

COMPARATIVE ANALYSIS

**PROPOSED NEW RULE 27.1 – FEDERAL REQUIREMENTS FOR THE
SAN DIEGO COUNTY AIR POLLUTION CONTROL
DISTRICT’S ALTERNATIVE MOBILE SOURCE EMISSION
REDUCTION PROGRAM APPROVED ON SEPTEMBER 8, 2000**

STATUTORY REQUIREMENTS

Prior to adopting, amending, or repealing a rule or regulation, California Health and Safety Code Section 40727 requires findings of necessity, authority, clarity, consistency, non-duplication, and reference. As part of the consistency finding to ensure proposed rule requirements do not conflict with or contradict other District or federal air pollution control requirements, Health and Safety Code Section 40727.2(a) requires the District to perform a written analysis identifying and comparing the air pollution control standards and other provisions of proposed new or amended rules with existing or proposed District rules and guidelines and existing federal rules, requirements, and guidelines applying to the same source category.

COMPARATIVE ANALYSIS

Federal Air Pollution Control Requirements

There is no applicable existing or proposed federal requirements for the source category addressed by proposed new Rule 27.1. The proposed new rule provides a mechanism that owners of mobile sources may use to create mobile emission reduction credits (MERCs) that are useable as federal new source review (NSR) emission offsets. The credits are created by replacing existing vehicles powered with diesel-fueled engines with new vehicles powered with natural-gas fueled engines or replacing diesel-fueled engines on marine vessels with new diesel-fueled engines. The rule does place some requirements on the disposal of the existing vehicles and engines. However, all federal requirements are only applicable to manufacturers of new diesel engines and are not applicable to in-use on-road vehicles or engines, or marine diesel engines.

District Air Pollution Control Requirements

Proposed new Rule 27.1 specifically only applies to owners of mobile sources that form the basis of a mobile source emission reduction credit (MERC) created under the District’s program titled, “Alternative Mobile Source Emission Reduction Program for Replacing Medium and Heavy Heavy-Duty Diesel Powered Vehicles and Repowering of Marine Vessels under Rule 27 (c)(1)(vi)” (Alternative Program), as approved on September 8, 2000, and to persons using such MERCs to satisfy federal New Source Review (NSR) offset requirements. Therefore, the only comparative analysis required for District rules is in reference to the Alternative Program. Proposed new Rule 27.1 incorporates some, but not all, of the elements of the Alternative Program and is proposed to be included in the State Implementation Plan (SIP). The Alternative Program is not being proposed for inclusion in the SIP. For reference, a copy of the Alternative Program is provided in Attachment D.

Pursuant to Health and Safety Code Section 40727.2(d), the elements that require review and comparison are provisions on emission limits, operating and work practice requirements, and monitoring, recordkeeping, and reporting requirements. Both proposed new Rule 27.1 and the Alternative Program apply to the creation and use of MERCs under the Alternative Program. They both provide a mechanism for the creation and use of MERCs, but there is no emission limitations or operating and work practice standards in either measure. The substantive differences in the monitoring, recordkeeping, and reporting requirements are as follows:

- Proposed new Rule 27.1 requires that owners of the mobile sources generating MERCs maintain calendar quarterly records for 20 years of mobile source location, identification, sale, lease, loss, replacement, and repowering; engine identification, modifications, replacement and maintenance; and source test results. The Alternative program requires the same records be maintained for the lesser of the lifetime of the credit or 20 years [Rule 27.1 (f)(1) and Alternative Program (n)(1)].
- Proposed new Rule 27.1 requires that the owners of the mobile sources generating the MERCs retain calendar quarterly records of mobile source activity levels (for example, fuel use and hours of operation) for 15 years from the beginning of the activity level monitoring period. The Alternative program requires the same records be retained for five years from their date of creation. [Rule 27.1 (f)(5) and Alternative Program (n)(8)]
- Proposed new Rule 27.1 does not address ongoing emission reduction calculation or reporting based on activity levels. For a person who uses a MERC created under the Alternative Program as a New Source Review (NSR) offset, the Alternative program requires the person to calculate ongoing emission reductions generated by the MERC, annually report them to the District, and notify the District of any emission reduction deficit resulting from insufficient activity levels during an emission reduction monitoring period. [Alternative Program (n)(3)] .
- Proposed new Rule 27.1 does not address records of employment monitoring (the number of vehicles in service) for vehicles used to create MERCs. For the owner of a vehicle used to create a MERC under the Alternative Program, the Alternative program requires calendar year employment monitoring records and an annual report of vehicle employment to the District and the owner or user of the applicable MERC [Alternative Program (n)(4)] .
- Proposed new Rule 27.1 does not address emission reduction deficits based on employment monitoring. For a person who uses a MERC as a NSR offset, the Alternative program requires that the person notify the District of any emission reduction deficit from insufficient vehicle employment and provide a schedule to correct the deficit. [Alternative Program (n)(5)] .

A further difference between proposed new Rule 27.1 and the Alternative Program is that proposed new Rule 27.1 requires written Environmental Protection Agency approval prior to the use of a MERC to provide a NSR offset.

CONCLUSION

The District has reviewed the provisions of proposed new Rule 27.1 and the Alternative Program, and prepared this written comparative analysis of the two measures pursuant to State Health and Safety Code Section 40727.2. The differences between the two measures are noted as required by Section 40727.2. The comparative analysis shows that, although proposed new Rule 27.1 requires EPA written approval prior to MERC use and requires longer record retention in some cases and omits some monitoring, recordkeeping, and reporting requirements contained in the Alternative Program, there are no conflicts or contradictions between proposed new Rule 27.1 and the Alternative Program.