

ENVIRONMENTAL POLICY COMMITTEE

January 20, 2018



Agenda

1. Self-Introductions
2. Approval of Minutes
3. Indirect Source Rule Update
4. EPA/CARB/AQMD Updates
5. Legislative Update
6. New Business



INDIRECT SOURCE RULES

- **South Coast AQMD staff to recommend ISR for warehouses, railyards, potentially airports/marine terminals**
 - “Voluntary” fleet certification
 - Warehouse operator would be required to ensure fleets they use are x% cleaner than Truck and Bus Rule
- **Port, railyard, warehouse and seaport ISRs will be before Governing Board in March**



INDIRECT SOURCE RULES

ISR Concept – Two Components

Fleet Component

- Voluntary certification program
- Truck fleet could voluntarily certify that their truck activity in the air basin is XX% cleaner than Truck and Bus Rule on average
- Fleets that don't certify are assumed to only operate 2010 trucks starting in 2023
- Voluntary certification program would begin sometime between 2020-2023



Project Component

- Indirect Source Rule
- Facilities would be required to ensure that truck fleets serving their facility are YY% cleaner than the Truck and Bus rule on average
- Facilities must record trucks that visits the facility and which fleet they belong too
- Facility average based on fleet certification levels
- Full implementation would begin by 2023



INDIRECT SOURCE RULES

Expected Benefits

- Voluntary for fleets
- Participating fleets would be eligible for incentive funding
- Fleet certification program would not interfere with other truck regulations
- Fleet certification program would be available for other programs (e.g., CEQA and other FBMSM)
- Facilities would not be required to track truck emission level compliance
 - Example: 100% of trucks visiting a facility could be 2010 trucks as long as average of all fleets serving the facility meet the ISR requirement
- Facility ISR requirement could be supported by substantiating studies (e.g., cost-effectiveness, availability of incentives, feasibility, etc.), and could be modified as conditions change
- ISR could include mitigation fee or other options



INDIRECT SOURCE RULES

- ARB staff indicating they are NOT recommending freight facility ISRs in March
- AQMD has indirect source authority, but unclear whether AQMD can use that authority to adopt rules that would be = new emission standard
- To preserve right to sue you must participate in administrative process and may only raise legal issues presented during rulemaking period
- Rulemaking would likely be done in late-2018 or 2019.



INDIRECT SOURCE RULES

- **STAFF RECOMMENDATION FOR EPC:**
 - **Recommend to the Board of Directors that CTA consider dedicating funds to retain legal counsel to prepare defenses against AQMD ISR Regulations and prepare the docket to preserve legal options**

*Legal Defense Fund currently has over \$50,000 balance



CARB

- **CARB March Freight Item**
 - CARB will not recommend ISR/Facility Caps
 - CARB staff will recommend reopening Drayage Truck Rule to establish zero-emission goal (will comply w/ SB1 Useful Life Language)
 - Facility infrastructure regulations
 - Other items for trains, harbor craft, land use



CARB

- **AB617 Implementation**
 - Implementation timeline in packet
 - CARB will release whitepapers on community selection, statewide plan and monitoring
 - Individual districts are already in various stages of work on community plans
 - CTA has already been contacted about West Oakland by UC Berkeley

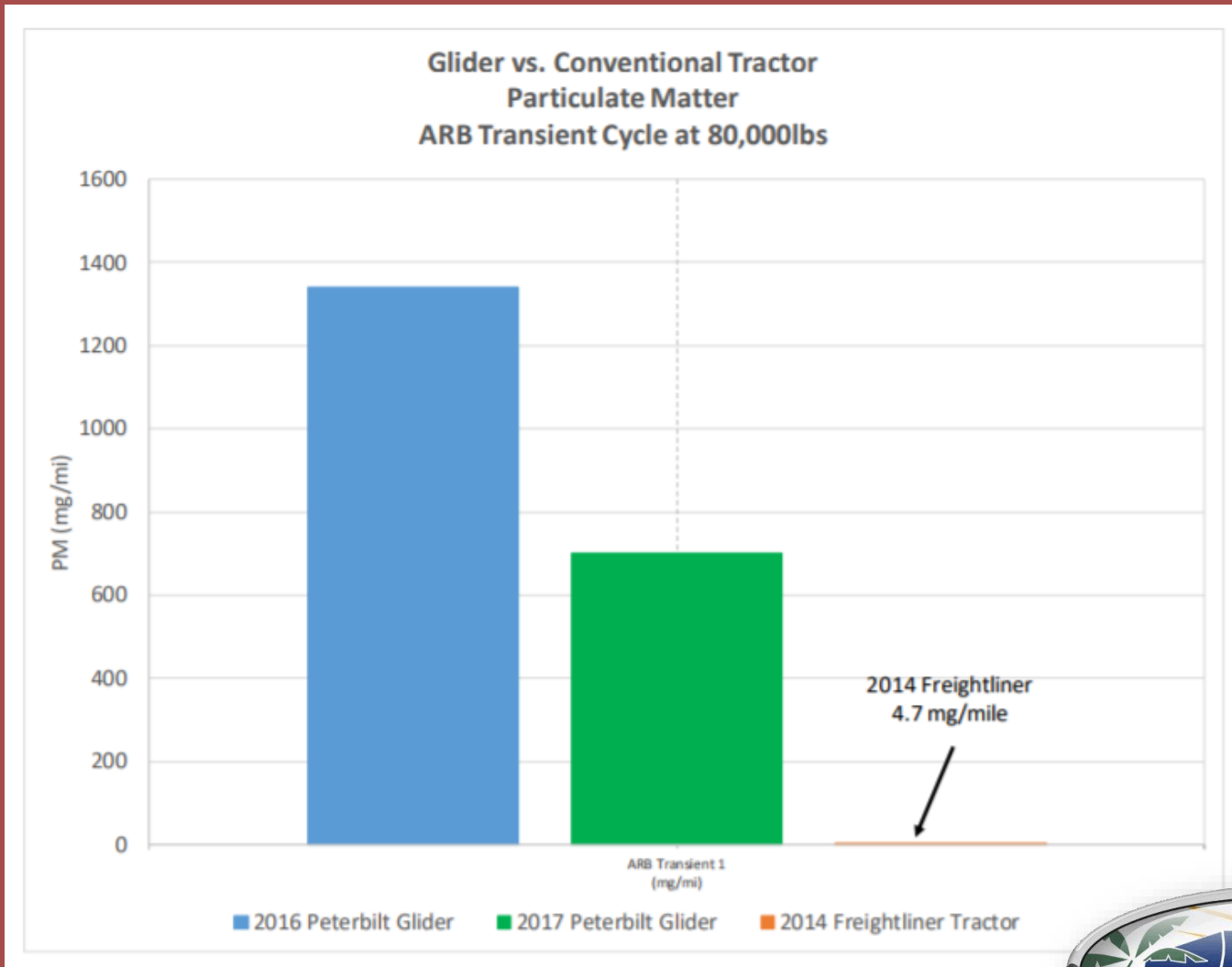


CARB/EPA

- **CARB Phase II Rule/EPA Glider Kit Action**
 - CA Phase II Rulemaking currently open
 - Adopts 2016 EPA Phase II Rule + certain CA only provisions
 - EPA to revisit glider kits. Currently intend to say they have no authority to regulate gliders.
 - CARB estimates if just 7% of trucks are gliders, it will wipe out entire Truck and Bus Rule benefit.
 - Gliders w/ non-compliant engines already illegal to operate, but difficult to identify



GLIDER v. 2010 EMISSIONS



LEGISLATIVE UPDATE

- **RECOMMENDATION**
 - **Take proactive steps, up to and including legislation, to deter the use of non-compliant glider kits in California**



LEGISLATIVE UPDATE

- **SB 210 – Leyva**
 - **Authorization for heavy duty smog check, tied to registration**
 - **Working to ensure reduced compliance burden for compliant carriers**
- **AB 1745 - Ting**
 - **2040 ban on internal combustion engines**
 - **Commercial exempted**
- **Restrictions on use of incentives**
 - **Labor bill on cap and trade/misclassification**

