE FACILITY OWNER means the legal, beneficial, and/or equitable owner or owners of a warehouse facility.

(30) WAREHOUSE LAND OWNER means the legal, beneficial, and/or equitable owner or owners of the land beneath a warehouse facility.

(31) WAREHOUSE OPERATOR means the entity who conducts day-to-day operations at a warehouse, either with its employees or through the contracting out of services for all or part of the warehouse operations. A warehouse operator can be, but is not necessarily the warehouse owner.

(32) WAREHOUSE SIZE means the indoor floor space, measured in square feet, of an individual warehouse building that may be used for warehousing activities.

(33) WAREHOUSING ACTIVITIES means operations at a warehouse related to the storage and distribution of goods, including but not limited to the storage, labelling, sorting, consolidation and deconsolidation of products into different size packages. Supporting office administration, maintenance, manufacturing areas, or retail sales areas open to the general public, within the same warehouse building, that are physically separate from the warehouse area, are not considered warehousing activities for the purpose of this rule.

(34) YARD TRUCK means a mobile utility vehicle, that operates as either an on- or off-road vehicle, used to carry cargo containers with or without a chassis; also commonly known as a terminal tractor, utility tractor rig, yard tractor, yard goat, or yard hostler.

(35) ZERO-EMISSION (ZE) TRUCK has the same meaning as "zero emission vehicle" defined in California Code of Regulations, Title 13, Section 1963.

(d) Requirements

(1) WAIRE Points Compliance Obligation

Beginning with the Initial Reporting Date in Table 1, a warehouse operator shall earn the applicable WAIRE Points, for the prior 12-month period from January 1 through December 31, in the amount specified in subparagraph (d)(1)(A). WAIRE Points shall only be earned for actions and investments completed during the compliance period while the warehouse operator used the warehouse, except as specified in paragraph (d)(6). Only warehouse operators in buildings with greater than or equal to 100,000 square feet of floor area that may be used for warehousing activities and who operate at least 50,000 square feet of the warehouse for warehousing activities are required to earn WAIRE Points.

(A) The number of WAIRE Points that a warehouse operator must earn in the applicable compliance period shall be calculated according to the following equation.

$$WPCO = WATTs \times Stringency \times \binom{Annual}{Variable}$$

Where:

WPCO	= WAIRE Points Compliance Obligation, or the number of WAIRE Points that a warehouse operator must earn every year
WATTs	= Weighted Annual Truck Trips as calculated in subparagraph (d)(1)(B) or (d)(1)(C), as applicable
Stringency	= 0.0025 WAIRE Points per WATT
Annual Variable	= As specified in Table 2

(B) The Weighted Annual Truck Trips (WATTs) at a warehouse include all actual truck trips that occurred at a warehouse while the warehouse operator was responsible for warehousing activities during the compliance period. If a warehouse is used by more than one warehouse operator, the WATTs are calculated only for truck trips to or from that operator. As specified in the WAIRE Program Implementation Guidelines, actual truck trip data to a warehouse shall be collected by the warehouse operator using methods that provide a verifiable and representative record, and WATTs shall be calculated according to the following equation.

WATTs = [Class 2b to 7 truck trips] + [2.5 × Class 8 truck trips]

Where:

Class 2b to 7 truck trips	= All trucks or tractors entering or exiting a warehouse truck gate(s) or driveway(s) that are truck Class 2b, 3, 4, 5, 6, or 7. If truck class information is not available, Class 2b to 7 trucks are all straight trucks that entered or exited a warehouse truck gate(s) or driveway(s).
Class 8 truck trips	= All Class 8 trucks or tractors entering or exiting a warehouse truck gate(s) or driveway(s). If truck class information is not available, Class 8 trucks are all tractors that entered or exited a warehouse truck gate(s) or driveway(s).

(C) If a warehouse operator does not have information about the number of truck trips at a warehouse due to a force majeure event such as a destruction of records from a fire, the WATTs shall be calculated according to the following equation.

WATTs = Days per Year × Warehouse Size × WTTR

Where:

Days per Year = The number of days that the warehouse operator has operational control of the warehouse during the compliance period

Warehouse Size = Warehouse size in thousand square feet (tsf), as defined in subdivision (c)

WTTR = Weighted Truck Trip Rate, where:
Warehouses $\geq$200,000 = 0.95 trips/tsf/day
Warehouses $\geq$100,000 = 0.67 trips/tsf/day
Cold Storage Warehouses = 2.17 trips/tsf/day

(2) Earning WAIRE Points

WAIRE Points shall only be earned through completing actions in the WAIRE Menu in Table 3 and as described in (d)(3), or by completing actions in an approved Custom WAIRE Plan as described in (d)(4), or by choosing to pay a mitigation fee as described in (d)(5), or using any combination from (d)(3), (d)(4), or (d)(5).

(3) WAIRE Points Earned Using the WAIRE Menu

WAIRE Points may be earned for actions completed in the WAIRE Menu in Table 3 and based on the point values specified therein.

(A) WAIRE Points may not be earned from WAIRE Menu items in Table 3 if those same actions or investments are required by separate United States Environmental Protection Agency (U.S. EPA), California Air Resources Board (CARB), or South Coast AQMD rules and regulations during the compliance period in paragraph (d)(1). Actions or investments that go beyond U.S. EPA, CARB, or South Coast AQMD rules and regulations can earn WAIRE Points.

(4) WAIRE Points Earned Using a Custom WAIRE Plan

(A) Warehouse facility or land owners, or operators may apply to earn WAIRE Points through a customized plan for their facility. The Custom WAIRE Plan application shall follow the WAIRE Implementation Guidelines and the criteria below.

(i) Custom WAIRE Plan applications must demonstrate how the proposed action will earn WAIRE Points based on the incremental cost of the action, the NOx emission reductions from the action, and the DPM emission reductions from the action, relative to baseline conditions if the warehouse operator had not completed the action in that compliance period.

(ii) The methodology to determine the total WAIRE Points for an action in a Custom WAIRE Plan application shall be consistent with methods in the WAIRE Program Implementation Guidelines.

(iii) Any WAIRE Points earned from a Custom WAIRE Plan for emission reductions must be quantifiable, verifiable, and real as determined by the Executive Officer and consistent with the WAIRE Implementation Guidelines.

(iv) Custom WAIRE Plan applications must include the elements described below:

(I) A description of how the proposed actions will achieve quantifiable, verifiable, and real NOx and DPM emission reductions as quickly as feasible, but no later than three years after plan approval; and

(II) A quantification of expected NOx and/or DPM emission reductions from the proposed actions within the South Coast AQMD and within three miles of the warehouse; and

(III) A description of the method to be used to verify that the proposed actions will achieve NOx and/or DPM emission reductions; and

(IV) A schedule of key milestones showing the increments of progress to complete the proposed actions; and

(V) A description of the location and a map of where the proposed actions will occur; and

(VI) Any expected permits or approvals required by other private parties, or South Coast AQMD, or other federal, state, or local government agencies to implement the Custom WAIRE Plan.

(v) Any Custom WAIRE Plan that relies on VMT reduction must demonstrate that these reductions are surplus to what is included in the most recently approved Regional Transportation Plan (RTP) and Air Quality Management Plan (AQMP).

(B) Review of Custom WAIRE Plan Applications

(i) A Custom WAIRE Plan application must be submitted at least 270 days before an Annual WAIRE Report is due for the compliance period in which the Plan will earn Points.

(ii) Within 30 days of receipt of the Custom WAIRE Plan, the Executive Officer will conduct an initial review of the Custom WAIRE Plan and confirm receipt.

(iii) The Executive Officer shall approve or reject the Custom WAIRE Plan within 90 days of submittal. If no formal approval or rejection is received by the applicant, the application is presumed rejected unless otherwise provided for by the Executive Officer in writing. Approval or rejection will be based on whether:

(I) The Custom WAIRE Plan was prepared consistent with paragraph (d)(4)(A) and in accordance with the WAIRE Program Implementation Guidelines; and

(II) The information provided was complete and accurate.

(iv) Within 30 days of disapproval of a Custom WAIRE Plan application as specified in (d)(4)(B)(iii), a warehouse facility or land owner, or operator may revise and resubmit a Custom WAIRE Plan application that corrects all identified deficiencies. If the Executive Officer does not approve the subsequent revised plan within 45 days of resubmission,

then no WAIRE Points may be earned from the Custom WAIRE Plan in the current compliance period.

(v) A Custom WAIRE Plan application shall be made available by the Executive Officer for public review no less than 30 days prior to approval.

(C) For any Custom WAIRE Plan that requires implementation beyond the subsequent Annual WAIRE Report, a progress report must be provided every 180 days after Custom WAIRE Plan approval. The progress report shall follow the WAIRE Program Implementation Guidelines and include at a minimum, all of the following:

(i) The key milestones from the approved Custom WAIRE Plan that were achieved and a schedule indicating dates for future increments of progress; and

(ii) Identification of any milestones that have been or will be achieved later than specified in the approved Custom Plan and the reason for achieving the milestones late. The progress report must describe how each late milestone will be achieved and when WAIRE Points are anticipated to be earned from that action.

(D) If the Executive Officer determines that a warehouse facility or land owner, or operator is not making adequate progress to complete an approved Custom WAIRE Plan, then the Executive Officer may rescind approval of the plan 30 days after notifying the plan applicant of the proposed rescission. The notice to the plan applicant shall contain a description of the identified deficiencies in the Custom WAIRE Plan implementation.

(i) If the warehouse facility or land owner, or operator does not subsequently demonstrate to the Executive Officer's satisfaction that the deficiencies in implementing the plan have been corrected, then the Executive Officer will rescind approval of the Custom WAIRE Plan and notify the owners or operators of the rescission.

(E) If the expected WAIRE Points from an approved Custom WAIRE Plan are not earned during the applicable compliance period, the warehouse facility or land owner, or operator whose Custom WAIRE Plan was approved shall be in violation of this rule unless

the owner or operator demonstrates that they have met their Warehouse Points Compliance Obligation by the date that they submit their Annual WAIRE Report using WAIRE Points earned through requirements in paragraphs (d)(3) or (d)(5).

(5) Mitigation Fee

In lieu of earning the required number of WAIRE Points in paragraph (d)(3) or (d)(4) a warehouse facility or land owner, or operator may choose to satisfy all or any remaining part of their WAIRE Points Compliance Obligation through payment of a mitigation fee in the amount of $1,000 for each WAIRE Point. The mitigation fee shall be paid no later than when the applicable Annual WAIRE Report for that compliance period is due.

(6) Transferring WAIRE Points

WAIRE Points are not transferable, except as specified below.

(A) Transferring WAIRE Points to a Different Warehouse

If a warehouse operator conducts warehousing activities at more than one warehouse during any single compliance period, then WAIRE Points earned for one warehouse may be used at the other warehouse(s) under the operational control of that same warehouse operator. Only those points earned in excess of a warehouse operator's WAIRE Points Compliance Obligation at that site may be transferred, and only for the current compliance period. Any WAIRE Points transferred to a different warehouse shall be discounted as specified in the WAIRE Menu in Table 3.

(B) Transferring WAIRE Points to a Different Compliance Period

If a warehouse operator earns more WAIRE Points than is required for its annual WAIRE Points Compliance Obligation, then it may use those remaining WAIRE Points at the same warehouse to satisfy its WAIRE Points Compliance Obligation in any of the following three years.

(i) WAIRE Points may not be transferred to a subsequent compliance period if the WAIRE Menu items used to earn WAIRE Points are required by U.S. EPA, CARB, or South Coast AQMD rules and regulations in that subsequent year.

(ii) Warehouse facility or land owners, or operators transferring WAIRE Points to a different compliance period shall demonstrate that any onsite improvements or equipment

installations that were used to earn the WAIRE Points being transferred are still operational at that warehouse facility in the year that WAIRE Points are used.

(iii) WAIRE Points earned prior to a warehouse operator's first compliance period pursuant to paragraph (d)(1) may be banked and transferred up to three years after the warehouse operator's first compliance period. This early compliance must be documented in an Annual WAIRE Report immediately following the year in which the action or investment was completed.

(C) Transferring WAIRE Points Between a Warehouse Facility or Land Owner and a Warehouse Operator

A warehouse facility or land owner may earn WAIRE Points during a compliance period using the methods specified in paragraphs (d)(3), (d)(4), or (d)(5) or may have WAIRE Points transferred to them from the warehouse operator at that site. The warehouse facility or land owner may transfer these WAIRE Points to any warehouse operator at the site where the WAIRE Points were earned within a three-year period after the points were earned. Points used in this three-year period are subject to clause (d)(6)(B)(ii).

(7) Reporting

(A) Warehouse Operations Notification

Warehouse facility owners shall notify the South Coast AQMD in the manner specified in paragraph (e)(1) on September 1, 2021 and subsequently thereafter when any of the following conditions occur:

(i) Within 14 calendar days after a new warehouse operator has the ability to use at least 50,000 square feet of a warehouse that has greater than or equal to 100,000 square feet used for warehousing activities;

(ii) Within 30 calendar days after a renovated warehouse has received a certificate of occupancy from the local land use agency such that the total warehouse space that may be used for warehousing activities has increased or decreased; or

(iii) Within three calendar days of a request from the Executive Officer.

(B) Initial Site Information Report

Warehouse operators shall submit an Initial Site Information Report in the manner specified in paragraph (e)(2) no later than July 1 of the year that they must submit their first annual WAIRE Report for their operations at that warehouse facility, or within 30 calendar days of a written request by the Executive Officer.

(C) Annual WAIRE Report

Warehouse operators who are required to earn WAIRE Points, or warehouse facility or land owners who earn WAIRE Points as applicable, shall submit an Annual WAIRE Report in the manner specified in paragraph (e)(3) no more than 30 calendar days after January 1, beginning with the Initial Reporting Date in Table 1. The Annual WAIRE Report, in accordance with the WAIRE Program Implementation Guidelines, shall include the information described in paragraph (e)(3) to demonstrate how the warehouse operator satisfied the requirement of paragraph (d)(1) in the preceding compliance period.

(D) If a warehouse operator vacates a warehouse prior to the Annual WAIRE Report submission date in subparagraph (d)(7)(c) in any year that they must satisfy an annual WAIRE Points Compliance Obligation, then the Annual WAIRE Report shall be submitted to South Coast AQMD no later than the date that they vacate the warehouse.

(e) Reporting, Notification, and Recordkeeping Requirements

(1) Warehouse Operations Notification

The notification required pursuant to subparagraph (d)(7)(A) shall be made in the manner specified by the Executive Officer and the WAIRE Program Implementation Guidelines. The notification shall include:

(A) The legal name and contact information of any entity leasing at least 50,000 square feet of space at that warehouse and of the warehouse facility owner and land owner, or an affirmation if no entities lease at least 50,000 square feet of space at that warehouse;

(B) The duration of the current lease term, if applicable;

(C) The warehouse size(s) and the square footage that may be used for warehousing activities by each entity leasing at least 50,000 square feet of space at a warehouse; and

(D) The last known legal name and contact information of the previous entity or entities leasing at least 50,000 square feet of space at that warehouse and the end date of the previous entity's lease, if applicable; and

(E) How many square feet of the warehouse is used by the warehouse facility owner for warehousing activities.

(2) Initial Site Information Report

The Initial Site Information Report required in subparagraph (d)(7)(B) shall be made in the manner specified by the Executive Officer and the WAIRE Implementation Guidelines, and shall include the following information:

(A) Warehouse size, and the square footage that may be used for warehousing activities within their operational control.

(i) If the warehouse building has less than 100,000 square feet that may be used for warehousing activities, then no additional information pursuant to subparagraphs (e)(2)(B) through (e)(2)(G) is required.

(ii) Any operator leasing less than 50,000 square feet of warehouse space that may be used for warehousing activities is not required to report additional information pursuant to subparagraphs (e)(2)(B) through (e)(2)(G), unless the same parent company owns or controls multiple operators in the same building who collectively use greater than or equal to 50,000 square feet of warehousing space for warehousing activity.

(B) Actual truck trip data, including:

(i) Number of truck trips in the previous 12-month period for the warehouse operator at that warehouse;

(ii) Number of truck trips anticipated for the next applicable 12-month compliance period in subdivision (d); and

(iii) For the purposes of this subparagraph, truck trips shall be reported in two categories. The first category shall include all trucks or tractors using a facility's truck gate or driveway that are truck Class 2b through truck Class 7, or straight

trucks if truck class information is not available. The second category shall include all trucks and tractors that are truck Class 8, or all tractors if truck class information is not available.

(C) If the warehouse operator owns or leases on-road trucks or tractors that serve that warehouse, the Initial Site Information Report shall include fleet data, for the previous 12-month period including:

(i) Number of trucks and tractors in the fleet serving that warehouse, by truck class, and fuel type;

(ii) Total VMT by truck class and fuel type; and

(iii) Typical dwell time at the facility by truck class; and

(iv) Information about which trucks or tractors are owned or leased.

(D) If the warehouse has an alternative fueling station(s) or electric charging station(s) located onsite, the Initial Site Information Report shall include:

(i) Number of electric chargers/alternative fueling stations installed and the date of installation. The report must include the level for each electric charging station. For alternative-fueling stations, the report must include the fuel type, maximum fuel dispensing rate, the maximum amount of fuel that can be dispensed daily, and the pressure of the fueling system, if applicable;

(ii) Types of vehicles served;

(iii) Total fuel dispensed and/or charging provided in the previous 12-month period.

(E) If the warehouse operator has yard trucks that are used at that warehouse facility, the Initial Site Information Report shall include:

(i) Number of yard trucks used in the previous 12-month period, and indicate which of these are registered as motor vehicles under Vehicle Code section 4000, et seq.;

(ii) Fuel type and engine size; and

(iii) Total annual hours of operation of all yard trucks for the previous 12-month period.

(F) If the warehouse has onsite alternative energy generation equipment and/or onsite energy storage equipment, the Initial Site Information Report shall include:

(i) The type and rated capacity of the alternative energy generation system in kilowatts and kilowatt-hours per year, and/or rated capacity of the energy storage system in kilowatt-hours, as applicable.

(ii) The total energy generation and/or usage of the energy storage system in kilowatt hours expected during the next applicable compliance period in subdivision (d).

(G) The Initial Site Information Report shall include whether the warehouse operator anticipates earning WAIRE Points from the WAIRE Menu, from a Custom WAIRE Plan, or by choosing to pay a mitigation fee, or the combination thereof, for the next applicable compliance period in subdivision (d). If the warehouse operator anticipates using the WAIRE Menu, the anticipated actions in the WAIRE Menu shall be reported. The actual WAIRE Menu items used for compliance can be from the methods reported in the Initial Site Information Report, or from any other category in the WAIRE Menu, or any other method to earn WAIRE Points in paragraph (d)(2).

(3) Annual WAIRE Report

Annual WAIRE Reports required pursuant to subparagraph (d)(7)(C) or (D) shall be made in the manner specified by the Executive Officer and as specified in the WAIRE Implementation Guidelines, and shall include the following information:

(A) The Annual WAIRE Report shall include truck trip data, including:

(i) Number of actual truck trips during the compliance period described in paragraph (d)(1); and

(ii) Truck trips shall be reported in the same manner as described in subparagraph (e)(2)(B)(iii)

(B) The Annual WAIRE Report shall include how many WAIRE Points were earned from the WAIRE Menu specified in paragraph (d)(3), an approved Custom WAIRE Plan specified in paragraph (d)(4), from mitigation fees specified in paragraph (d)(5), or from transferred WAIRE Points specified in paragraph (d)(6).

(C) For every WAIRE Menu item used to earn WAIRE Points, the WAIRE Annual Report shall contain information about the Reporting Metric specified in Table 3.

(D) Every Annual WAIRE Report shall include current contact information for the warehouse operator.

(4) Recordkeeping

Records which document the accuracy and validity of all information submitted to the South Coast AQMD as required by this rule shall be kept by the warehouse facility or land owner, or operator as applicable, for a minimum of seven years from the reporting deadline, and made available upon request during normal business hours.

(A) A warehouse operator relying on WAIRE Points transferred from a warehouse facility or land owner pursuant to subparagraph (d)(6)(C) must possess records for how the WAIRE Points were earned if they are used to satisfy a WPCO.

(B) Records documenting how WAIRE Points were earned must have been collected contemporaneously with the action itself.

(5) All reports in this rule shall be certified by an authorized official. For purposes of reporting, an authorized official is defined as an individual who has knowledge and responsibility for actions required by this rule, and who has been authorized by an officer of the warehouse facility or land owner, or operator, as applicable, to submit and certify the accuracy of the data presented in these reports on behalf of the owner or operator, based on best available knowledge.

(f) WAIRE Implementation Guidelines

The Executive Officer shall periodically publish guidelines for implementing the WAIRE Program.

(g) Exemptions

(1) Operators In Warehouses That Have Less Than 50,000 Square Feet That They May Use For Warehousing Activities

Warehouse operators who can only use less than 50,000 square feet of a warehouse that is greater than or equal to 100,000 square feet, for warehousing activities due to terms of their lease, are not subject to the requirements in subdivision (d)(1) unless the same parent company owns or

controls multiple operators in the same building who collectively use more than 50,000 square feet of space for warehousing activity.

(2) Warehouse Operators With a WPCO Less Than 10

A warehouse operator with a WPCO that is less than 10 in any compliance period is exempt from the requirement to earn WAIRE Points in paragraph (d)(1) for that compliance period. The WPCO shall be calculated using methods in paragraph (d)(1). The warehouse operator shall document their WPCO and exemption in an Annual WAIRE Report.

(3) Unforeseen Circumstances

In instances where investments or actions completed by an owner or operator perform at a level significantly lower than anticipated due to unforeseen circumstances beyond the control of the warehouse facility or land owner, or operator and such that the anticipated WAIRE Points for that action cannot be fully earned, the owner or operator may apply for a partial or complete exemption to the Executive Officer following procedures in the WAIRE Program Implementation Guidelines. The application must specify what portion of the WPCO determined by subparagraph (d)(1) that the malfunctioning equipment would have satisfied, and relevant details about why the anticipated action was unable to earn the expected WAIRE Points.

(A) The Executive Officer shall grant an exemption from the applicable WAIRE Points requirement only if the following criteria are met:

(i) The vehicle or equipment does not perform at the level specified by the manufacturer due to a manufacturing defect or a defect in the installation of equipment using manufacturer-approved methods, and

(ii) The warehouse operator demonstrates that despite their good faith effort to have the vehicle or equipment repaired, either via warranty or through other manufacturer and/or installer-approved methods, that the repair was not completed in a timely manner.

(h) Sunset Date for Rule

The WPCO requirements in (d)(1) shall expire 45 days after the end of the compliance period during which the latter of (h)(1) and (h)(2) has been met.

(1) A final action becomes effective from the U.S. EPA that finds that all air basins within the South Coast AQMD have attained the 2015 National Ambient Air Quality Standards (NAAQS) for ozone of 70 parts per billion.

(2) Pursuant to Health and Safety Code 39608, CARB has identified that all air basins in the South Coast AQMD have attained the state ozone standard of 70 parts per billion.

(3) All reporting requirements for warehouse facility and land owners and operators shall remain in effect for the final compliance period specified in (h), but no reporting shall be required for future compliance periods.

(4) At least one year prior to the anticipated rule expiration in (h), the Executive Officer shall report to the South Coast AQMD Governing Board on the efficacy of Rule 2305 and recommend which portions of the rule should be retained or amended, if any. This report shall evaluate the potential need for the rule with respect to any applicable Clean Air Act requirements such as anti-backsliding and maintenance plans, other regulations from U.S. EPA and CARB, the state of the market of zero emission and near zero emission technologies serving warehouses, and the existing and anticipated emissions associated with warehouses covered by the rule.

(i) Severability

If any provision of this rule is held by judicial order to be unlawful or otherwise invalid, such order shall not affect the operation or implementation of the remainder of this rule. If any provision of this rule is held by judicial order to be inapplicable to any person or circumstance, such order shall not affect the application of such provision to other persons or circumstances. The severability provided for in this subsection shall include, but is not limited to, invalidation of any exemption in subsection (g) or any of the compliance options in subsections (d)(3), (d)(4), or (d)(5) or the actions in Table 3.

Table 1 – Initial Requirement Date

Phase	Warehouse Size (square feet)	Initial Reporting Date (Annual WAIRE Report)	Initial Compliance Period
1	≥ 250,000	January 31, 2023	January 1, 2022 to December 31, 2022
2	≥ 150,000-<250,000	January 31, 2024	January 1, 2023 to December 31, 2023
3	≥ 100,000-<150,000	January 31, 2025	January 1, 2024 to December 31, 2024

Table 2 – Annual Variable

Annual WAIRE Report Year*	Annual Variable		
	Phase 1	Phase 2	Phase 3
2022	0.33	0	0
2023	0.67	0.33	0
2024	1.0	0.67	0.33
2025	1.0	1.0	0.67
2026 and beyond	1.0	1.0	1.0

* This is the compliance period for which a warehouse operator is first required to submit its Annual WAIRE Report.

Table 3 WAIRE Menu

Action/Investment	Action/Investment Details	Reporting Metric	Annualized Metric	WAIRE Points per Annualized Metric	Discounted WAIRE Points Subparagraph (d)(6)(A)
Acquire ZE/NZE Trucks in Warehouse Operator Fleet	ZE Class 8	Number of trucks	One truck acquired	126	126
	ZE Class 4-7			68	68
	ZE Class 2b-3			14	14
	NZE Class 8			55	55
	NZE Class 4-7			26	26
ZE/NZE Truck Visits	ZE Class 8	Number of visits	365 truck visits	51	33
	ZE Class 4-7			12	9
	ZE Class 2b-3			9	6
	NZE Class 8			42	24
	NZE Class 4-7			12	9
Acquire ZE Yard Truck		Number of yard trucks	One yard truck acquired	177	177
Use ZE Yard Truck		Hours of use	1,000 hours	291	51
Install Onsite ZE Charging or Fueling Infrastructure	150-350 kW EVSE Acquisition	Number of EVSE purchased	One EVSE purchased	118	118
	51-149 kW EVSE Acquisition			51	51
	19.2-50 kW EVSE Acquisition			26	26
	Up to 19.2 kW EVSE Acquisition			5	5
	TRU Plug EVSE Acquisition			3	3
	Begin construction on 19.2-350 kW charger project	First day of construction	One construction project	9	9
	Begin construction on up to 19.2 kW charger project			5	5
	Begin construction on TRU Plug project			5	5
	Finalize 19.2-350 kW Level charger project	The latter of final permit sign off or charger energization	One construction project	59	59
	Finalize up to 19.2 kW charger project			5	5
	Finalize TRU Plug project			7	7
	Hydrogen (H_2) Station	Daily capacity of station in kilograms (kg)	One 700 kg/day station construction project	1,680	1,680
Use Onsite ZE Charging or Fueling Infrastructure	Vehicle Charging	Kilowatt-hours (kWh) of dispensed electricity	165,000 kWh	42	24
	TRU Charging		10,658 kWh	10	3
	H_2 Station Usage	Kg of dispensed H_2	6,152 kg	43	25
Install and Energize Onsite Solar Panels	Rooftop	Size of system in kW	100 kW system	15	15
	Carport			19	19
Use Onsite Solar Panels		Energy production in kWh	165,000 kWh	1	1
Install MERV 16 or greater Filters or Filter Systems in Residences, Schools, Daycares, Hospitals, or Community Centers	Install Stand-Alone System	Number of systems installed	25 systems	55	55
	Replace Filters	Number of filters replaced	200 filters	51	51