
OTAQ Update

OTC

November 10, 2004

OTAQ Priorities

- 1. Implementing Existing Regulations**
 - 2. New Regulations**
 - 3. Continuing to build our voluntary programs**
 - 4. Preparing for new ozone and pm designations**
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Existing Programs

HD 2007 Implementation Status -- Engines

- **Manufacturers on track for 2007 using:**
 - **PM filters**
 - **Incremental improvements of 2004 technologies to meet 1.2 g/bhp-hr NOx averaging standard**
 - **No plans to use SCR or NOx adsorbers in 2007**

- **Customer fleet testing in 2005; some maybe even 2004**

- **We will continue to monitor progress**
 - **Met with manufacturers in Europe earlier this month**
 - **Plan to meet w/ domestic manufacturers early 2005**
 - **Working with all manufacturers to ensure smooth implementation and certification processes for 2007**

- **Truck/engine associations have set up "economic incentives" task group for 2007-- now gathering data**



HD 2007 Implementation Status --Fuel

2004 Refiner Precompliance Report

- Same general conclusions as 2003 report
 - Highway diesel fuel production will be sufficient to meet demand
 - 15 ppm sulfur diesel fuel will be widely available nationwide
 - Industry is on target for complying with the 15 ppm sulfur standard on time

Pipelines and Terminals

- Many downstream facilities have not yet made expected investments—some parties currently raising distribution issues
- it's too early to make program changes
- there are a number of steps they can take
- November workshop will help work through these issues



NO_x Reflash

- States are looking for NO_x reductions
 - Received letter from NESCAUM
 - Large volume of engines can be reflashed.
 - Reflashing offers a potentially significant source of cost-effective NO_x reductions
 - EPA wants a national program
 - We are in the initial planning stages
 - We will meet with all stakeholders
 - We will need strong state support
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Upcoming Regulations

Mobile Source Air Toxics

Evaluating options for additional controls

1. Fuels

- Move to uniform national standards
- Evaluating several options, including:
 - Extend current RFG benzene/toxics standards nationwide

2. Gas Cans

- When stored in attached garages, gas cans can significantly contribute to benzene exposure

3. Vehicles

- Looking at evap and exhaust
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Locomotive and Marine

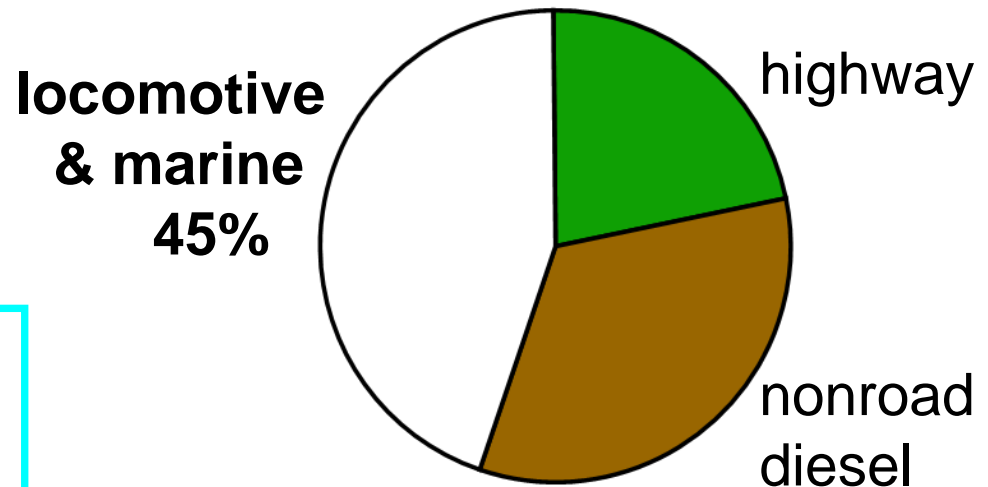
- **Current Tier 2 standards are phasing in through 2005 (locomotives) and 2009 (marine)**
 - Require application of 1990-era highway technologies
- **15 ppm sulfur locomotive/marine fuel required in 2012**
- **ANPRM published June 29**
 - Targets high-efficiency aftertreatment, as early as 2011
 - Comment period closed August 30
- **NPRM: mid-2005 Final: mid-2006**



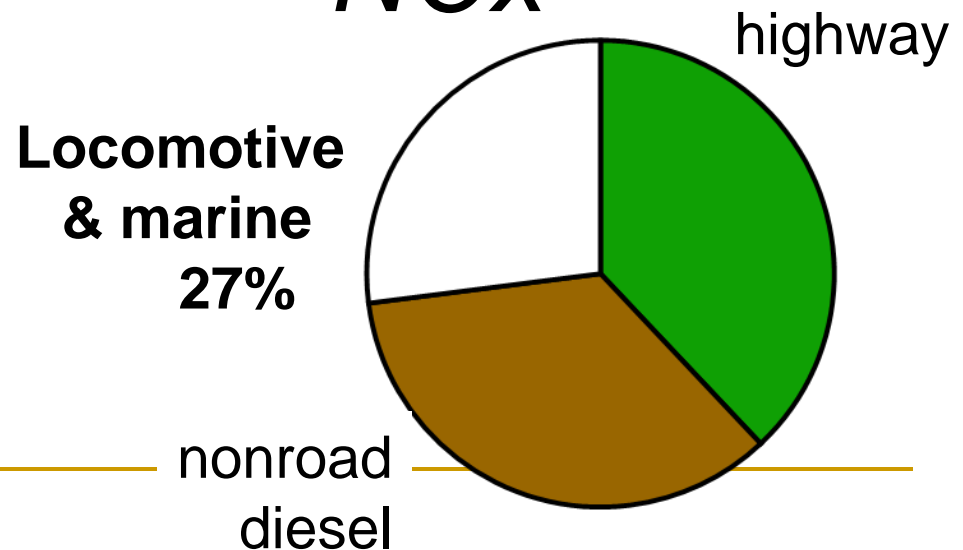
Mobile Source Inventories in 2030

- Potential reductions on the order of:
 - ~25,000 tons/yr of PM
 - ~900,000 tons/yr of NO_x
- Compares to nonroad rule reductions of:
 - ~129,000 tons/yr of PM
 - 738,000 tons/yr of NO_x

Diesel PM_{2.5}



NO_x



Small Nonroad Gasoline Engines

- 2003 Omnibus Appropriations Bill had provisions for new standards on spark ignition engines
 - On track to issue proposal in early 2005
 - Numerous meetings with all major engine and equipment manufacturers
 - Actively engaged in technology and safety assessment for non-handheld engines
 - Expect proposal to include:
 - Exhaust and evaporative standards for non-handheld and recreational marine engines
 - Evap standards for handheld engines
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Light-Duty Fuel Economy

- **Energy Policy and Conservation Act (1974) requires EPA to establish the test procedures used to measure FE for window stickers**
 - **In the 1980's, consumer concerns that FE values were overestimated led to EPA's development of "adjustment factors"**
 - **1985 adjustment factors attempted to account for some real world conditions, by adjusting lab results downward (City 10%; Highway 22%).**
 - **Many driving conditions have changed since 1985**
 - **Higher speed limits, more congestion, more use of A/C and other accessories, more aggressive driving**
 - **Many of these factors have been addressed through our emissions compliance testing programs, but not fuel economy**
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Fuel Economy Cont...

- Increased consumer awareness that actual FE is lower than sticker values
 - More than 33,000 public comments on Bluewater Network petition support changes

 - Initial Analysis Has Shown:
 - Incorporating emissions factors approach into the FE estimates would lower the sticker values for most vehicles
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Fuel Economy Cont...

Goal: Provide consumers with more credible information about the FE they can expect from vehicles

- Leading option: incorporate FE results from supplemental test cycles with existing City/Highway tests
 - Minimal new test burden; mfgs already do limited number of these tests for emissions compliance
- Current Schedule
 - NPRM: June 2005
 - FRM: Early 2006
 - Implementation for MY 2007

Onboard Diagnostics for Heavy-Duty Highway > 14,000 lbs

- Memorandum of Agreement between CARB & EPA
 - Signed in August 2004: Agreement to work together toward national Heavy-duty OBD program
- CARB & EPA staff are traveling together to manufacturer sites to discuss technologies & issues
- EPA/CARB Workshop tentatively planned for early 2005
- EPA Proposal in Spring 2005
- Final rules by December 2005
- Implementation beginning in 2010

**SERVICE
ENGINE
SOON!**

**CHECK
ENGINE**

CHECK

On Road Testing—HDD

Highway

- Proposal published in June 2004
 - Fully enforceable federal program begins in 2007
 - Pilot program begins in 2005
 - Main issue raised
 - PM instrument availability and measurement specifications
 - Aiming to resolve via targeted design and timing of pilot test program

 - Final rule by June 2005

 - Future nonroad in-use testing rule will follow
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Voluntary programs

Voluntary Diesel Retrofit Program

- Goal: Reduce the emissions of the nation's ~11 million engine legacy fleet by 2014

 - Two strategies: Geographic and Sector-based
 - Geographic: Choose specific locations to pull ahead ULSD and work to get retrofits in that area
 - Sector: Build/Identify incentives based on economic structure of sector to promote voluntary action
 - School Buses (2003)
 - Freight (SmartWay) (2003)
 - Construction, Agriculture (2004)
 - Ports (2004)
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Clean School Bus USA



- ❑ **125,000 students rode back to school this year on cleaner buses; 370,000 students affected**

- ❑ **As of September 1, 10 of 17 projects are complete, others are underway**
 - ❑ ~800 buses equipped with DOCs or DPFs
 - ❑ ~250 buses using clean fuels
 - ❑ 10 buses replaced
 - ❑ 70 districts implementing idle reduction programs

- ❑ **Clean School Bus USA grants awarded in 2003 will ultimately impact ~ 5,000 buses**

- ❑ **Next year's funding still being discussed in Congress**

SmartWay Transport Progress Update



- ❑ **Program launched February 9, 2004**

 - ❑ **Number of Partners almost doubled since the launch**
 - ❑ **Over 90 partners- e.g., Wal-Mart, Tyson Foods, Frito-Lay, Sharp Electronics, ADM Trucking**

 - ❑ **Idle Reduction**
 - 48 Projects in 17 States: 22 active and 26 developing**
 - \$1M Awarded in Grants to 9 States and Non-Profits**
 - leverage an additional \$10 million in state/private funding
 - 1,000 new electrified parking spaces
 - Reductions: over a 10-year period of 270,000 tons CO₂, 4,500 tons NO_x, 120 tons PM, and savings of 240 mil. gallons of diesel.**

 - ❑ **States effectively using idling guidance for emission reduction credits in SIPs and Transportation Conformity.**
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SmartWay Transport Partnership



What's Next?

- ❑ **Expand partnerships with State Trucking Associations to recruit new Partners, with a focus on small/medium-sized carriers.**
 - ❑ **Monitor Partner implementation of Action Plans and report on emissions reductions achieved.**
 - ❑ **Explore ports and rail components**
 - ❑ **Advertising campaign**
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Best Workplaces for Commuters



- ❑ **Voluntary program recognizing employers that meet national standard of excellence for commuter benefits**
 - ❑ **Can receive either SIP or conformity emission credits**
 - ❑ **1000+ employers covering 2 million commuters**
 - ❑ **13 regional campaigns**
 - ❑ **Fortune 500 Campaign**
 - ❑ - 69 companies; 400,000 employees covered
 - ❑ **Annual energy and pollution savings**
 - 108 million gallons of gas
 - 2200 tons VOC
 - 3600 tons NOx
 - 951,000 tons CO2
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Preparing for PM and Ozone Designations

Inspection and Maintenance

- ❑ **Most I/M rule changes for 8-hr involve updating time-sensitive requirements to reflect the new deadlines associated with the new standard.**

 - ❑ **Proposed I/M milestones for new, 8-hr I/M areas:**
 - ❑ NPRM: Fall 2004
 - ❑ FRM: Fall 2005
 - ❑ I/M SIPs due: Fall 2006
 - ❑ I/M start-up: No later than June 2008

 - ❑ **Current status of proposal: OMB review complete; package working its way through signature process**
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Transportation Conformity Update

- ❑ **July 1, 2004 Conformity Rule Revisions:**
 - ❑ Provided conformity rules for the new national ambient air quality standards
 - ❑ Incorporated existing EPA and DOT guidance that is consistent with a March 2, 1999 court decision
 - ❑ Streamlined and improved conformity implementation

 - ❑ **EPA will finalize PM_{2.5} precursor and PM_{2.5} and PM₁₀ hot-spot requirements in parallel with the effective date of designations**
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Thank you
