

**STAFF REPORT: INITIAL STATEMENT OF REASONS FOR THE
PROPOSED AMENDMENTS TO THE STATEWIDE PORTABLE
EQUIPMENT REGISTRATION PROGRAM REGULATION
AND
THE AIRBORNE TOXIC CONTROL MEASURE FOR DIESEL
PARTICULATE MATTER FROM PORTABLE ENGINES**



**Stationary Source Division
Program Evaluation Branch**

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State of California
AIR RESOURCES BOARD

**STAFF REPORT: INITIAL STATEMENT OF REASONS
FOR PROPOSED RULEMAKING**

Public Hearing to Consider

**Proposed Amendments to the Statewide Portable Equipment
Registration Program Regulation and the Airborne Toxic Control
Measure For Diesel Particulate Matter From Portable Engines**

To be considered by the Air Resources Board on March 22, 2007 at:

California Environmental Protection Agency
Headquarters Building
1001 "I" Street
Byron Sher Auditorium
Sacramento, California

STATIONARY SOURCE DIVISION

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**State of California
AIR RESOURCES BOARD**

**PROPOSED AMENDMENTS TO THE STATEWIDE PORTABLE EQUIPMENT
REGISTRATION PROGRAM REGULATION AND AIRBORNE TOXIC CONTROL
MEASURE FOR DIESEL PARTICULATE MATTER FROM PORTABLE ENGINES**

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**Staff Report: Initial Statement of Reasons
for the Proposed Amendments to the Statewide Portable Equipment Registration
Program Regulation and Airborne Toxic Control Measure For Diesel Particulate
Matter From Portable Engines**

Executive Summary

A. INTRODUCTION

This Executive Summary outlines the Air Resources Board (ARB or Board) staff's proposal to amend the Statewide Portable Equipment Registration Program Regulation (Statewide PERP Regulation). In addition, this summary will also outline the proposal to amend the Airborne Toxic Control Measure For Diesel Particulate Matter From Portable Engines (Portable Engine ATCM).

This report comprises the Initial Statement of Reasons for the Proposed Amendments to the Statewide PERP Regulation and the Portable Engine ATCM as required by the Administrative Procedures Act (Government Code 11340 et seq.). The Executive Summary of this report provides an overview of the proposed amendments, a summary of staff recommendations, and a brief discussion of the environmental and economic impacts resulting from the proposal. The following portion of the report provides a more detailed presentation of the technical aspects of the proposed amendments.

B. BACKGROUND

The Statewide PERP Regulation

The ARB was mandated by California Health and Safety Code (HSC) sections 41750 through 41755 to adopt a regulation to establish a uniform statewide program for the voluntary registration and regulation of portable engines and equipment units in California. Once registered in this voluntary program, portable engines and equipment units may operate throughout the State without having to obtain permits from the local air pollution control and air quality management districts (districts), providing industry with the flexibility to operate portable engines and equipment units under a uniform statewide registration program. The Statewide PERP Regulation was originally adopted by the Board on March 27, 1997, and subsequently amended by the Board on December 10, 1998, February 26, 2004, and June 22, 2006.

The Portable Engine ATCM

The Board adopted The Portable Engine ATCM on February 26, 2004 to reduce the emissions of diesel particulate matter (PM) from diesel-fueled portable engines. The Portable Engine ATCM is one element in the implementation of ARB's "Risk Reduction Plan to Reduce PM Emissions from Diesel-Fueled Engines and Vehicles" (Diesel Risk Reduction Plan). It establishes requirements for both the registration of diesel engines with the ARB and the permitting or registration of diesel engines by the districts.

At its September 2006 meeting, the Board received public testimony concerning the inability to register older engines in PERP. After January 1, 2006, the Statewide PERP Regulation only allowed engines to register that met the current nonroad emission standards in effect at the time of application submittal. Pursuant to the testimony, the Board directed staff to consider options and report back to the Board.

ARB staff, in consultation with affected industry and the districts, developed proposed emergency amendments to the Statewide PERP Regulation and the Portable Engine ATCM. The Board approved the emergency amendments at its December 7, 2006 public hearing, and they were approved by the Office of Administrative Law (OAL) on December 27, 2006. These emergency amendments have been filed with the Secretary of State and will be effective for a period not to exceed 120 days.

The proposed amendments include recommendations to allow the permitting or registration of resident Tier 1 and 2 engines by either ARB or the districts (resident engines are those that have historically operated in California), the permitting of Tier 0 engines by the districts, compliance flexibility provisions for affected industry, collecting of back registration and inspection fees, and changes to the recordkeeping and reporting requirements. The proposed amendments contained in staff's proposal are the result of discussions and negotiations with affected parties. These amendments will make permanent the emergency regulatory changes to Statewide PERP Regulation and the Portable Engine ATCM adopted by the Board on December 7, 2006, and provide additional clarity and expediency to the implementation of the Statewide PERP Regulation and Portable Engine ATCM.

C. PORTABLE EQUIPMENT AND CURRENT REGULATIONS

1. What is portable equipment?

Portable equipment is any piston-driven internal combustion engine and/or equipment unit that is designed and capable of being carried or moved from one location to another and would remain at a single location for less than 12 consecutive months. Unlike stationary engines and equipment, portable equipment may be moved to multiple locations throughout the State, where it may operate for several hours or several months. Portable engines and equipment units registered in the Portable Equipment Registration Program (PERP) are used for a variety of applications, such as: pumps; military tactical support equipment (TSE); cranes; oil well drilling; servicing and work-over rigs; power generators; dredging equipment; rock crushing; and screening equipment; welding equipment; woodchippers; and compressors.

2. What types of businesses and public agencies use portable equipment?

Both private businesses and public agencies operate portable equipment registered in PERP. The types of businesses registering engines in PERP include motion picture studios; amusement parks; utilities; telecommunications; construction services; crushing, screening, and recycling services; industrial cleaning services; marine construction and dredging services; oil and gas operations; and rental services. Public agencies include schools and universities, county landfills, municipal utilities, wastewater treatment facilities, defense, public works departments, and transportation agencies.

3. How is portable equipment regulated in California?

a. ARB/U.S. EPA off-road engines standards

Since January 1, 1996, new diesel-fueled portable engines sold in California have been subject to ARB's Off-Road Compression Ignition emission standards. These standards are equivalent to the United States Environmental Protection Agency (U.S. EPA) emission standards for newly manufactured nonroad engines. (In California statutes, nonroad engines are referred to as off-road engines, therefore, these engines will be referred to as "off-road" in this report). The standards are tiered (i.e. Tier 1, 2, 3, and 4) with each set of standards phased in over several years based on the power rating of the engine and becoming progressively more stringent with each tier introduced.

Since January 1, 2001, newly-manufactured large (greater than 25 bhp) spark-ignition (LSI) engines sold in California have been subject to ARB's off-road LSI standards. The U.S. EPA also adopted federal standards that were equivalent to ARB standards, but also included a more stringent standard. Beginning in 2007, new LSI engines must meet a combined standard for oxides of nitrogen (NO_x) and hydrocarbons (HC) of 2.0 grams per brake horsepower-hour (g/bhp-hr).

b. Airborne Toxic Control Measure for Diesel-Fueled Portable Engines

On February 26, 2004, the Board adopted the Portable Engine ATCM. This regulation became effective on March 11, 2005. The current Portable Engine ATCM requires portable diesel-fueled engines that have not been permitted or registered prior to January 1, 2006, to meet the most stringent of the federal or California emission standards for nonroad engines in effect at the time of registration or permitting. This requirement was also incorporated into the Statewide PERP Regulation.

c. Portable Equipment Unit Standards

Registered equipment units are required to meet emission limits (82 pounds per day and 10 tons per year per district of PM₁₀ (particulate matter sized less than 10 microns)) as well as emission control requirements based on the type of equipment unit.

d. District Permit Programs

Permit requirements vary from district to district depending on the state of the air quality in the district. While some districts exempt portable engines altogether, other districts may require portable engines to meet emission limits that are equivalent to Best Available Control Technology (BACT). For some districts, BACT for portable engines means that the engine is certified to ARB/U.S. EPA off-road emissions standards. Districts may also restrict the operating hours of portable engines to reduce air quality impacts to acceptable levels. An owner that operates portable equipment in multiple districts would be required to obtain a permit from each district, pay fees, and adhere to different sets of regulations as they move equipment among different districts.

e. Statewide Portable Equipment Registration Program

In lieu of obtaining multiple permits from individual districts, a portable equipment owner can register in PERP. Currently, portable equipment owners have registered over 33,500 engines, equipment units, and Tactical Support Equipment (TSE) in PERP. Of this amount, there are over 24,500 engines registered which represent nearly half of the estimated statewide inventory of portable engines. Most of the engines are diesel-fueled engines. The Statewide PERP Regulation was designed to promote the use of clean portable engines in California. By January 1, 2010, only diesel engines certified to ARB/U.S. EPA nonroad engine emission standards (Tier 1, 2, or 3) can continue to operate in PERP. This means that any diesel engines currently registered in the program that do not meet at least Tier 1 standards must be replaced with certified engines by that date. After January 1, 2010, spark-ignition engines may continue to operate if they are certified to ARB/U.S. EPA LSI engine standards, or if the emission standards listed in Table 1 of the Statewide PERP Regulation are met.

D. PUBLIC PROCESS

On November 20, 2006, ARB staff held a public consultation meeting in Sacramento. Staff provided attendees with the option of participating in the meetings by audio teleconference or in person. Staff also conducted a number of additional conference calls and in-person stakeholder meetings to further discuss the proposed amendments.

ARB staff held public a workshop on January 19, 2007 in Sacramento to solicit comments from the public on the proposed amendments. The Sacramento workshop was also teleconferenced for meeting participants that were unable to attend in person. In addition, the workshop was also broadcast on the Internet for meeting participants that were unable to attend in person. Broadcast viewers were able to submit comments and questions by email during the workshop so that staff could address their concerns or answer their questions.

Staff also used an e-mail list serve to notify interested parties of the meeting dates and the availability of information to be discussed at the meetings. In addition, a web site was developed where interested parties could download information such as meeting agendas and staff proposals, as well as providing links to other-related ARB websites. The website address is located at <http://www.arb.ca.gov/portable/perpact/perpact.htm>.

Staff participated in numerous individual meetings and conference calls with affected industries to address specific concerns. Staff revised the proposed amendments to the Statewide PERP Regulation and Portable Engine ATCM in consideration of the comments received during the public process. Staff made every effort to consider all comments and recommendations received.

E. SUMMARY OF THE PROPOSED AMENDMENTS

The proposed amendments to the Statewide PERP Regulation and Portable Engine ATCM are summarized below:

1. Tier 0 Engines

Tier 0 engines are those that are not certified to a California or federal nonroad emission standard. The Portable Engine ATCM will be amended to allow the districts to permit or register Tier 0 engines at their discretion, as long as the engines were operated in California at any time between March 1, 2004 and October 1, 2006, or are designated as exclusively emergency use or low use.

2. Resident Engines

The definition of resident engine will be amended in the Statewide PERP Regulation to include those Tier 1 and Tier 2 engines that have been operating in California at any time between March 1, 2004 and October 1, 2006. This revised definition will prevent the importation of Tier 1 and 2 engines from out of State, which would negatively impact the State's ambient air quality. The Portable Engine ATCM will also incorporate the residency time period requirement to allow only certified engines operating in California during that timeframe to be permitted or registered by the districts.

3. Tier 1 and 2 Engines

The Portable Engine ATCM and Statewide PERP Regulation will be amended to allow either the district to permit or ARB to register "resident" Tier 1 and Tier 2 engines that do not meet the current nonroad emission standard in effect. Under certain conditions, previous tier engines will be eligible for PERP or district permits for 6 months after a tier standard change. Starting January 1, 2010, only engines meeting the most current tier in effect will be allowed to seek a Permit to Operate or Registration, as is required by the current regulations.

4. Recordkeeping and Reporting

The Statewide PERP Regulation will be amended to remove the hour meter requirement for rental equipment units. These rental equipment units are already required to track daily throughput, which is sufficient for determining compliance with daily emission limitations. The additional tracking of hours of operation for these units is redundant and places an undue burden on industry.

5. Registration Fees

The Statewide PERP Regulation will be amended to collect back registration and inspection fees for the resident Tier 1 and Tier 2 engines that do not meet the current nonroad emission standards in effect. The proposed fee schedule would favor those owners and/or operators that act early. Fees would be collected from either the year of purchase or the model year of the engine. Fees would be higher for the registration of Tier 1 engines if a Tier 2 standard was in effect at the time of purchase. The bulk of these back fees will be redirected to the districts for compliance programs.

6. Compliance Flexibility

ARB staff proposes a new provision be added to the Portable Engine ATCM that would provide compliance flexibility during those times when it can be verified to the ARB Executive Officer that compliant engines are not available in sufficient quantities. During these times, it would not be required for engines registering in PERP to show residency or pay the back fees as proposed in these amendments.

7. Miscellaneous Amendments

ARB Staff proposes that TSE be exempt from the Placard requirement. The purpose of the placards is to assist the districts in the identification of unpermitted equipment. Since TSE may be moved on and off a military base without notification, placards on TSE will not be useful to the districts in detecting unpermitted units.

ARB staff are proposing to modify, add, and delete terms in the definitions section, delete outdated provisions, and to make minor revisions where needed. These changes are generally non substantive and are intended to provide additional clarity and expediency to the Statewide PERP Regulation and Portable Engine ATCM, and to ensure consistency between regulatory requirements and registration processing practices.

F. ENVIRONMENTAL AND ECONOMIC IMPACTS OF THE PROPOSED AMENDMENTS

1. What are the expected environmental impacts of the proposed amendments?

Over time, it is expected that the proposed amendments to the Statewide PERP Regulation and Portable Engine ATCM would likely result in reductions of NOx and diesel particulate matter (PM) emissions, however, the reductions cannot be quantified. These reductions would occur primarily due to increased participation by businesses in either the statewide registration program or district permitting programs. Increased participation will be encouraged in part through increased enforcement activities and outreach funded by the fees associated with these amendments. This increased participation will ensure that registered engines and equipment units are in compliance with all applicable emission requirements, particularly engine replacement requirements. The biggest benefit for air quality is expected to come from the thousands of engines operating without permits or registrations that will be brought into compliance and eventually replaced with cleaner engines in the future. All Californians would benefit, particularly those living in areas where the State and federal ambient air quality standards for ozone and PM are exceeded.

2. What are the economic impacts of the proposed amendments?

ARB staff estimates that the total economic impact of the proposed amendments to the Statewide PERP Regulation to affected private businesses and public agencies is \$6.6 million over its lifetime (\$6.1 million for private businesses and \$0.5 million for public agencies). The economic impact is due to the collection of back fees. There is no economic impact from the proposed amendments to the Portable Engine ATCM.

The alternative to paying these back fees is to replace the engines with new engines that meet the current emission standards. The cost savings of these engines being regulated instead of being replaced is significant. The average cost of a new engine is approximately \$25,000 (based on an estimated average size of 140 bhp). An estimated 10,000 older engines are expected to register in PERP over the next three years under these proposed amendments. Therefore, the cost to replace these engines would have been \$250 million. With an expected cost of just 6.6 million to register these engines in PERP, that is an estimated savings of \$243.4 million to the private businesses and public agencies.

G. NEXT STEPS

Upon approval by the Board, ARB staff will continue to implement the Statewide PERP Regulation and conduct outreach efforts with affected parties, industry associations, and governmental agencies. ARB staff will work with the California Air Pollution Control Officers Association (CAPCOA) and affected parties to inform owners and operators of PERP registered equipment of the amendments to the Statewide PERP Regulation and Portable Engine ATCM. ARB staff will work with the districts to identify portable equipment owners that have not obtained permits or registration in PERP. These owners will need to be brought into the regulatory process so that all portable engines and equipment units in the State are ultimately complying with applicable requirements. Efforts have already been underway to compile a comprehensive list of every contractor in California, who will then be mailed an informational postcard about PERP. Flyers are in development that will be posted at other local government agencies where owners of portable equipment will have to conduct business. ARB staff is also contacting industry associations in an effort to inform owners and operators of the proposed amendments.

H. RECOMMENDATION

The staff recommends that the Board approve the proposed amendments to the Statewide PERP Regulation and Portable Engine ATCM. The proposed amendments would retain the flexibility of operating registered engines and equipment units throughout the State without having to obtain multiple district permits. In addition, the amendments would provide clarity, increase participation in PERP, and provide for increased resources needed by the districts to effectively enforce the Statewide PERP Regulation.

**State of California
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I. INTRODUCTION

In this section, the ARB staff provides an overview of this report, discusses the purpose of the proposed amendments, and discusses the regulatory authority ARB has to adopt the proposed amendments. This chapter also provides background information on the Statewide PERP Regulation and Portable Engine ATCM, and discusses the outreach efforts of ARB staff in developing the proposed amendments.

A. OVERVIEW

This staff report outlines ARB staff's proposed amendments to the Statewide PERP Regulation (contained in Appendix A) and the Portable Engine ATCM (contained in Appendix B). The Statewide PERP Regulation was originally approved by the Board on March 27, 1997, and subsequently amended by the Board on December 10, 1998, February 26, 2004, and June 22, 2006. The Statewide PERP Regulation establishes a voluntary program for the registration and regulation of portable engines and equipment units operating in California. Once registered in this voluntary program, portable engines and equipment units can operate throughout the State without having to obtain permits from the local air pollution control and air quality management districts (districts). However, the districts are responsible under State law for enforcing the requirements of the Statewide PERP Regulation.

The Board adopted The Portable Engine ATCM on February 26, 2004 to reduce the emissions of diesel particulate matter (PM) from diesel-fueled portable engines. The Portable Engine ATCM is one element in the implementation of ARB's "Risk Reduction Plan to Reduce PM Emissions from Diesel-Fueled Engines and Vehicles" (Diesel Risk Reduction Plan). It establishes requirements for both the registration of diesel engines with the ARB and the permitting or registration of diesel engines by the districts.

At its September 2006 meeting, the Board received public testimony concerning the inability to register older engines in PERP. After January 1, 2006, the Statewide PERP Regulation only allowed engines to register that met the current nonroad emission standards in effect at the time of application submittal. Pursuant to the testimony, the Board directed staff to consider options and report back to the Board.

ARB staff, in consultation with affected industry and the districts, developed proposed emergency amendments to the Statewide PERP Regulation and the Portable Engine ATCM. The Board approved the emergency amendments at its December 7, 2006 public hearing, and they were approved by the Office of Administrative Law (OAL) on December 27, 2006. These emergency amendments have been filed with the Secretary of State and will be effective for a period not to exceed 120 days.

The proposed amendments contained in staff's proposal are the result of extensive discussions and negotiations with affected parties. They will make permanent the emergency regulatory changes to Statewide PERP Regulation and the Portable Engine ATCM that the Board adopted on December 7, 2006, provide additional clarity and expediency to the Statewide PERP Regulation and Portable Engine ATCM, and ensure consistency between regulatory requirements and registration processing practices.

This report discusses portable equipment use and existing regulatory programs for portable equipment and summarizes the proposed amendments to the Statewide PERP Regulation and Portable Engine ATCM. Chapters IV and V discuss the environmental and economic impacts of the proposal. The proposed amended Statewide PERP Regulation and Portable Engine ATCM are presented in Appendix A and B.

B. PURPOSE

The primary purpose of the proposed amendments to the Statewide PERP Regulation is to more readily bring diesel engines into a regulatory structure so that they may meet current and future emission requirements. The control and replacement of these engines under a permit or registration program will bring forth faster emission reductions than seeking out unpermitted engines. In addition, staff is proposing minor changes to increase clarity and expediency of the regulation.

The primary purpose of the amendments to the Portable Engine ATCM is to enhance the reduction of the general public's exposure to diesel PM from diesel-fueled portable engines. This is accomplished by allowing more engines to be under the regulatory structure that imposes diesel PM emission standards which get progressively more stringent by 2013, 2017, and 2020. These standards create additional diesel PM emission reductions beyond those that would be achieved from normal engine turnover after 2010.

C. REGULATORY AUTHORITY

Statewide PERP Regulation

California Health and Safety Code (HSC) sections 41750 through 41755 mandate that the ARB adopt a regulation to establish a uniform statewide program for the registration and regulation of portable engines. In developing these regulations, ARB is required to evaluate emissions, identify emission control technologies, hold public hearings, establish emission limits and control requirements, and develop a fee schedule to cover the costs to adopt and administer the program, including the cost of district enforcement.

HSC section 41752(e) specifies that the Board may periodically revise and update the registration regulations including, but not limited to, revising and updating a determination of best available control technology for portable engines. As stated earlier, the Board approved the Statewide PERP Regulation on March 27, 1997, and amended it on December 10, 1998, February 26, 2006, and June 22, 2006.

In addition, HSC sections 39600 (General Powers) and 39601 (Standards, Definitions, Rules, and Measures) confers on ARB the general authority and obligation to adopt rules and measures necessary to execute the Board's powers and duties imposed by State law. The California Clean Air Act of 1988 granted ARB authority to adopt standards and regulations for off-road vehicles and equipment. (HSC sections 43013(b) and 43018).

The federal Clean Air Act Amendments (CAA) of 1990 gave the United States Environmental Protection Agency (U.S. EPA) authority to regulate new nonroad (off-road) engines. The amendments created a federal preemption that, in general, prevents states from adopting emissions standards or other requirements for nonroad engines [CAA, section 209(e)]. Portable engines are a subset of off-road engines. However, recognizing the special circumstances confronting California, Congress allows California, upon receiving authorization from the U.S. EPA, to adopt standards for preempted equipment with the exception of new engines less than 175 brake-horsepower (bhp) used in farm and construction operations.

Portable Engine ATCM

Several sections of the California Health and Safety Code (HSC) provide the ARB with authority to adopt the proposed Portable Engine ATCM. HSC sections 39600 (General Powers) and 39601 (Standards, Definitions, Rules, and Measures) confer to the ARB the general authority and obligation to adopt rules and measures necessary to execute the Board's powers and duties imposed by State law.

More specifically, California's Air Toxics Program, established under California law by Assembly Bill (AB) 1807 (Stats. 1983, Ch. 1047), and set forth in Health and Safety Code sections 39650 through 39675, mandates the identification and control of air toxics in California. The identification phase of the Air Toxics Program requires the ARB, with participation of other state agencies, such as the Office of Environmental Health Hazard Assessment (OEHHA), to evaluate the health impacts of and exposure to substances and to identify those substances that pose the greatest health threat as toxic air contaminants (TACs). The ARB's evaluation is made available to the public and is formally reviewed by the Scientific Review Panel (SRP), established under Health and Safety Code section 39670. Following the ARB's evaluation and the SRP's review, the Board may formally identify a TAC at a public hearing. Following the identification of a substance as a TAC, Health and Safety Code sections 39658 and 39665 require the ARB, with the participation of the districts, and in consultation with affected sources and interested parties, to prepare a report on the need and appropriate degree of regulation for that substance (risk management phase).

In August 1998, the Board identified diesel PM as a TAC, and in September 2000, the ARB adopted the "Risk Reduction Plan to Reduce Particulate Matter Emissions from Diesel-fueled Engines and Vehicles" (Diesel Risk Reduction Plan). The Diesel Risk Reduction Plan was the first formal product of the risk management phase and serves as the needs assessment under the AB 1807 process. In the Diesel Risk Reduction Plan, the ARB identified the available options to reduce diesel PM and the recommended control measures to achieve reductions, including a measure to reduce diesel PM from diesel-fueled portable engines.

In 1999, California's Air Toxics Program was amended by Senate Bill 25 (Stats. 1999, Ch. 731) to provide additional requirements for further consideration of health impacts to infants and children. As part of these requirements, OEHHA was to identify up to five TACs as making children especially susceptible to illness. OEHHA published the "Prioritization of Toxic Air Contaminants under the Children's Environmental Health Protection Act" in October 2001, identifying diesel PM as one of the five TACs. Additional requirements established by Senate Bill 25 in Health and Safety Code section 39669.5 directs the ARB to adopt control measures, as appropriate, to protect public health, particularly infants and children, from these specially identified TACs.

This Portable Engine ATCM was established to fulfill the goals of the Diesel Risk Reduction Plan and to comply with the requirements of H&S Code section 39666 and 39669.5 to prevent an endangerment to public health.

D. PUBLIC PROCESS

On November 20, 2006, ARB staff held a public consultation meeting in Sacramento. Staff provided attendees with the option of participating in the meetings by audio teleconference or in person. Staff also conducted a number of additional conference calls and in-person stakeholder meetings to further discuss the proposed amendments.

ARB staff held a public workshop on January 19, 2007 in Sacramento to solicit comments from the public on the proposed amendments. The Sacramento workshop was also teleconferenced for meeting participants that were unable to attend in person. In addition, the workshop was also broadcast on the Internet for meeting participants that were unable to attend in person. Broadcast viewers were able to submit comments and questions by email during the workshop so that staff could address their concerns or answer their questions.

Staff also used an e-mail list serve to notify interested parties of the meeting dates and the availability of information to be discussed at the meetings. In addition, a website was developed where interested parties could download information such as meeting agendas and staff proposals, as well as providing links to other-related ARB websites. The website address is located at <http://www.arb.ca.gov/portable/perpact/perpact.htm>.

Staff participated in numerous individual meetings and conference calls with affected industries to address specific concerns. Staff revised the proposed amendments to the Statewide PERP Regulation in consideration of the comments received during the public process. Staff made every effort to consider all comments and recommendations received.

II. PORTABLE EQUIPMENT USE AND EXISTING REGULATORY PROGRAMS

This chapter describes the uses of portable equipment (engines and equipment units) that are registered in PERP. In addition, this chapter describes the types of businesses that use portable equipment and the existing regulatory programs that currently impact portable engines used in California.

A. SUMMARY OF PORTABLE EQUIPMENT USE AND ACTIVITIES

Portable equipment is any piston-driven internal combustion engine and/or equipment unit that is designed and capable of being carried or moved from one location to another and would remain at a single location for less than 12 consecutive months. Unlike stationary engines or equipment, portable equipment may be moved to several locations throughout the State, where it may operate for several hours or several months. Portable engines and equipment units registered in PERP are used for a variety of applications, such as pumps, military tactical support equipment, cranes, oil well drilling, servicing and work-over rigs, power generators, dredging equipment, rock crushing and screening equipment, welding equipment, woodchippers, and compressors.

Both private businesses and public agencies operate portable equipment in California. Examples of businesses that use portable engines in their activities include motion picture studios; amusement parks; utilities; construction services; crushing, screening, and recycling services; industrial cleaning services; marine construction and dredging services; oil and gas companies; and rental services. Examples of public agencies that use portable engines include public schools and universities, local governments, county landfills, municipal utilities, wastewater treatment facilities, military installations, and the California Department of Transportation.

There is significant variation in the size as well as the way that portable engines are used. The size of engines can range from about 50 horsepower to greater than 3,000 horsepower. The average annual operating hours for portable diesel-fueled engines is about 450 hours per year. Due to the mobile nature of portable engines, the emissions typically would not occur in one location, but would be spread out over many locations over the course of a year. In addition, the actual operation of a specific engine can vary significantly from the average. For example, engines used only for emergency applications may operate less than 20 hours per year. Conversely, some portable activities can operate more than 2,000 hours per year. Finally, the engine's load varies, depending upon the application. The average load is typically 50 percent of maximum load. Similar to the variability in the hours of operations, an engine's load can vary significantly from application to application, from 25 percent to 80 percent of maximum load.

B. EXISTING REGULATORY PROGRAMS

This section describes the federal preemption that limits the authority of ARB and districts to regulate portable engines. This section also describes specific federal, State, and local programs that currently impact portable engines used in California, including ARB/U.S. EPA emission standards for newly manufactured off-road engines, PERP, and the district permitting programs. All of these programs play a role in the efforts of ARB and the districts to attain the State and federal ambient air quality standards, particularly the ozone and

particulate matter standards. Consequently, the focus of the programs has been to reduce emissions of NOx and PM, and to a lesser extent reduce emissions of carbon monoxide (CO) and HC.

1. Federal Preemption

The federal Clean Air Act (CAA) Amendments of 1990 authorized U.S. EPA to regulate new nonroad engines. The amendments created a federal preemption that prevents states from adopting emission standards or other requirements for nonroad engines (CAA, section 209(e)). Portable engines are a subset of off-road engines. However, recognizing the special circumstances confronting California, Congress provided that the State of California, upon receiving authorization from the U.S. EPA, can adopt and enforce standards for most classes and categories of off-road engines. In California statutes, nonroad engines are referred to as off-road engines; therefore, these engines will be referred to as “off-road” in this report.

The federal preemption prevents all states, including California, from setting standards for regulating new off-road engines less than 175 hp that are used in farm and construction operations. However, states do maintain the authority to establish in-use restrictions such as limiting the hours of operation.

2. State and Federal New Engine Emission Standards

a. Compression-Ignition Engine Standards

Since January 1, 1996, new diesel fueled portable engines sold in California have been subject to ARB's Off-Road Compression Ignition emission standards (title 13, California Code of Regulations (CCR), sections 2320 et seq.), which are equivalent to the U.S. EPA emission standards for newly manufactured nonroad (off-road) engines (40 CFR, Part 89). The standards are tiered (i.e. Tier 1, 2, 3, and 4), with each set of standards phased in over several years based on the power rating of the engine and becoming progressively more stringent with each Tier introduced.

b. Airborne Toxic Control Measure for Diesel-Fueled Portable Engines

On February 26, 2004, the Board adopted the Portable Engine ATCM, which became effective on March 11, 2005. The Portable Engine ATCM requires portable diesel-fueled engines that have not been permitted or registered prior to January 1, 2006, to meet the most stringent of the federal or California emission standards for off-road engines in effect at the time the application is submitted. This requirement was also incorporated into the Statewide PERP regulation. The Portable Engine ATCM also imposes fleetwide emissions standards for PM10 which get progressively more stringent by 2013, 2017, and 2020.

c. Spark-Ignition Engine Standards

As mentioned above, the CAA Amendments provided for ARB to adopt and enforce its own standards and regulations for off-road engines. Since January 1, 2001, newly-manufactured large (greater than 25 bhp) spark-ignition (LSI) engines sold in California have been subject to ARB's off-road LSI engine standards (Title 13, CCR Sections 2410 et seq.). The standards are also tiered. The U.S. EPA also adopted federal standards (found in 40 CFR part 1048 (Control of Emissions From New, Large Nonroad Spark-ignition Engines)) that were equivalent to ARB standards, but also included a more stringent standard. Beginning in 2007, new LSI standards must meet a combined standard for NOx and HC of 2.0 grams per brake horsepower-hour (g/bhp-hr).

3. Statewide Portable Equipment Registration Program

In lieu of obtaining multiple permits from individual districts, a portable engine owner can register the engine in PERP. As of December 20, 2006, portable engine and equipment unit owners have registered an estimated 33,500 total engines, equipment units, and TSE in PERP. Of this amount, there are over 24,500 engines registered which represent nearly half of the estimated statewide inventory of portable engines. Of the 24,500 engines, approximately 23,600 are diesel fueled engines while the additional 900 engines are gasoline, natural gas, kerosene, methanol, or liquid petroleum gas-fueled engines.

There are also approximately 2,700 equipment units registered in PERP. Of these equipment units, approximately 40 percent are used in rock crushing and screening units, 23 percent media blasting units, 14 percent wood chippers. The remaining units include tub grinders, rock drills, conveyors, and other miscellaneous units. In addition, there are over 6,300 military TSE registered in the program. Approximately 90 percent of tactical support equipment utilize diesel or JP-8 fueled engines.

The Statewide PERP Regulation was designed to promote the use of clean portable engines in California. By January 1, 2010, only diesel engines certified to ARB/U.S. EPA nonroad engine emission standards (Tier 1, 2, or 3) can continue to operate in PERP. This means that any diesel engines currently registered in the program that do not meet at least Tier 1 standards must be replaced with certified engines by that date. After January 1, 2010, spark-ignition engines may continue to operate if they are certified to ARB/U.S. EPA LSI engine standards, or if they can meet the emission standards listed in Table 1 of the Statewide PERP Regulation.

4. District Permit Programs

Portable engines not registered in PERP may be subject to district permitting requirements. District permit requirements will vary, depending on the attainment status in the district. Some districts have implemented registration programs specifically for portable engines and equipment units. Owners of portable engines in these districts can register engines with the district by demonstrating the engines meet specific emission rates. Some districts specifically exempt portable engines from permit requirements or have specific requirements for individual types of portable engines and/or equipment.

III. SUMMARY OF THE PROPOSED AMENDMENTS

This chapter is intended to meet the requirements of Government Code section 11343.2 by providing to the public a "plain English" discussion of the proposed amendments to the Statewide PERP Regulation and Portable Engine ATCM.

A. MODIFICATIONS TO THE STATEWIDE PERP REGULATION

The Board is authorized by California Health and Safety Code (HSC) sections 41750 through 41755 to adopt a regulation to establish a uniform statewide program for the registration and regulation of portable engines. The Statewide PERP Regulation was first adopted by the Board on March 27, 1997, and amended by the Board on December 10, 1998, February 26, 2004, and June 22, 2006. The Statewide PERP Regulation establishes a program to register portable engines and equipment units in California. Once registered in this voluntary program, portable equipment units may operate throughout the State without having to obtain permits from the districts, providing industry with the flexibility to operate portable engines and equipment units under a uniform statewide registration program.

At its September 2006 meeting, the Board received public testimony concerning the inability to register older engines in PERP. After January 1, 2006, the Statewide PERP Regulation only allowed engines to register that met the current nonroad emission standards in effect at the time of application submittal. Pursuant to the testimony, the Board directed staff to consider options and report back to the Board.

ARB staff, in consultation with affected industry and the districts, developed proposed emergency amendments to the Statewide PERP Regulation. The Board approved the emergency amendments at its December 7, 2006 public hearing, and they were approved by the Office of Administrative Law (OAL) on December 27, 2006. These emergency amendments have been filed with the Secretary of State and will be effective for a period not to exceed 120 days.

The proposed amendments include recommendations to allow registration of resident Tier 1 and 2 engines, compliance flexibility provisions for affected industry, collection of back registration and inspection fees, and changes to the recordkeeping and reporting requirements. The proposed amendments contained in staff's proposal are the result of extensive discussions and negotiations with affected parties. They will make permanent the emergency regulatory changes to Statewide PERP Regulation adopted by the Board on December 7, 2006, and provide additional clarity and expediency to the Statewide PERP Regulation. Staff believes the proposed amendments represent a fair and equitable balance between flexibility for affected industries and the emission reductions from the Statewide PERP Regulation.

1. Resident engines

The proposed amendments would amend the definition of resident engine in the Statewide PERP Regulation and to include those Tier 1 and Tier 2 engines that have been operating in California at any time between March 1, 2004 and October 1, 2006. This revised definition will prevent the importation of Tier 1 and 2 engines from out of State, which would

negatively impact the State's ambient air quality. Engines that qualified in PERP as resident would have to show documentation as proof of residency. As before, when PERP accepted resident engines previously, acceptable forms of documentation may include purchase records, maintenance records, company inventory lists, tax records, or other usage records. A signed statement from the operator will not be sufficient proof of residency.

2. Tier 1 and Tier 2 engines

ARB staff recommends allowing the registration in PERP of Tier 1 and Tier 2 engines that do not meet the current nonroad emission standard in effect, provided that they meet the newly amended definition of resident engine.

Tier 1 engine means a certified nonroad engine according to the model year and brake horsepower (bhp) rating as follows:

bhp range	model years
≥50 to <100	1998 to 2003
≥100 to <175	1997 to 2002
≥175 to <300	1996 to 2002
≥300 to <600	1996 to 2000
≥600 to <750	1996 to 2001
>750	2000 to 2005

Tier 2 engine means a certified nonroad engine according to the model year and brake horsepower (bhp) rating as follows:

bhp range	model years
≥50 to <100	2004 to 2007
≥100 to <175	2003 to 2006
≥175 to <300	2003 to 2005
≥300 to <600	2001 to 2005
≥600 to <750	2002 to 2005
>750	2006 to 2010

In addition, ARB staff proposes a new provision be added to the Portable Engine ATCM that will be incorporated by reference into the Statewide PERP Regulation. This provision would allow the registration of previous Tier engines for 6 months after a new tier takes effect, under certain circumstances. These provisions would only affect engines that were subject to a tier standard change in any given year, and they would not have to demonstrate residency or pay the back fees as proposed in these amendments. New tier standards are

generally recognized to take effect at the start of the calendar year, so previous tier engines may be registered until July 1st on any year after a tier change. The provision would apply differently to equipment dealers or distributors than to the ultimate purchaser of the portable engine.

a. Ultimate user (owner or operator)

Anyone who buys a previous tier engine from a dealer or distributor would have to demonstrate that they ordered the engine up to six months prior to the tier change and that they had not taken possession of the engine before the tier change. Once they did take possession, they would then be able to register the engine up to 6 months after the new tier takes effect (by July 1st).

b. Equipment dealers or distributors

The engine must have met the current tier in effect when the dealer or distributor took possession of the engine. After the dealer takes possession, the engine must be registered within 6 months after a tier change takes effect. Since a customer can only buy a previous tier engine if it is demonstrated that they ordered it before the tier change, a dealer could not sell his existing fleet of previous tier engines. The dealer would have to register all of his existing stock to himself and then the customers could submit a change of ownership.

Starting January 1, 2010, only engines meeting the most current tier in effect at the time an application is submitted will be allowed to seek initial PERP Registration, as is required by the current Statewide PERP Regulation and Portable Engine ATCM.

3. Compliance Flexibility

Staff proposes that after 6 months has passed from the start of a new tier standard, there should be compliance flexibility during those times when it can be verified to the ARB Executive Officer that compliant engines are not available in sufficient quantities. This provision would only be available if reliable information from the engine manufacturers, equipment distributors, and equipment dealers is supplied to the ARB. Reliable information from engine manufacturers, dealers, or distributors may consist of inventory reports, production reports, or sales availability statements. A letter from a customer looking to purchase a compliant engine that states they are having difficulty finding them does not constitute reliable information.

During these times where engines are not available in sufficient quantity, an applicant would not be required to prove residency or pay the back fees as proposed in these amendments. These compliance flexibility provisions discussed above will be added to the Portable Engine ATCM and incorporated into the Statewide PERP Regulation by reference.

4. Collection of Back Fees

The Statewide PERP Regulation will be amended to collect back registration and inspection fees for the resident Tier 1 and Tier 2 engines that do not meet the current nonroad

emission standards in effect. These fees are meant to recover the fees that the owner or operator would have paid had the engine been properly registered at the time the engine was first put in use. The bulk of these back fees will be redirected to the districts for compliance programs. The proposed fee schedule would favor those owners and/or operators that act early, as they increase for submission of applications in 2008 and further increase in 2009. Fees would be collected based on either the year or purchase or the model year of the engine. Fees would be higher for the registration of Tier 1 engines if a Tier 2 standard was in effect at the time of purchase. A detailed explanation of how the fees were derived is listed in Appendix C.

5. Recordkeeping and Reporting Requirements

Staff is proposing to amend the Statewide PERP Regulation to remove the hour meter requirement for rental equipment units. These rental equipment units are already required to track daily throughput, which is adequate for determining compliance with daily emission limitations. The equipment units registered in the program that are designated as non-rental do not have this additional hour tracking requirement. The additional tracking of hours of operation for rental units is redundant and places an undue burden on industry. There is no increased enforceability gained from having rental equipment units subject to hour meters and tracking of daily hours. Therefore, staff proposes to make the daily recordkeeping and annual reporting requirements for rental equipment units the same as for non-rental equipment units.

6. Miscellaneous

ARB staff is proposing minor revisions which are discussed below.

Staff proposes to clarify the applicability section 2451(c)(3) to read that an engine operating as part of a stationary source is not excluded from the program, unless it is powering an equipment unit that is ineligible. PERP has always accepted engines that operate at stationary sources such as airports, water treatment plants, and the oilfields. The oilfields in Kern County are considered to be large stationary sources by the SJVUAPCD. It was never intended to exclude these types of engines from PERP.

ARB Staff proposes to clarify that TSE be exempt from the Placard requirement in section 2453(n). The purpose of the placards is to assist the districts in the identification of unpermitted equipment. TSE units are not individually registered, but a list for each base is updated annually. They may be moved on and off a military base without notification. Therefore, placards on TSE will not be useful to the districts in detecting unpermitted units.

Staff proposes the modification, addition, and deletion of terms in the definitions section, deletion of outdated provisions, and minor clarifications where needed. These changes are considered to be non-substantive and are intended to provide additional clarity and expediency to the Statewide PERP Regulation, and ensure consistency between regulatory requirements and registration practices.

B. MODIFICATIONS TO THE PORTABLE ENGINE ATCM

This Portable Engine ATCM has been established to fulfill the goals of the Diesel Risk Reduction Plan and to comply with the requirements of sections 39666 and 39669.5 to prevent an endangerment to public health.

At its September 2006 meeting, the Board received public testimony concerning the inability to permit or register older engines. After January 1, 2006, the Portable Engine ATCM only allowed engines that met the current nonroad emission standards in effect at the time of application submittal to obtain permits with the districts or registration with ARB. Pursuant to the testimony, the Board directed staff to consider options and report back to the Board.

ARB staff, in consultation with affected industry and the districts, developed proposed emergency amendments to the Portable Engine ATCM. The Board approved the emergency amendments at its December 7, 2006 public hearing, and they were approved by the Office of Administrative Law (OAL) on December 27, 2006. These emergency amendments have been filed with the Secretary of State and will be effective for a period not to exceed 120 days.

The proposed amendments include recommendations to allow the permitting or registration of resident Tier 1 and 2 engines by the districts, the permitting of Tier 0 engines by the districts, and compliance flexibility provisions for affected industry. The proposed amendments contained in staff's proposal are the result of extensive discussions and negotiations with affected parties. They will make permanent the emergency regulatory changes to Statewide PERP Regulation adopted by the Board on December 7, 2006, and provide additional clarity and expediency to the Statewide PERP Regulation.

1. Tier 0 Engines

Tier 0 engines are those that are not certified to a California or federal nonroad emission standard. The Portable Engine ATCM will be amended to allow the districts to permit or register Tier 0 engines at their discretion, as long as the engines were operated in California at any time between March 1, 2004 and October 1, 2006, or are designated as exclusively emergency use or low use.

2. Resident engines

The proposed amendments would allow the permitting or registration by either ARB or the districts of those Tier 1 and Tier 2 engines that have been operating in California at any time between March 1, 2004 and October 1, 2006. This revised provision will prevent the importation of Tier 1 and 2 engines from out of state, which would negatively impact the State's ambient air quality.

3. Tier 1 engines and Tier 2 engines

ARB staff recommends allowing the permitting or registration by either ARB or the districts of Tier 1 and Tier 2 engines that do not meet the current nonroad emission standard in effect, provided that they have been operating in California at any time between

March 1, 2004 and October 1, 2006. Refer back to tables in section A of this chapter for detailed discussion of what constitutes a Tier 1 and Tier 2 engine.

In addition, ARB staff proposes a new provision be added that would allow the permitting or registration of previous Tier engines for 6 months after a new tier takes effect, under certain circumstances. These provisions would only affect engines that were subject to a tier standard change in any given year, and they would not have to demonstrate residency as proposed in these amendments. New tier standards are generally recognized to take effect at the start of the calendar year, so previous tier engines may be registered until July 1st on any given year. The provision would apply differently to equipment dealers or distributors than to the ultimate purchaser of the portable engine.

a. Ultimate user (owner or operator)

Anyone who buys a previous tier engine from a dealer or distributor would have to demonstrate that they ordered the engine up to six months prior to the tier change and that they had not taken possession of the engine before the tier change. Once they did take possession, they would then be able to permit or register the engine up to 6 months after the new tier takes effect (by July 1st).

b. Equipment dealers or distributors

The engine must have met the current tier in effect when the dealer or distributor took possession of the engine. After the dealer takes possession, the engine must be registered within 6 months after a tier change takes effect. Since a customer can only buy a previous tier engine if it is demonstrated that they ordered it before the tier change, a dealer could not sell his existing fleet of previous tier engines. The dealer would have to permit or register all of his existing stock to himself and then the customers could submit a change of ownership.

Starting January 1, 2010, only engines meeting the most current tier in effect will be allowed to seek initial district permitting or PERP registration, as is required by the current Portable Engine ATCM.

4. Compliance Flexibility

Staff proposes that after 6 months has passed from the start of a new tier standard, there should be compliance flexibility during those times when it can be verified to the ARB Executive Officer that compliant engines are not available in sufficient quantities. This provision would only be available if reliable information from the engine manufacturers, equipment distributors, and equipment dealers is supplied to the ARB. Reliable information from engine manufacturers, dealers, or distributors may consist of inventory reports, production reports, or sales availability statements. A letter from a customer looking to purchase a compliant engine that states they are having difficulty finding them does not constitute reliable information.

5. Miscellaneous

ARB staff is proposing minor revisions which are discussed below.

Staff proposes the modification, addition, and deletion of terms in the definitions section, deletion of outdated provisions, and minor clarifications where needed. These changes are considered to be non-substantive and are intended to provide additional clarity and expediency to the Portable Engine ATCM.

IV. ENVIRONMENTAL IMPACTS

This chapter describes the potential environmental impacts of the proposed amendments to the Statewide PERP Regulation and Portable Engine ATCM. Based on staff's analysis, the proposed amendments to the Statewide PERP Regulation and Portable Engine ATCM would not result in any adverse impacts.

A. LEGAL REQUIREMENTS APPLICABLE TO THE ENVIRONMENTAL IMPACT ANALYSIS

The California Environmental Quality Act (CEQA) and ARB policy require an analysis to determine the potential environmental impacts of proposed regulations. The Secretary of Resources, pursuant to Public Resources Code section 21080.5, has certified the ARB regulatory program. Consequently, the CEQA environmental analysis requirements may be included in the Initial Statement of Reasons (ISOR) for this rulemaking. The ISOR serves as a functionally equivalent document of an initial study, a Negative Declaration, and an Environmental Impact Report. In addition, staff will respond, in the Final Statement of Reasons for the amended Statewide PERP Regulation and Portable Engine ATCM, to all significant environmental issues raised by the public during the public review period or at the Board public hearing.

Public Resources Code section 21159 requires that the environmental impact analysis conducted by ARB include the following:

- An analysis of reasonably foreseeable environmental impacts of the methods of compliance;
- An analysis of reasonably foreseeable feasible mitigation measures; and
- An analysis of reasonably foreseeable alternative means of compliance with the amended Statewide PERP Regulation and Portable Engine ATCM.

Regarding mitigation measures, CEQA requires an agency to identify and adopt feasible mitigation measures that would minimize any significant adverse environmental impacts described in the environmental analysis.

B. AIR QUALITY IMPACTS OF THE PROPOSED AMENDMENTS

The proposed amendments to the Statewide PERP Regulation and Portable Engine ATCM would likely result in reductions in NO_x and diesel PM emissions. These reductions would occur because participation by industry in either the statewide registration program or district permitting programs would increase. This increased participation will ensure that registered engines and equipment units are in compliance with all applicable emission requirements, particularly engine replacement requirements. The biggest benefit for air quality is expected to come from the thousands of engines operating without permits or registrations that will be brought into compliance and eventually replaced with cleaner engines in the future. All Californians would benefit, particularly those living in areas where the State and federal ambient air quality standards for ozone and particulate matter are exceeded. No adverse impacts have been identified by the ARB staff. ARB staff has not been advised of any adverse impacts by the public during any of the outreach efforts or workshops.

C. IMPACTS OF THE PROPOSED AMENDMENTS ON MEETING AMBIENT AIR QUALITY STANDARDS

HSC section 41754 requires that emissions from engines and equipment units registered in PERP shall not, in aggregate, interfere with the attainment or maintenance of the State and federal ambient air quality standards. PERP requires that engines meet a nonroad emission standard and requires that any existing engine registered after 2010 must be certified. In addition, after 2010, any engine seeking initial permitting or registration must meet the most stringent emission standard in effect at the time of application. The Portable Engine ATCM has PM emission standards that will affect all registered or permitted engines in 2013, 2017 and 2020. The implementation of the current Statewide PERP Regulation and Portable Engine ATCM therefore will result in greater reductions of NOx, HC, and diesel PM emissions from registered engines now and in future years.

D. ANALYSIS OF REASONABLY FORESEEABLE ENVIRONMENTAL IMPACTS OF THE METHODS OF COMPLIANCE

As specified in Health and Safety Code section 41755, the districts have an important role in enforcing the requirements of the Statewide PERP Regulation. If the Board approves the proposed amendments, the districts would be able to increase their outreach and enforcement efforts of the Statewide PERP Regulation. The districts will also continue to implement the Portable Engine ATCM in their local permitting and compliance programs.

E. REASONABLY FORESEEABLE MITIGATION MEASURES

CEQA requires an agency to identify and adopt feasible mitigation measures that would minimize any significant adverse environmental impacts described in the environmental analysis. Neither ARB staff's own investigation nor comments from the affected regulatory community has identified any adverse impacts, therefore ARB staff has concluded that no significant adverse environmental impact would occur from adoption of, and compliance with, the proposed amendments to the Statewide PERP Regulation and Portable Engine ATCM. Therefore, no mitigation measures would be necessary.

F. REASONABLY FORESEEABLE ALTERNATIVE MEANS OF COMPLIANCE WITH THE PROPOSED AMENDMENTS

At its September 2006 meeting, the Board received comments from regulated parties that raised concerns regarding the requirements of the Statewide PERP Regulation and the Portable Engine ATCM. ARB staff, in consultation with affected industry and the districts, developed proposed amendments to the Statewide PERP Regulation and the Portable Engine ATCM.

If these amendments were not proposed, it would result in either older engines continuing to operate without a permit therefore resulting in higher emissions, or the replacement of these engines immediately at significant cost. If non-certified engines were let into PERP, this would potentially allow higher emissions in areas that have more severely impacted air quality. The decision of permitting of non-certified engines should be made by the districts where local air quality issues may be addressed more effectively. If engines were let into PERP without the collection of back fees, it may be deemed unfair to those who had been in

compliance since the startup of their portable equipment. Based on these alternative scenarios, ARB staff has concluded that the proposed amendments provide the most effective and least burdensome approach to ensuring air quality continues to be protected, that ARB can continue to operate and maintain the program effectively.

G. ENVIRONMENTAL JUSTICE

ARB is committed to evaluating community impacts of proposed regulations including environmental justice concerns. Because some communities experience higher exposure to air pollutants, it is a priority of ARB to ensure that full protection is afforded to all Californians. The proposed amendments to the Statewide PERP Regulation and Portable Engine ATCM are not expected to result in significant negative impacts in any community. The proposed amendments to the Statewide PERP Regulation and Portable Engine ATCM would likely result in decreased emissions of NO_x and diesel PM. These reductions would result from the thousands of engines operating without permits or registrations that will be brought into compliance and eventually replaced with cleaner engines in the future. The proposed amendments would further reduce emissions of NO_x and PM to residents and off-site workers living or working near the operation of registered engines and equipment units.

V. ECONOMIC IMPACTS

This chapter discusses legal requirements that must be satisfied in analyzing the economic impacts of the proposed amendments to the Statewide PERP Regulation and the methodology used to estimate cost impacts, and presents estimates of the economic impacts for the proposed amendments. The proposed amendments to the Statewide PERP Regulation are not expected to change the overall beneficial impact on affected business and industry. There are no economic impacts resulting from the proposed amendments to the Portable Engine ATCM.

A. SUMMARY OF THE ECONOMIC IMPACTS

Staff estimates the total potential economic impact of the proposed amendments to the Statewide PERP Regulation to affected businesses and governmental agencies is approximately \$6.6 million. The total economic impact is attributable to the collection of back registration and inspection fees for approximately 10,000 older engines that will be entering PERP over the next 3 years.

The alternative to paying these back fees is to replace the engine with a new engine that meets the current emission standards. The cost savings of these engines being regulated instead of being replaced is significant. The average cost of a new engine is approximately \$25,000 (based on an estimated average size of 140 bhp). An estimated 10,000 older engines are expected to register in PERP over the next three years, therefore the cost to replace these engines would have been \$250 million. With an expected cost of just \$6.6 million to register these engines in PERP, that is an estimated savings of \$243.4 million to the regulated community

In addition, staff is proposing to remove the hour meter requirement for rental equipment units which will result in a cost savings of \$144,000 for those affected businesses. ARB staff expects there to remain an overall benefit for most businesses affected by the proposed amendments to the Statewide PERP Regulation compared to having to obtain district permits (see Appendix D for more detail of cost analysis).

B. LEGAL REQUIREMENTS

Section 11346.3 of the Government Code requires state agencies to assess the potential for adverse economic impacts on California business enterprises and individuals when proposing to adopt or amend any administrative regulation. The assessment shall include a consideration of the impact of the proposed regulation on California jobs, business expansion, elimination or creation, and the ability of California business to compete with businesses in other states.

Also, state agencies are required to estimate the cost or savings to any state or local agency and school district in accordance with instructions adopted by the Department of Finance. The estimate shall include any non-discretionary cost or savings to local agencies and the cost or savings in federal funding to the State.

Finally, HSC section 57005 requires ARB to perform an economic impact analysis of submitted alternatives to a proposed regulation before adopting any major regulation. A major regulation is defined as a regulation that will have a potential cost to California business enterprises in an amount exceeding ten million dollars in any single year.

Because the estimated cost of the amendments to the Statewide PERP Regulation does not exceed ten million dollars in a single year, the proposed amendments to the Statewide PERP Regulation do not constitute a major regulation.

C. METHODOLOGY FOR ESTIMATING COSTS

This section provides the general methodology and assumptions used to estimate the costs associated with the amendments to the Statewide PERP Regulation. ARB staff describes the method used to estimate the number and types of engines and associated equipment subject to the proposed increased program fees. The basic methodology is also used to analyze the costs to private companies and governmental agencies. For determining the various costs for the life of the regulation, staff followed the instructions found in the State Administrative Manual, Section 6680 and utilized the annual cost multiplied out five years.

1. Analysis of the PERP Database

ARB staff conducted an analysis of the PERP database that existed on December 3, 2006 in order to evaluate the cost impacts from the proposed amendments to the Statewide PERP Regulation for federal, state, local agencies and small businesses. Based on the analysis, staff determined that there are over 2,540 organizations with about 24,200 engines registered in PERP. Of these organizations, staff estimates there are: 15 state agencies with about 340 engines (approximately 0.014 percent of the total), 260 local agencies with about 1640 engines (approximately 0.068 percent of the total), 19 federal agencies with about 150 engines (approximately 0.006 percent of the total), and about 2,250 private businesses with 22,100 engines (approximately 91.2 percent of total). Military TSE is not affected by these proposed amendments and therefore was not included in this fiscal impact analysis. ARB staff used these percentages to determine the cost of the proposed amendments to the various organizations. It is estimated that 10,000 older engines that were previously ineligible, will enter PERP due to these new amendments. 7,000 of these engines are expected to enter during 2007, with 2,000 in 2008 and the remaining 1,000 entering in 2009. Only engines meeting current emission standards will be allowed to enter PERP starting on January 1, 2010, so no back fees will be collected after that date.

ARB staff also used a representative sample of businesses to determine the percentage of "small businesses." Based on this analysis, staff determined that 70 percent of all businesses currently in PERP are small businesses and own five or fewer units.

2. Initial and Recurring Costs

The cost evaluation considers both initial costs and ongoing annual costs. Initial costs were calculated for the estimated number of units that would have to pay the back fees upon entering the program. There are no ongoing annual costs from the proposed amendments to the Statewide PERP Regulation.

D. BUSINESSES AFFECTED

Any business that owns or operates portable internal combustion engines and/or equipment units currently registered in PERP is affected by the proposed amendments. The affected businesses fall into different industry classifications. A list of the industries that may be impacted is provided in Table V-1.

Table V-1

Industries Affected by Statewide Registration Program and Portable Engine ATCM	
<u>SIC Code</u>	<u>Industry</u>
1311	Crude petroleum and natural gas
1321	Natural gas liquids
1381	Drilling oil and gas wells
1382	Oil and gas exploration services
1389	Oil and gas field services, not elsewhere classified
1521	Single-family housing construction
1522	Residential construction, not elsewhere classified
1531	Operative builders
1541	Industrial buildings and warehouses
1542	Nonresidential construction, not elsewhere classified
1611	Highway and street construction
1622	Bridge, tunnel, and elevated highway
1623	Water, sewer, and utility lines
1629	Heavy construction, not elsewhere classified
1711	Plumbing, heating, air-conditioning
1771	Concrete work
1781	Water well drilling
1791	Structural steel erection
1794	Excavation work
1795	Wrecking and demolition work
4925	Gas production and/or distribution
4941	Water supply
4952	Sewerage systems
4953	Refuse systems
4959	Sanitary services, not elsewhere classified
4961	Steam and air-conditioning supply
4971	Irrigation systems
7349	Building maintenance services, not elsewhere classified
7353	Heavy construction engines and equipment units rental
7359	Equipment rental and leasing, not elsewhere classified
7519	Utility trailer rental
7812	Motion picture and video production
7819	Services allied to motion pictures
7996	Amusement parks
9711	National security

E. COST ESTIMATES

The proposed amendments to the Statewide PERP Regulation require the collection of back registration and inspection fees for engines that would have been due had the engines been properly registered when first put into operation. The proposed fee collection schedule and analysis is found in Appendix C. Following is a discussion of the economic impacts associated with the proposed requirements for the collection of back fees, and the removal of hour meter requirement.

1. Collection of Back Registration and Inspection Fees

ARB staff estimated the total potential economic impact due to collection of back fees for engines newly registering in PERP is approximately \$6.6 million dollars over three years.

Prior to 2006, The annual fee for registration and renewal was \$30 per year. In addition, districts charged \$75 per year for performing an inspection of an engine registered in the Statewide Program. This results in a total registration and inspection cost of \$105 per year to participate in PERP. This annual amount will be increased by 50% for applications submitted during 2007, 100% for applications submitted in 2008, and 200% for applications submitted in 2009. The vast majority of this amount will be redirected to the districts to fund additional outreach and compliance programs, in an effort to bring even more engines under a regulatory structure so that emissions can be further reduced.

The engines that are subject to the collection of back fees, will have to go back to either the year they purchased the engine or the model year of the engine, if purchase date can not be verified through documentation. If it can be documented that a Tier 1 engine was purchased when the Tier 2 standard was in effect, the fees must be based on the year Tier 2 standards took effect. In addition to the back fees, the current registration fee of \$620 per engine will be required.

2. Hour Meters for Rental Equipment Units

Staff estimated the total potential economic impact due to owners/operators having to install hour meters on existing rental equipment units about \$144,000. Staff proposal is to remove this requirement, therefore resulting in a cost savings of that amount.

Currently, equipment units registered in the Statewide Program must have hour meters installed as specified in the amendments made to the Statewide PERP Regulation that the Board adopted on June 22, 2006. Staff has determined that there are currently about 720 rental equipment units in PERP, and none of them have hour meters. Staff assumed the cost to purchase and install hour meters is \$200, which would result in a cost savings of \$144,000 for existing registered equipment units. The cost benefit for rental equipment units registering in the future was not estimated due to the unavailability of data concerning the number of future rental equipment unit application submissions.

F. POTENTIAL IMPACTS ON EMPLOYMENT

The proposed amendments to the Statewide PERP Regulation are not expected to cause a noticeable change in California employment because most businesses will find that the requirements will not require significant additional staffing.

G. POTENTIAL IMPACTS ON BUSINESS CREATION, ELIMINATION, OR EXPANSION

The majority of the increases costs would be borne by engine owners and government agencies, although some costs may be passed onto individuals from companies such as rental yards, and companies that contract directly with individuals. Overall, most affected private businesses and public agencies would be able to absorb the costs of the proposed regulation with no significant adverse impacts because most businesses will find that it is less expensive than obtaining multiple district permits. Because the proposed amendments to the Statewide PERP Regulation would not significantly alter the profitability of most businesses, a noticeable change in employment, business creation, elimination, or expansion, and business competitiveness in California is not expected.

The proposed amendments to the Statewide PERP Regulation maintain a benefit to California businesses due to the streamlined permitting process, standardized emissions limits, and lower overall cost compared to obtaining and maintaining multiple district permits.

H. POTENTIAL IMPACTS ON SMALL BUSINESSES

The total potential economic impact to small business is approximately \$0.8 million dollars over three years. The cost impacts are due to the collection of back registration and inspection fees. (See Appendix D for more detail).

To determine the number of small businesses, staff relied on the following definition of small business. (As defined in Assembly Bill 2505 (Ch. 821, Statutes of 1998); the statute sets forth a simplified definition of small business that is utilized for State procurement activities):

"Small Business" means an independently owned and operate business, which is not dominant in its field of operation, the principal of which is located in California, the offices of which are domiciled in California, and which, together with affiliates, has 100 or fewer employees, and average annual gross receipts of ten million dollars (\$10,000,000) or less over the previous three years, or is a manufacturer with 100 or fewer employees."

I. POTENTIAL IMPACTS ON PUBLIC AGENCIES

The total potential economic impact to state agencies is approximately \$93,000 over three years. The total potential economic impact to local agencies is approximately \$450,000 million dollars over three years. The cost impacts are due to the collection of back registration and inspection fees.

Appendix A

Proposed Regulation Order Amendments to the Statewide Portable Equipment Registration Program Regulation

**California Air Resources Board
Title 17, California Code of Regulations**

Article 5 and sections 2450, 2451, 2452, 2453, 2454, 2455, 2456, 2457, 2458, 2459, 2460, 2461, 2462, 2463, 2464, and 2465 of Title 13, California Code of Regulations

(Note: Proposed amendments to the regulation are identified below. Underline is used to indicate the proposed additions. ~~Strikeout~~ is used to indicate proposed deletions from the regulation text.)

PROPOSED REGULATION ORDER

Amend sections 2451, 2452, 2453, 2455, 2456, 2458, 2459, 2460, 2461, and 2462 Title 13, California Code of Regulations. Sections 2450, 2454, 2457, 2463, 2464, and 2465 are not being amended but are included for clarity.

Article 5. Portable Engine and Equipment Registration

§ 2450. Purpose.

These regulations establish a statewide program for the registration and regulation of portable engines and engine-associated equipment (portable engines and equipment units) as defined herein. Portable engines and equipment units registered under the Air Resources Board program may operate throughout the State of California without authorization (except as specified herein) or permits from air quality management or air pollution control districts (districts). These regulations preempt districts from permitting, registering, or regulating portable engines and equipment units, including equipment necessary for the operation of a portable engine (e.g. fuel tanks), registered with the Executive Officer of the Air Resources Board except in the circumstances specified in the regulations.

NOTE: Authority cited: Section 39600, 39601, 41752, 41753, 41754, 41755, 43013(b), and 43018, Health and Safety Code. Reference: Sections 41750, 41751, 41752, 41753, 41754, and 41755, Health and Safety Code.

§ 2451. Applicability.

- (a) Registration under this regulation is voluntary for owners of portable engines or equipment units.
- (b) This regulation applies to portable engines and equipment units as defined in section 2452. Except as provided in paragraph (c) of this section, any portable engine or equipment unit may register under this regulation. Examples include, but are not limited to:
 - (1) portable equipment units driven solely by portable engines including confined and unconfined abrasive blasting, Portland concrete batch plants, sand and gravel screening, rock crushing, and unheated pavement recycling and crushing operations;
 - (2) consistent with section 209 (e) of the federal Clean Air Act, engines and associated equipment used in conjunction with the following types of portable operations: well drilling, service or work-over rigs; power generation, excluding cogeneration; pumps; compressors; diesel pile-driving hammers; welding; cranes; woodchippers; dredges; equipment necessary for the operation of portable engines and equipment units; and military tactical support equipment.

- (c) The following are not eligible for registration under this program:
- (1) any engine used to propel mobile equipment or a motor vehicle of any kind as defined in section 2452 (aa)(1)(A);
 - (2) any engine or equipment unit not meeting the definition of portable as defined in section 2452 (dd) of this regulation;
 - (3) ~~engines, any~~ equipment units, and ~~its~~ associated engines determined by the Executive Officer to qualify as part of a stationary source permitted by a district;
 - (4) any engine or equipment unit subject to an applicable federal Maximum Achievable Control Technology standard, or National Emissions Standard for Hazardous Air Pollutants, or federal New Source Performance Standard, except for equipment units subject to 40 CFR Part 60 Subpart OOO (Standards of Performance for Nonmetallic Mineral Processing Plants);
 - (5) any engine or equipment unit operating within the boundaries of the California Outer Continental Shelf (OCS). [Note: This shall not prevent statewide registration of portable engines and equipment units already permitted by a district for operation in the OCS. Such statewide registration shall only be valid for operation onshore and in State Territorial Waters (STW).];
 - (6) any dredging operation in the Santa Barbara Harbor;
 - (7) any dredging unit owned by a single port authority, harbor district, or similar agency in control of a harbor, and operated only within the same harbor;
 - (8) generators used for power production into the grid, except to maintain grid stability during an emergency event or other unforeseen event that affects grid stability; and
 - (9) generators used to provide primary or supplemental power to a building, facility, stationary source, or stationary equipment, except during unforeseen interruptions of electrical power from the serving utility, maintenance and repair operations, electrical upgrade operations including startup, shutdown, and testing that do not exceed 60 calendar days, ~~including startup, shutdown, and testing~~, operations where the voltage, frequency, or electrical current requirements can only be supplied by a portable generator, or remote operations where grid power is unavailable.
- (d) The owner of any engine or equipment unit that loses eligibility for registration under this program shall apply for a permit with a district within 90 days of being notified of loss of eligibility. Registration shall remain valid and operation may continue under this article until the district grants or denies a permit or a registration for the engine or equipment unit.
- (e) In the event that the owner of an engine or equipment unit elects not to register under this program, the engine or equipment unit shall be subject to district permitting requirements pursuant to district regulations.

NOTE: Authority cited: Sections 39600, 39601, 41752, 41753, 41754, 41755, 43013(b) and 43018, Health and Safety Code. Reference: Sections 41750, 41751, 41752, 41753, 41754, and 41755, Health and Safety Code.

§ 2452. Definitions.

- (a) **“Air Contaminant”** shall have the same meaning as setout in section 39013 of the Health and Safety Code.
- (b) **“ARB”** means the California Air Resources Board.
- (c) **“Certified Compression-Ignition Engine”** means an engine meeting the nonroad engine emission standards for compression-ignition engines, as set forth in Title 13 of the California Code of Regulations or 40 CFR Part 89 in effect at the time of application.
- (d) **“Certified Spark-Ignition Engine”** means an engine meeting the nonroad engine emission standards for spark-ignition engines, as set forth in Title 13 of the California Code of Regulations or 40 CFR Part 1048 in effect at the time of application.
- (e) **“Compression-Ignition (CI) Engine”** means an internal combustion engine with operating characteristics significantly similar to the theoretical diesel combustion cycle. Compression-ignition engines usually control fuel supply instead of using a throttle to regulate power.
- (f) **“Corresponding Onshore District”** means the district which has jurisdiction for the onshore area that is geographically closest to the engine or equipment unit.
- (g) **“District”** means an air pollution control district or air quality management district created or continued in existence pursuant to provisions of Part 3 (commencing with section 40000) of the California Health and Safety Code.
- (h) **“Electrical Upgrade”** means replacement or addition of electrical equipment and systems resulting in increased generation, transmission and/or distribution capacity.
- (i) **“Emergency Event”** means any situation arising from sudden and reasonably unforeseen natural disaster such as earthquake, flood, fire, or other acts of God, or other unforeseen events beyond the control of the portable engine or equipment unit operator, its officers, employees, and contractors that threatens public health and safety and that requires the immediate temporary operation of portable engines or equipment units to help alleviate the threat to public health and safety.
- (j) **“Engine”** means any piston driven internal combustion engine.
- (k) **“Equipment Unit”** means equipment that emits PM₁₀ over and above that emitted from an associated engine.

- (l) **“Executive Officer”** means the Executive Officer of the California Air Resources Board or his/her designee.
- (m) **“Hazardous Air Pollutant (HAP)”** means any air contaminant that is listed pursuant to section 112(b) of the federal Clean Air Act.
- (n) **“Home District”** means the district designated by the responsible official as the district in which the registered engine or equipment unit resides most of the time. For registered engines or equipment units based out of California, the responsible official shall designate the home district based on where the registered engine or equipment unit is likely to be operated a majority of the time the registered engine or equipment unit is in California.
- (o) **“Identical Replacement”** means a substitution due to mechanical breakdown of a registered portable engine or equipment unit with another portable engine or equipment unit that has the same manufacturer, type, model number, manufacturer’s maximum rated capacity, and rated brake horsepower; and is intended to perform the same or similar function as the original portable engine or equipment unit; and has equal or lower emissions expressed as mass per unit time; and meets the emission control technology requirements of sections 2455 through 2457 of this article.
- (p) **“In-field Inspection”** means an inspection that is conducted at the location that the portable engine or equipment unit is operated under normal load and conditions.
- (q) **“Location”** means any single site at a building, structure, facility, or installation.
- (r) **“Maximum Achievable Control Technology (MACT)”** means any federal requirement promulgated as part of 40 CFR Parts 61 and 63.
- (s) **“Maximum Rated Capacity”** is the maximum throughput rating or volume capacity listed on the nameplate of the registered equipment unit as specified by the manufacturer.
- (t) **“Maximum Rated Horsepower (brake horsepower (bhp))”** is the maximum brake horsepower rating specified by the registered engine manufacturer and listed on the nameplate of the registered engine.
- (u) **“Mechanical Breakdown”** means any failure of an engine’s electrical system or mechanical parts that necessitates the removal of the registered engine from service.
- (v) **“Modification”** means any physical change to, change in method of operation of, or an addition to a registered engine or equipment unit, which may cause or result in an increase in the amount of any air contaminant emitted or the issuance of air contaminants not previously emitted. Routine maintenance

and/or repair shall not be considered a physical change. Unless previously limited by an enforceable registration condition, a change in the method of operation shall not include:

- (1) an increase in the production rate, unless such increase will cause the maximum design capacity of the registered equipment unit to be exceeded;
 - (2) an increase in the hours of operation;
 - (3) a change of ownership; and
 - (4) the movement of a registered engine or equipment unit from one location to another.
- (w) **“New Nonroad Engine”** means a nonroad engine, the equitable or legal title to which has never been transferred to an ultimate purchaser. If the equitable or legal title to an engine is not transferred to an ultimate purchaser until after the engine is placed into service, then the engine will no longer be new after it is placed into service. A nonroad engine is placed into service when it is used for its functional purposes. The term “ultimate purchaser” means, with respect to a new nonroad engine, the first person who purchases a new nonroad engine for purposes other than resale.
- (x) **“New Source Performance Standard (NSPS)”** means any federal requirement promulgated as part of 40 CFR Part 60.
- (y) **“Non-field Inspection”** means an inspection that is either conducted at a location that is mutually acceptable to the district and the owner or operator or where the engine or equipment unit is stored and does not require operation of the engine or equipment unit for purposes of the inspection.
- (aa) **“Nonroad Engine”** means:
- (1) Except as discussed in paragraph (2) of this definition, a nonroad engine is any engine:
 - (A) in or on a piece of equipment that is self-propelled or serves a dual purpose by both propelling itself and performing another function (such as garden tractors, off-highway mobile cranes and bulldozers); or
 - (B) in or on a piece of equipment that is intended to be propelled while performing its function (such as lawnmowers and string trimmers); or
 - (C) that, by itself or in or on a piece of equipment, is portable or transportable, meaning designed to be and capable of being carried or moved from one location to another. Indicia of transportability include, but are not limited to, wheels, skids, carrying handles, dolly, trailer, or platform.
 - (2) An engine is not a nonroad engine if:

- (A) the engine is used to propel a motor vehicle or a vehicle used solely for competition, or is subject to standards promulgated under section 202 of the federal Clean Air Act; or
- (B) the engine is regulated by a federal New Source Performance Standard promulgated under section 111 of the federal Clean Air Act; or
- (C) the engine otherwise included in paragraph (1)(C) of this definition remains or will remain at a location for more than 12 consecutive months or a shorter period of time for an engine located at a seasonal source. Any engine (or engines) that replaces an engine at a location and that is intended to perform the same or similar function as the engine replaced will be included in calculating the consecutive time period. An engine located at a seasonal source is an engine that remains at a seasonal source during the full annual operating period of the seasonal source. A seasonal source is a stationary source that remains in a single location on a permanent basis (at least two years) and that operates at that single location approximately three (or more) months each year.

(bb) **“Outer Continental Shelf (OCS)”** shall have the meaning provided by section 2 of the Outer Continental Shelf Lands Act (43 U.S.C. Section 1331 et seq.).

(cc) **“Placard”** means a visible indicator supplied by the Air Resources Board to indicate that an engine or equipment has been registered in the Portable Equipment Registration Program and is in addition to the registration identification device.

(dd) **“Portable”** means designed and capable of being carried or moved from one location to another. Indicia of portability include, but are not limited to, wheels, skids, carrying handles, dolly, trailer, or platform. For the purposes of this regulation, dredge engines on a boat or barge are considered portable. The engine or equipment unit is not portable if any of the following are true:

- (1) the engine or equipment unit or its replacement is attached to a foundation, or if not so attached, will reside at the same location for more than 12 consecutive months. The period during which the engine or equipment unit is maintained at a storage facility shall be excluded from the residency time determination. Any engine or equipment unit such as back-up or stand-by engines or equipment units, that replace engine(s) or equipment unit(s) at a location, and is intended to perform the same or similar function as the engine(s) or equipment unit(s) being replaced, will be included in calculating the consecutive time period. In that case, the cumulative time of all engine(s) or equipment unit(s), including the time between the removal of the original engine(s) or equipment unit(s) and installation of the replacement engine(s) or equipment unit(s), will be counted toward the consecutive time period; or

- (2) the engine or equipment unit remains or will reside at a location for less than 12 consecutive months if the engine or equipment unit is located at a seasonal source and operates during the full annual operating period of the seasonal source, where a seasonal source is a stationary source that remains in a single location on a permanent basis (at least two years) and that operates at that single location at least three months each year; or
- (3) the engine or equipment unit is moved from one location to another in an attempt to circumvent the portable residence time requirements.
- (ee) **“Prevention of Significant Deterioration (PSD)”** means any federal requirements contained in or promulgated pursuant to Part C of the federal Clean Air Act.
- (ff) **“Process”** means any air-contaminant-emitting activity associated with the operation of a registered engine or equipment unit.
- (gg) **“Project, for the purposes of onshore operation,”** means the use of one or more registered engines or equipment units operated under the same or common ownership or control to perform a single activity.
- (hh) **“Project, for the purposes of State Territorial Waters (STW),”** means the use of one or more registered engines and equipment units operating under the same or common ownership or control to perform any and all activities needed to fulfill specified contract work that is performed in STW. For the purposes of this definition, a contract means verbal or written commitments covering all operations necessary to complete construction, exploration, maintenance, or other work. Multiple or consecutive contracts may be considered one project if they are intended to perform activities in the same general area, the same parties are involved in the contracts, or the time period specified in the contracts is determined by the Executive Officer to be sequential.
- (ii) **“Provider of Essential Public Service (PEPS)”** means any privately-owned corporation or public agency that owns, operates, controls, or manages a line, plant, or system for the transportation of people or property, the transmission of telephone or telegraph messages, or the production, generation, transmission or furnishing of heat, light, water, power, or sanitation directly or indirectly to the public.
- (jj) **“Registration”** means issuance of a certificate by the Executive Officer acknowledging expected compliance with the applicable requirements of this article, and the intent by the owner or operator to operate the engine or equipment unit within the requirements established by this article.
- (kk) **“Rental Business”** means a business ~~in which the principal use of its engines or equipment units is the rentings or leaseings for profit of,~~ registered engines or equipment units.

(ll) **“Renter”** means a person who rents and/or operates registered engines or equipment units not owned by that person.

(mm) **“Resident Engine”** means either of the following:

- (1) a portable engine that at the time of applying for registration, has a current, valid district permit or registration issued in accordance with district requirements that was issued prior to January 1, 2006, or an engine that lost a permit to operate exemption through a formal district action. Moving an engine from a district that provides a permit to operate exemption to a district that requires a permit to operate or registration does not qualify for consideration as a resident engine.; or
- (2) a certified compression-ignition engine that operated in California at any time between March 1, 2004 and October 1, 2006. The responsible official shall provide sufficient documentation to prove the engine’s residency to the satisfaction of the Executive Officer. Examples of adequate documentation include but are not limited to: tax records, purchase records, maintenance records, or usage records.

An engine permitted or registered by a district pursuant to Title 17 of the California Code of Regulations Section 93116.3(b)(6) is not a resident engine.

(nn) **“Responsible Official”** refers to an individual employed by the company or public agency with the authority to certify that the registered engines or equipment units under his/her jurisdiction comply with applicable requirements of this regulation. A company or public agency may have more than one Responsible Official.

(oo) **“Spark-Ignition (SI) Engine”** means an internal combustion engine with a spark plug (or other sparking device) with operating characteristics significantly similar to the theoretical Otto combustion cycle. Spark-ignition engines usually use a throttle instead of using fuel supply to control intake air flow to regulate power.

(pp) **“State Territorial Waters (STW)”** includes all of the following: an expanse of water that extends from the California coastline to 3 miles off-shore; a 3 mile wide belt around islands; and estuaries, rivers, and other inland waterways.

(qq) **“Statewide Registration Program”** means the program for registration of portable engines and equipment units set out in this article.

(rr) **“Stationary Source”** means any building, structure, facility or installation which emits any air contaminant directly or as a fugitive emission. “Building,” “structure,” “facility,” or “installation” includes all pollutant emitting activities which:

- (1) are under the same ownership or operation, or which are owned or operated by entities which are under common control;
- (2) belong to the same industrial grouping either by virtue of falling within the same two-digit standard industrial classification code or by virtue of being

- part of a common industrial process, manufacturing process, or connected process involving a common raw material; and
- (3) are located on one or more contiguous or adjacent properties.

[Note: For the purposes of this regulation a stationary source and nonroad engine are mutually exclusive.]

- (ss) **“Storage”** means a warehouse, enclosed yard, or other area established for the primary purpose of maintaining registered engines or equipment units when not in operation.
- (tt) **“Tactical Support Equipment (TSE)”** means equipment using a portable engine, including turbines, that meets military specifications, owned by the U.S. Department of Defense, the U.S. military services, or its allies, and used in combat, combat support, combat service support, tactical or relief operations, or training for such operations. Examples include, but are not limited to, internal combustion engines associated with portable generators, aircraft start carts, heaters and lighting carts.
- (uu) **“Third-party Rental”** means a non-rental business renting or leasing registered engines and/or equipment units to another party by written agreement.
- (vv) **“Tier 1 Engine”** means a certified compression-ignition engine according to the horsepower and model year as follows:
≥50 bhp and <100 bhp; 1998 through 2003
≥100 bhp and <175 bhp; 1997 through 2002
≥175 bhp and <300 bhp; 1996 through 2002
≥300 bhp and <600 bhp; 1996 through 2000
≥600 bhp and ≤750 bhp; 1996 through 2001
>750 bhp; 2000 through 2005.
- (ww) **“Tier 2 Engine”** means a certified compression-ignition engine according to the horsepower and model year as follows:
≥50 bhp and <100 bhp; 2004 through 2007
≥100 bhp and <175 bhp; 2003 through 2006
≥175 bhp and <300 bhp; 2003 through 2005
≥300 bhp and <600 bhp; 2001 through 2005
≥600 bhp and ≤750 bhp; 2002 through 2005
>750 bhp; 2006 through 2010.
- (~~vv~~xx) **“Transportable”** means the same as portable.
- (~~ww~~yy) **“U.S. EPA”** means the United States Environmental Protection Agency.
- (~~xx~~zz) **“Vendor”** means a seller or supplier of portable engines or equipment units for use in California.
- (yyaaa) **“Volatile Organic Compound (VOC)”** means any compound containing at least one atom of carbon except for the following exempt compounds: acetone,

ethane, parachlorobenzotrifluoride (1-chloro-4-trifluoromethyl benzene), methane, carbon monoxide, carbon dioxide, carbonic acid, metallic carbides or carbonates, ammonium carbonates, methylene chloride (dichloromethane), methyl chloroform (1,1,1-trichloroethane), CFC-113 (trichlorotrifluoroethane), CFC-11 (trichlorofluoromethane), CFC-12 (dichlorodifluoromethane), CFC-22 (chlorodifluoromethane), CFC-23 (trifluoromethane), CFC-114 (dichlorotetrafluoroethane), CFC-115 (chloropentafluoroethane), HCFC-123 (dichlorotrifluoroethane), HFC-134a (tetrafluoroethane), HCFC-141b (dichlorofluoroethane), HCFC-142b (chlorodifluoroethane), HCFC-124 (chlorotetrafluoroethane), HFC-23 (trifluoromethane), HFC-134 (tetrafluoroethane), HFC-125 (pentafluoroethane), HFC-143a (trifluoroethane), HFC-152a (difluoroethane), cyclic, branched, or linear completely methylated siloxanes, the following classes of perfluorocarbons:

- (1) cyclic, branched, or linear, completely fluorinated alkanes;
- (2) cyclic, branched, or linear, completely fluorinated ethers with no unsaturations;
- (3) cyclic, branched, or linear, completely fluorinated tertiary amines with no unsaturations; and
- (4) sulfur-containing perfluorocarbons with no unsaturations and with the sulfur bonds to carbon and fluorine, acetone, ethane, and parachlorobenzotrifluoride (1-chloro-4-trifluoromethyl benzene).

NOTE: Authority cited: Sections 39600, 39601, 41752, 41753, 41754, 41755, 43013(b) and 43018, Health and Safety Code. Reference: Sections 41750, 41751, 41752, 41753, 41754, and 41755, Health and Safety Code.

§ 2453. Application Process.

- (a) In order for an engine or equipment unit to be considered for registration by the Executive Officer, the engine or equipment unit must be portable as defined in section 2452 (dd) and meet all applicable requirements established in this article.
- (b) For purposes of registration under this article, an engine and the equipment unit it serves are considered to be separate emissions units and require separate applications.
- (c) For an identical replacement, an owner or operator of a registered portable engine or equipment unit is not required to complete a new application and may immediately operate the identical replacement. Except for TSE, the owner or operator shall notify the Executive Officer in writing within five calendar days of replacing the registered engine or equipment unit with an identical replacement. Notification shall include company name, responsible official, phone number, registration certificate number of the engine or equipment unit to be replaced; and make, model, rated brake horsepower, serial number of the identical replacement, description of the mechanical breakdown; and applicable fees as required in section 2461. Misrepresentation of engine or equipment unit

information or the failure to meet the requirements of this regulation shall be deemed a violation of this article.

- (d) The Executive Officer shall inform the applicant, in writing, if the application is complete or deficient, within 30 days of receipt of an application. If deemed deficient, the Executive Officer shall identify the specific information required to make the application complete.
- (e) The Executive Officer shall issue or deny registration within 90 days of receipt of a complete application.
- (f) Upon finding that an engine or equipment unit meets the requirements of this article, the Executive Officer shall issue a registration for the engine or equipment unit. The Executive Officer shall notify the applicant in writing that the engine or equipment unit has been registered. The notification shall include a registration certificate, any conditions to ensure compliance with State and federal requirements, and a registration identification device for each engine or equipment unit registered pursuant to this regulation. Except for TSE, the registration identification device shall be affixed on the engine or equipment unit at all times, and the registration certificate shall be kept on the immediate premises with the engine or equipment at all times and made accessible to the Executive Officer or district upon request. Failure to properly maintain the registration identification device shall be deemed a violation of this article.
- (g) Except for TSE, each application for registration and the appropriate fee(s) as specified in section 2461, shall be submitted in a format approved by the Executive Officer and include, at a minimum, the following information:
 - (1) indication of general nature of business (e.g., rental business, etc.);
 - (2) the name of applicant, including mailing address and telephone number;
 - (3) a brief description of typical engine or equipment-unit use;
 - (4) detailed description, including engine or equipment-unit make, model, manufacture year (for portable engines only), rated brake horsepower, throughput, capacity, emission control equipment, and serial number;
 - (5) necessary engineering data, emissions test data, or manufacturer's emissions data to demonstrate compliance with the requirements as specified in sections 2455, 2456, and 2457;
 - (6) for resident engines, a copy of either a current permit to operate ~~or a registration certificate~~ that was granted by a district, or documentation as described in section 2452 (mm); and
 - (7) the printed name and signature of the responsible official and date of the signature.
- (h) For TSE, application for registration and the appropriate fee(s) as specified in section 2461, shall be submitted in a format approved by the Executive Officer and include, at a minimum, the following information:
 - (1) the name of applicant, including mailing address and telephone number;

- (2) a brief description of typical engine or equipment-unit use;
 - (3) engine or equipment-unit description, including type and rated brake horsepower; and
 - (4) the printed name and signature of the responsible official and date of the signature.
- (i) All registered engines and equipment units shall have a designated home district as defined in section 2452 (n) according to the following:
- (1) Owners holding valid registration(s) prior to the effective date shall designate in writing to the Executive Officer a home district within 90 days of the effective date of this regulation. The Executive Officer shall designate the home district for any and all registered engines and equipment units for existing registration program participants that fail to designate a home district;
 - (2) a home district shall be designated on each application for initial registration of an engine or equipment unit; and
 - (3) except for registered engines or equipment units owned by a rental business or involved in a third part rental, if the engine or equipment unit, based on averaging of annual operation in each district from the three annual reports submitted during the 3 year registration cycle, operated the largest percentage of the time in a district other than the designated home district, the owner shall change the home district designation at the time of renewal. The change is not required if the difference between the home district operation percentage and the district with the largest operating percentage is 5 percent or less.
- (j) Engines or equipment units owned and operated for the primary purpose of rental by a rental business shall be identified as rental at the time of application for registration and shall be issued a registration specific to the rental business requirements of this article. Misrepresentation of portable engine or equipment unit use in an attempt to qualify under the rental business definition shall be deemed a violation of this article.
- (k) New applications for non-operational engines or equipment units will not be accepted by the Executive Officer.
- (l) Once registration is issued by the Executive Officer, district permits or registrations for engines or equipment units registered in the Statewide Registration Program are preempted by the statewide registration and are, therefore, considered null and void, except for the following circumstances where a district permit shall be required:
- (1) engines or equipment units used in a project(s) operating in the OCS. The requirements of the district permit or registration apply to the registered engine or equipment unit while operating at the project(s) in the OCS; or
 - (2) engines or equipment units used in a project(s) operating in both the OCS and STW. The requirements of the district permit or registration apply to

- the registered engine or equipment unit while operating at the project(s) in the OCS and STW; or
- (3) at STW project(s) that trigger district emission offset thresholds; or
 - (4) at any specific location where statewide registration is not valid. The owner of the engine or equipment unit shall obtain a district permit or registration for the location(s) where the statewide registration is not valid; or
 - (5) at any location where an engine or equipment unit that has been determined to cause a public nuisance as defined in Health and Safety Code Section 41700.

Under no circumstance shall a portable engine or equipment unit be operated under both statewide registration and a district permit at any specific location. Where both a district permit for operation at a specific location and statewide registration have been issued for an engine or equipment unit, the terms of the district permit shall take precedence at that location ~~until the permit is no longer valid.~~

- (m) When ownership of a registered engine or equipment unit changes, the new owner shall submit a change of ownership application. This application shall be filed within 30 days of the change of ownership. During the 30 day period the new owner is authorized to operate the registered engine or equipment unit. If an application is not received within 30 days, the engine or equipment unit may not operate and the existing registration is not valid for the new owner until the application has been filed and all applicable fees have been paid. Registration will be reissued to the new owner after a complete application has been approved by the Executive Officer.
- (n) Except for TSE, Aa placard shall be required for every engine or equipment unit registered in the Statewide Registration Program. The placard shall be affixed on the registered engine or equipment unit at all times so that it may be easily viewed from a distance. Placards shall be purchased at the time of the first renewal or at the time of initial registration, which ever occurs first. Failure to properly maintain the placard shall be deemed a violation of this article.

NOTE: Authority cited: Sections 39600, 39601, 41752, 41753, 41754, 41755, 43013(b) and 43018, Health and Safety Code. Reference: Sections 41750, 41751, 41752, 41753, 41754, and 41755, Health and Safety Code.

§ 2454. Registration Process.

- (a) The Executive Officer shall make registration data available to the districts via the Internet.
- (b) The Executive Officer may conduct an inspection of an engine or equipment unit and/or require a source test in order to verify compliance with the requirements of this article prior to issuance of registration.

- (c) After obtaining registration in accordance with this article, an owner or operator of the registered engines or equipment units:
 - (1) shall comply with all conditions set forth in the issued registration. Failure to comply with such conditions shall be deemed a violation of this article; and
 - (2) may operate within the boundaries of the State of California so long as such registered engines or equipment units comply with all applicable requirements of this article and any other applicable federal or State law.
- (d) Districts shall provide the Executive Officer with written reports or electronic submittals via the Internet, describing any inspections and the nature and outcome of any violation of local, State or federal laws by the owner or operator of registered engines or equipment units. The Executive Officer shall make available to all districts such information via the Internet.

NOTE: Authority cited: Sections 39600, 39601, 41752, 41753, 41754, 41755, 43013(b) and 43018, Health and Safety Code. Reference: Sections 41750, 41751, 41752, 41753, 41754, and 41755, Health and Safety Code.

§ 2455. General Requirements.

- (a) The emissions from engines or equipment units registered under this article shall not, in the aggregate, interfere with the attainment or maintenance of any California or federal ambient air quality standards. The emissions from one or more registered engines or equipment units, exclusive of background concentration, shall not cause an exceedance of any ambient air quality standard. This paragraph shall not be construed as requiring operators of registered engines or equipment units to provide emission offsets for engines or equipment units registered under this article.
- (b) Engines or equipment units registered under this article shall comply with article 1, chapter 3, part 4, division 26 of the California Health and Safety Code, commencing with section 41700.
- (c) Except for engines or equipment units permitted or registered by a district in which an emergency event occurs, an engine or equipment unit operated during an emergency event as defined in section 2452 (f) of this article, is considered registered under the requirements of this article for the duration of the emergency event and is exempt from sections 2455, 2456, 2457, 2458, and 2459 of this article for the duration of the emergency event provided the owner or operator notifies the Executive Officer within 24 hours of commencing operation. The Executive Officer may for good cause refute that an emergency event under this provision exists. If the Executive Officer deems that an emergency event does not exist, all operation of engines and equipment units covered by this provision shall cease operation immediately upon notification by the Executive Officer.

Misrepresentation of an emergency event and failure to cease operation under notice of the Executive Officer shall be deemed a violation of this article.

- (d) For the purposes of registration under this article, the owner or operator of a registered equipment unit must notify the U.S. EPA and comply with 40 CFR 52.21 if:
 - (1) the registered equipment unit operates at a major stationary source under 40 CFR 51.166 or 52.21, and
 - (A) the major stationary source is located within 10 kilometers of a Class I area; or
 - (B) the registered equipment unit, operating in conjunction with other registered equipment units, operates at the major stationary source and its operation would be defined as a major modification to the stationary source under 40 CFR 51.166 or 52.21; or
 - (2) the registered equipment unit, operating in conjunction with other registered equipment units, would be defined as a major stationary source, as defined under 40 CFR 51.166 or 52.21.

NOTE: Authority cited: Sections 39600, 39601, 41752, 41753, 41754, 41755, 43013(b) and 43018, Health and Safety Code. Reference: Sections 41750, 41751, 41752, 41753, 41754, and 41755, Health and Safety Code.

§ 2456. Engine Requirements.

- (a) For TSE, no air contaminant shall be discharged ~~from a registered engine or equipment unit~~ into the atmosphere, other than uncombined water vapor, for a period or periods aggregating more than three minutes in any one hour which is as dark or darker in shade as that designated as No. 2 on the Ringelmann Chart, as published by the United States Bureau of Mines, or of such opacity as to obscure an observer's view to a degree equal to or greater than does smoke designated as No. 2 on the Ringelmann Chart. No other requirements of this section are applicable to TSE.
- (b) Registered diesel pile-driving hammers shall comply with the applicable provisions of section 41701.5 of the California Health and Safety Code and are otherwise exempt from further requirements of this section.
- (c) To be registered in the Statewide Registration Program, a registered engine rated less than 50 brake horsepower shall be a certified compression-ignition engine or a certified spark-ignition engine, unless no emission standards exist for that brake horsepower and year of manufacture. In that event, the engine shall comply with the applicable daily and annual emission limits contained in section 2456 (d)(6) of this article. No other requirements of this section are applicable to portable engines rated less than 50 brake horsepower.

(d) After January 1, 2006, engines rated equal to, or greater than 50 bhp registered under this article shall:

- (1) be certified compression-ignition engines or certified spark-ignition engines that meet the most stringent emissions standard in effect for the applicable horsepower range at the time the application is ~~received~~submitted by the responsible official. Spark-ignition engines that are not certified spark-ignition engines may be registered if they meet the emission standards in Table 1. ~~This provision~~Subsection (d)(1) does not apply to certified compression-ignition engines built under the flexibility provisions for equipment and vehicle manufacturers, post-manufacture marinizers listed in 40 CFR part 89.102, engines that qualify as resident engines, ~~or changes of ownership, or engines that meet the requirements of Title 17 of the California Code of Regulations sections 93116.3(b)(7), 93116.3(b)(8), or 93116.3.1. Notwithstanding the foregoing, until November 1, 2006, the requirement for a certified Tier 3 engine in the 175 to 750 bhp range and a certified Tier 2 engine for engines rated at greater than 750 bhp shall not apply to owners of new engines purchased on or after July 1, 2005, but before January 1, 2006, provided:~~
 - (A) ~~the engine is in a new piece of equipment that was sold to the ultimate user by the manufacturer or an authorized distributor between July 1, 2005 and December 31, 2005 and is either a certified Tier 2 engine for engines in the 175 to 750 bhp range or a certified Tier 1 engine for engines rated at greater than 750 bhp; and~~
 - (B) ~~a complete PERP application, including all forms and applicable fees, are received by the Executive Officer prior to November 1, 2006; and~~
 - (C) ~~the application contains valid documentation of the date of sale as approved by the Executive Officer. Valid documentation of the date of sale includes, but is not limited to, the date shown on the front of the cashed check, the date of the financial transaction, or the date shown on the engine purchase agreement between the ultimate user or engine packager, and the engine manufacturer or dealer/distributor.~~
- (2) meet all applicable requirements in Title 17 of the California Code of Regulations commencing with section 93116;
- (3) use only fuels meeting the standards for California motor vehicle fuels as set forth in chapter 5, division 3, Title 13 of the California Code of Regulations, commencing with section 2250, or other fuels and/or additives that have been verified through the Verification Procedure for In-Use Strategies to Control Emissions from Diesel Engines;
- (4) not exceed particulate matter emissions concentration of 0.1 grain per standard dry cubic feet corrected to 12 percent CO₂. This provision does not apply to certified compression-ignition engines, certified spark-ignition engines, or any spark-ignition engine meeting Table 1 requirements;

- (5) not discharge air contaminants into the atmosphere for a period or periods aggregating more than three minutes in any one hour which is as dark as or darker than Ringelmann 1 or equivalent 20 percent opacity; and
- (6) not exceed the following emission limits:
 - (A) 550 pounds per day per engine of carbon monoxide (CO);
 - (B) 150 pounds per day per engine of particulate matter less than 10 microns (PM₁₀);
 - (C) for registered engines operating onshore, 10 tons for each-pollutant per district per year per engine for NO_x, SO_x, VOC, PM₁₀, and CO in nonattainment areas; and
 - (D) for registered engines operating within STW:
 - (1) the offset requirements of the corresponding onshore district apply. Authorization from the corresponding onshore district is required prior to operating within STW. If authorization is in the form of a current district permit, the terms and conditions of the district permit supersede the requirements of the statewide registration for the project, except that the most stringent of the technology and emission concentration limits required by the district permit or statewide registration are applicable. If the registered engine does not have a current district permit, the terms and conditions of the statewide registration apply, and the corresponding onshore district may require offsets pursuant to district rules and regulations. The requirement for district offsets shall not apply to the owner or operator of an engine(s) registered in the statewide registration program when the engine(s) is operated at a stationary source permitted by the district; and
 - (2) the corresponding onshore district may perform an ambient air quality impact analysis (AQIA) for the proposed project prior to granting authorization. The owner or operator of engine(s) registered in the statewide registration program shall be required, at the request of the district, to submit any information deemed by the district to be necessary for performing the AQIA. Statewide registration shall not be valid at any location where the AQIA demonstrates a potential violation of an ambient air quality standard.
 - (E) for registered engines operating in the South Coast Air Quality Management District (SCAQMD), 100 pounds nitrogen oxides (NO_x) per project per day [An owner may substitute SCAQMD permit or registration limits in effect on or before September 17, 1997 (optional)];
 - (F) 100 pounds NO_x per registered engine per day, except in SCAQMD where the limit is 100 pounds NO_x per project per day.

- (7) In lieu of (6)(E) and (6)(F) above, operation of a registered new nonroad engine rated at 750 brake horsepower or greater for which a federal or California standard pursuant to 40 CFR Part 89 or Title 13 of the California Code of Regulations has not yet become effective, shall not exceed 12 hours per day.
 - (8) For registered engines that operate in both STW and onshore, the 10 tons per district per year per engine limit in (6)(C) above shall only apply onshore.
 - (9) For certified compression-ignition engines, certified spark-ignition engines, or any spark-ignition engine meeting Table 1 requirements, the daily and annual emission limitations in section 6 above shall not apply.
- (e) All registered engines shall be equipped with a functioning non-resettable hour meter, fuel meter or other operation tracking device approved by the Executive Officer. Engines registered prior to the effective date of this regulation, that are not equipped with a functional non-resettable hour meter, fuel meter or other operation tracking device shall install one and notify ARB in writing within 6 months of the effective date of this regulation.
- (f) Registered TSE is exempt from district New Source Review and Title V programs, including any offset requirements. Further, emissions from registered TSE shall not be included in Title V or New Source Review applicability determinations.

NOTE: Authority cited: Sections 39600, 39601, 41752, 41753, 41754, 41755, 43013(b) and 43018, Health and Safety Code. Reference: Sections 41750, 41751, 41752, 41753, 41754, and 41755, Health and Safety Code.

Table 1 Spark-ignition Engine Requirements*

Pollutant Emission Limits		
NO_x**	VOC**	CO**
80 ppm _{dv} NO _x (1.5 g/bhp-hr)	240 ppm _{dv} VOC (1.5 g/bhp-hr)	176 ppm _{dv} CO (2.0 g/bhp-hr)

* These requirements are in addition to requirements of section 2455 and 2456.

** For the purpose of compliance with this article, ppm_{dv} is parts per million @ 15 percent oxygen averaged over 15 consecutive minutes. Limits of ppm_{dv} are the approximate equivalent to the stated grams per brake horsepower hour limit based on assuming the engine is 24.2 percent efficient.

§ 2457. Requirements for Registered Equipment Units.

- (a) Emissions from a registered equipment unit, exclusive of emissions emitted directly from the associated portable engine, shall not exceed:
 - (1) 10 tons per year per district of PM₁₀; and
 - (2) 82 pounds per project per day of PM₁₀.
 - (3) For registered equipment units that operate within STW and onshore, emissions released while operating both in STW and onshore shall be included toward the 10 tons per year limit.

- (b) Registered equipment units shall also meet the following applicable requirements:
 - (1) Confined abrasive blasting operations:
 - (A) no air contaminant shall be discharged into the atmosphere for a period or periods aggregating more than three minutes in any one hour which is as dark as or darker than Ringelmann 1 or equivalent 20 percent opacity;
 - (B) the particulate matter emissions shall be controlled using a fabric or cartridge filter dust collector;
 - (C) as a part of application for registration, the applicant shall provide manufacturer's specifications or engineering data to demonstrate a minimum particulate matter control of 99 percent for the dust collection equipment;
 - (D) except for vent filters, each fabric dust collector shall be equipped with an operational pressure differential gauge to measure the pressure drop across the filters; and
 - (E) there shall be no visible emissions beyond the property line on which the equipment is being operated.

 - (2) Concrete batch plants:
 - (A) all dry material transfer points shall be ducted through a fabric or cartridge type filter dust collector, unless there are no visible emissions from the transfer point;
 - (B) all cement storage silos shall be equipped with fabric or cartridge type vent filters;
 - (C) the silo vent filters shall be maintained in proper operating condition;
 - (D) no air contaminant shall be discharged into the atmosphere for a period or periods aggregating more than three minutes in any one hour which is as dark as or darker than Ringelmann 1 or equivalent 20 percent opacity;
 - (E) open areas and all roads subject to vehicular traffic shall be paved, watered, or chemical palliatives applied to prevent fugitive emissions in excess of 20 percent opacity or Ringelmann 1;

- (F) silo service hatches shall be dust-tight;
 - (G) as a part of application for registration, the applicant shall provide manufacturer's specifications or engineering data to demonstrate a minimum particulate matter control of 99 percent for the fabric dust collection equipment;
 - (H) except for vent filters, each fabric dust collector shall be equipped with an operational pressure differential gauge to measure the pressure drop across the filters;
 - (I) all aggregate transfer points shall be equipped with a wet suppression system to control fugitive particulate emissions unless there are no visible emissions;
 - (J) all conveyors shall be covered, unless the material being transferred results in no visible emissions;
 - (K) wet suppression shall be used on all stockpiled material to control fugitive particulate emissions, unless the stockpiled material results in no visible emissions; and
 - (L) there shall be no visible emissions beyond the property line on which the equipment is being operated.
- (3) Sand and gravel screening, rock crushing, and pavement crushing and recycling operations:
- (A) no air contaminant shall be discharged into the atmosphere for a period or periods aggregating more than three minutes in any one hour which is as dark as or darker than Ringelmann 1 or equivalent 20 percent opacity;
 - (B) there shall be no visible emissions beyond the property line on which the equipment is being operated;
 - (C) all transfer points shall be ducted through a fabric or cartridge type filter dust collector, or shall be equipped with a wet suppression system maintaining a minimum moisture content unless there are no visible emissions;
 - (D) particulate matter emissions from each crusher shall be ducted through a fabric dust collector, or shall be equipped with a wet suppression system which maintains a minimum moisture content to ensure there are no visible emissions;
 - (E) all conveyors shall be covered, unless the material being transferred results in no visible emissions;
 - (F) all stockpiled material shall be maintained at a minimum moisture content unless the stockpiled material results in no visible emissions;
 - (G) as a part of application for registration, the applicant shall provide manufacturer's specifications or engineering data to demonstrate a minimum particulate matter control of 99 percent for the fabric dust collection equipment;

- (H) except for vent filters, each fabric dust collector shall be equipped with an operational pressure differential gauge to measure the pressure drop across the filters;
 - (I) open areas and all roads subject to vehicular traffic shall be paved, watered, or chemical palliatives applied to prevent fugitive emissions in excess of 20 percent opacity or Ringelmann 1; and
 - (J) if applicable, the operation shall comply with the requirements of 40 CFR Part 60 Subpart OOO.
- (4) Unconfined abrasive blasting operations:
- (A) no air contaminant shall be discharged into the atmosphere for a period or periods aggregating more than three minutes in any one hour which is as dark as or darker than Ringelmann 2 or equivalent 40 percent opacity;
 - (B) only California Air Resources Board-certified abrasive blasting material shall be used [Note: see Title 17, California Code of Regulations, section 92530 for certified abrasives.];
 - (C) the abrasive material shall not be reused;
 - (D) no air contaminant shall be released into the atmosphere which causes a public nuisance;
 - (E) all applicable requirements of Title 17 of California Code of Regulations shall also apply; and
 - (F) there shall be no visible emissions beyond the property line on which the equipment is being operated.
- (5) Tub grinders and trommel screens:
- (A) there shall be no visible emissions beyond the property line on which the equipment is being operated;
 - (B) no air contaminant shall be discharged into the atmosphere for a period or periods aggregating more than three minutes in any one hour which is as dark or darker than Ringelmann 1 or equivalent 20 percent opacity; and
 - (C) water suppression or chemical palliatives shall be used to control fugitive particulate emissions from the tub grinder whenever the tub grinder is in operation, unless there are no visible emissions.
- (c) Registered equipment units not described in section 2457(b) above, shall be subject to the most stringent district Best Available Control Technology (BACT) requirements in effect for that category of source at the time of application for registration.
- (d) No change in equipment unit configuration, operating scenario, or number of transfer points from that set out in the registration for the equipment unit shall be made unless a complete application for modification has been filed and approved by the Executive Officer prior to operation.

- (e) Registration is not valid for any equipment unit operating at a location if by virtue of the activity to be performed hazardous air pollutants will be emitted (e.g., rock crushing plant operating in a serpentine quarry). [Note: The equipment unit would be subject to the requirements of the district in which the equipment unit is operated.]

NOTE: Authority cited: Sections 39600, 39601, 41752, 41753, 41754, 41755, 43013(b) and 43018, Health and Safety Code. Reference: Sections 41750, 41751, 41752, 41753, 41754, and 41755, Health and Safety Code.

§ 2458. Recordkeeping and Reporting.

- (a) Except for registered engines and equipment units owned by a rental business, used in a third-party rental, operated by a PEPS, or TSE, the owner of a registered engine, including engines otherwise preempted under section 209 (e) of the federal Clean Air Act, or registered equipment units shall maintain records of operation of each registered engine and equipment unit. Recordkeeping for ~~units~~engines not previously required to maintain records shall begin upon the effective date of the regulation or January 1, 2007, which ever is later. For ~~units~~engines not previously required to have an hour meter, fuel meter or other device approved by the Executive Officer, the owner or operator shall record hours of operation until the hour meter, fuel meter or other device approved by the Executive Officer has been installed. The records shall be maintained at a central place of business for five years, and made accessible to the Executive Officer or districts upon request. Records shall be maintained in a format approved by the Executive Officer and include, at a minimum, all of the following:
 - (1) engine or equipment unit registration number;
 - (2) recordings from an hour meter, fuel meter, or other device approved by the Executive Officer, and the corresponding dates of the recordings for each registered engine or equipment unit based on the following:
 - (A) for each project as defined in 2452 (gg) or (hh), readings shall be recorded prior to the commencement of operation and at the completion of the project; or
 - (B) for ongoing operation of a registered engine or equipment unit at multiple locations within a stationary source, readings shall be recorded at the beginning and end of each calendar week; or
 - (C) for each location, readings shall be recorded prior to commencement of operation and upon completion of operation at that location.
 - (3) For registered engines and equipment units subject to a daily operational limitation, daily records of either hours of operation, fuel usage, or process throughput as applicable.
 - (4) recordings from an hour meter, fuel meter, or other device approved by the Executive Officer and the corresponding dates of the recordings any

- time an engine or equipment unit is undergoing service, repair, or maintenance; and
- (5) for each start and stop reading specified in (2) and (3) above, the location identified by district, county, or other indicator (i.e., street address, UTM coordinates, etc.)
- (b) A rental business or the owner of a registered engine or equipment unit involved in a third party rental, shall maintain records for each rental or lease transaction. The written rental or lease agreement shall be kept onsite with the registered engine or equipment unit at all times. Recordkeeping for registered ~~units~~engines not previously required to maintain records shall begin upon the effective date of the regulation or January 1, 2007, which ever is later. For registered ~~units~~engines not previously required to have an hour meter, fuel meter or other device approved by the Executive Officer, the owner or operator shall record hours of operation until the hour meter, fuel meter or other device approved by the Executive Officer has been installed. The owner shall provide each person who rents a registered engine or equipment unit with a written copy of applicable requirements of this article, including recordkeeping and notification requirements, as a part of the agreement. The records, including written acknowledgment by each renter of the registered engine or equipment unit of having received the above information, shall be maintained by the rental business or the owner of the registered engine or equipment unit involved in a third-party rental at a central location for five years, and made accessible to the Executive Officer or districts upon request. Records shall be maintained in a format approved by the Executive Officer and include, at a minimum, for each registered rental engine or ~~equipment unit~~ all of the following:
- (1) registered engine or ~~equipment unit~~ registration number;
 - (2) dates for the start and end of the rental transaction
 - (3) hours of operation for each rental period including the hour meter reading at the start of the rental transaction and the hour meter reading at the end of the rental transaction; and
 - (4) location of use (by district, county or other indicator (i.e., street address, UTM coordinates, etc.)).
- (c) For TSE, each military installation shall provide the Executive Officer an annual report, in a format approved by the Executive Officer, within 60 days after the end of each calendar year. The report shall include the number, type, and rating of registered TSE at each installation as of December 31 of that calendar year, and be accompanied by the applicable fees pursuant to section 2461. Any variation of registered TSE to actual TSE shall be accounted for in this annual report, and the Executive Officer shall issue an updated TSE list accordingly. A renewal registration will be issued with the updated TSE list every three years according to expiration date.
- (d) For each registered engine subject to the requirements of Title 17 California Code of Regulations section 93116, the owner shall keep records and submit

reports in accordance with Title 17 California Code of Regulations section 93116.4.

- (e) Except for registered engines or equipment units owned by a rental business, used in a third-party rental, operated by a PEPS or TSE, the owner of a registered engine or equipment unit shall provide the Executive Officer an annual report signed by the responsible official, in a format approved by the Executive Officer, by March 1 of each calendar year containing all of the following information:
 - (1) the reporting year;
 - (2) the registration number of each registered engine and/or equipment unit;
 - (3) for registered engines, quarterly summaries for each district or county the total fuel usage in gallons per quarter, or total hours of operation per quarter, for each registered engine; and
 - (4) for registered equipment units, quarterly summaries for each district or county in which the registered equipment unit was operated and the total process weight or throughput.

- (f) The owner of a registered engine or equipment unit owned by a rental business or used in a third-party rental transaction shall provide the Executive Officer an annual report signed by the responsible official, in a format approved by the Executive Officer, by March 1 of each calendar year containing all of the following information:
 - (1) the reporting year;
 - (2) the registration number of each registered engine and/or equipment unit;
 - (3) total hours of operation for the reporting year for each registered engine based on, and including, beginning and ending annual hour meter readings and dates upon which the total hours of annual operation calculation is based;
 - (4) list of all counties in which the registered engine operated in during the reporting year as reported by the entity(ies) that operated the registered engine or equipment unit; and
 - (5) estimate of the percentage of total hours operated in each of the counties identified in (4) above.

- (g) the owner or operator of a registered engine or equipment unit used by a PEPS shall provide the Executive Officer an annual report, in a format approved by the Executive Officer, by March 1st of each calendar year containing all of the following information:
 - (1) the reporting year;
 - (2) the registration number of each registered engine and/or equipment unit;
 - (3) total hours of operation; and
 - (4) estimate of the percentage of hours or fuel usage for the three counties in which the registered engine or equipment unit operated the most.

- (h) Records requests made by a district or Executive Officer shall be made to the responsible official. The responsible official shall provide the requested records within 30 days from receipt of the request. Failure to provide the records by the specified date shall be deemed a violation of this article.
- (i) Each district shall provide the Executive Officer with an annual report, in a format approved by the Executive Officer, by March 31 following the year in which the information was collected containing all of the following information:
 - (1) the number of portable engines and equipment units inspected;
 - (2) the number of portable engines and/or equipment units found operating without valid district permits or statewide registrations;
 - (3) the number of registered engines and equipment units inspected; and
 - (4) summary of results of inspections.
- (j) Vendors selling new portable engines and/or equipment units in California shall:
 - (1) notify the buyer about this regulation; and
 - (2) on a monthly basis submit to the Executive Officer the number of portable engines and/or portable equipment units sold by the vendor for use in California including: the name, address, and contact information of the purchaser, and description of the engine and/or equipment unit including make, model, and engine family name.

NOTE: Authority cited: Sections 39600, 39601, 41752, 41753, 41754, 41755, 43013(b) and 43018, Health and Safety Code. Reference: Sections 41750, 41751, 41752, 41753, 41754, and 41755, Health and Safety Code.

§ 2459. Notification.

- (a) Except as listed in subsection (d) of this section, if a registered equipment unit will be at a location for more than five days, the owner or operator of that registered equipment unit, shall notify the district in writing in a format approved by the Executive Officer, within two working days of commencing operations in that district. If the registered equipment unit is to be moved to different locations within the same district, the owner or operator shall be subject to the notification requirements above, unless the owner or operator and the district, by mutual agreement, arrange alternative notification requirements on a case-by-case basis. The notification shall include all of the following:
 - (1) the registration number of the registered equipment unit;
 - (2) the name and phone number of the responsible official or renter with information concerning the locations where the registered equipment unit will be operated within the district; and
 - (3) estimated time the registered equipment unit will be located in the district.

- (b) If the district has not been notified as required in section 2459(a) above, because the owner or operator did not reasonably expect the duration of operation to trigger the notification requirement in section 2459(a) above, the owner or operator shall notify the district, in a format approved by the Executive Officer, within 12 hours of determining the registered equipment unit will be operating at a location more than five days.
- (c) Owners and operators of TSE are not subject to the notification requirements of this section 2459.
- (d) For STW projects, the owner or operator of a registered engine or registered equipment unit shall notify the corresponding onshore district in writing, in a format approved by the Executive Officer at least 14 days in advance of commencing operations in that district. The notification shall include all of the following:
 - (1) the registration number of the registered engine or equipment unit;
 - (2) the name and phone number of the responsible official with information concerning the locations where the registered engine or equipment unit will be operated within the district;
 - (3) estimated time the registered engine(s) or equipment unit(s) will be located in the district; and
 - (4) calculations showing the estimation of actual emissions expected for the project.
- (e) Except as listed in section 2459(d) above, owners and operators of registered engines are not subject to notification requirements.
- (f) The Executive Officer shall make available via the Internet a list of approved notification methods for each district.
- (g) Failure to provide the required notifications within the timelines specified in this section shall be deemed a violation of this ~~article~~regulation.

NOTE: Authority cited: Sections 39600, 39601, 41752, 41753, 41754, 41755, 43013(b) and 43018, Health and Safety Code. Reference: Sections 41750, 41751, 41752, 41753, 41754, and 41755, Health and Safety Code.

§ 2460. Inspections and Testing.

- (a) In determining if a portable engine or equipment unit is eligible for registration, the Executive Officer may inspect the portable engine or equipment unit and/or require a source test, at the owner's expense.
- (b) Each district shall inspect all registered engines and equipment units for which the district has been designated as the home district pursuant to section 2453(i) above, as specified below:

- (1) Within 45 days after the date of initial issuance or renewal of a registration, the owner or operator shall contact the home district to arrange for inspection of the registered engine or equipment unit to be completed within one year of the initial registration or renewal date. If the registered engine or equipment unit shall be operating in a district, other than the home district, the owner or operator may request the home district to arrange for an inspection by that other district.
- (2) For portable engines, each home district should conduct no more than 20 percent of the arranged inspections for that district as in-field inspections. All arranged inspections not conducted as in-field inspections shall be conducted as non-field inspections. If a portable engine is found in violation during an in-field inspection, the next arranged inspection for that engine shall be an in-field inspection. This section does not limit the authority of a district to conduct any number of non-arranged in-field or non-field inspections for which no fee is charged.
- (3) For registered equipment units operating with registered engines, the owner or operator may request that the registered engine be inspected under the arranged inspection program or together with the equipment unit at the hourly rate specified in Table 23.
- (4) Arranged inspections for PEPS engines and registered equipment units shall be non-field inspections unless an in-field inspection is requested by the holder of the registration and a reasonable in-field inspection location is arranged with the appropriate district.
- (5) The time for an arranged inspection shall be agreed upon in advance with the district and company preferences regarding time of day shall be accommodated within reason. To the extent that an arranged inspection does not fall within the district's normal workday, the district may charge for the off-hour time based on a fee as specified in Table 23.
- (6) If an arranged inspection of a registered engine or registered equipment unit does not occur due to unforeseen circumstances, the owner or operator and the home district shall reschedule the arranged inspection no later than 90 days of the initially scheduled inspection. Any unreasonable actions on the part of the owner or operator that prevents the inspection to occur within the specified time frame shall be deemed a violation of this article. Actions taken by the owner or operator that could be deemed "unreasonable" include, but are not limited to:
 - (A) failing to respond to the district correspondences or other contracts made to schedule the inspection;
 - (B) failing to ensure that the registered engine or equipment unit is in operation for arranged "in-field inspections" or where the district has provided advance notification to the owner or operator that the

registered engine or equipment unit is required to be observed in operation.

- (7) The owner or operator may request the scheduling of one or more arranged inspections for multiple engines in order to qualify for an inspection fee discount as specified in section 2461 (d). Within 45 days of date of initial issuance of registration or by January 30 of each year for renewals, the owner or operator shall submit a letter of intent including an equipment list and registration numbers to the district to arrange for inspection of multiple engines. The inspections shall be completed within one year after the registration renewal date for each engine inspected.
- (8) If a registered engine or equipment unit is out of California for one year or more following initial registration or renewal, the engine or equipment unit shall be excused from having the arranged inspection within that period if:
 - (A) within 45 days after the date of initial issuance or renewal of the registration, the owner or operator submitted a letter to the district noting the registration number of the registered engine or equipment unit and that the engine or unit is out of California for the one-year period; and
 - (B) upon the return of the registered engine or equipment unit to the State, the owner or operator shall arrange to have the registered engine or equipment unit inspected within 30 days.
- (c) After issuance of registration, the Executive Officer or district may at any time conduct an inspection of any registered engine or equipment unit in order to verify compliance with the requirements of this article. The district shall not charge the owner or operator an additional inspection fee for that inspection. Source testing of engines for compliance purposes shall not be required more frequently than once every three years (including testing at the time of registration), except as provided in section 2460 (e), unless evidence of engine tampering, lack of proper engine maintenance, or other problems or operating conditions that could affect engine emissions are identified. In no event shall the Executive Officer or district require source testing of a registered engine for which there is no applicable emission standard, emission limit or other emission related requirement contained in this regulation.
- (d) Testing shall be conducted in accordance with the following methods or other methods approved by the Executive Officer:

Particulate Matter:	ARB Test Method 5 with probe catch and filter catch only
VOC:	ARB Test Method 100 or U.S. EPA Test Method 25A
NOx:	ARB Test Method 100 or U.S. EPA Test Method 7E
Carbon Monoxide:	ARB Test Method 100 or U.S. EPA Test Method 10
Oxygen:	ARB Test Method 100 or U.S. EPA Test Method 3A
Gas Velocity and Flow Rate:	ARB Test Method 1 & 2 or U.S. EPA Test Method 1 & 2

- (e) Initial or follow-up source testing of engines to verify compliance with the requirements of this regulation shall not be required for certified compression-ignition engines and spark-ignition engines.
- (f) The exemption provided in section 2460 (e) shall not apply to source testing of engines for compliance purposes where evidence of engine tampering, lack of proper engine maintenance, or other problems or operating conditions that could affect engine emissions are identified.

NOTE: Authority cited: Sections 39600, 39601, 41752, 41753, 41754, 41755, 43013(b) and 43018, Health and Safety Code. Reference: Sections 41750, 41751, 41752, 41753, 41754, and 41755, Health and Safety Code.

§ 2461. Fees.

- (a) Except as otherwise set out herein, the Executive Officer shall assess and collect reasonable fees for registration, renewal, and associated administrative tasks, to recover the estimated costs to the Executive Officer for evaluating registration applications, and issuing registration documentation.
- (b) Fees shall be due and payable to the Executive Officer at the time an application is filed or as part of any request requiring a fee. Fees are nonrefundable except in circumstances as determined by the Executive Officer.
- (c) Except as provided in (k) below, ~~T~~the owner or operator of a registered engine or equipment unit shall submit fees to the Executive Officer and to districts in accordance with Table 23.
- (d) The Executive Officer shall collect an inspection fee as listed in Table 23 one time per every three calendar years for each registered engine to be paid upon initial application and renewal. Except for TSE, when multiple registered engines are inspected at a given source or location, the owner shall receive a discount if the owner or operator intends to arrange multiple engines inspections with the district and complies with the requirements specified in section 2460(b)(7). The discounts shall be applied as follows:
 - (1) no discount for 1 to 3 engines
 - (2) 25 percent discount for 4 to 9 engines
 - (3) 35 percent discount for 10 or more engines
- (e) Failure to pay renewal fees when due may result in penalties. If a fee payment is not received or postmarked by the specified due date, fee penalties may be assessed per unit in accordance with Table 23. Failure to pay renewal fees prior to expiration may result in cancellation of the registration. If a registration has expired for an engine or equipment unit that is eligible for reactivation, a canceled registration may be reactivated after payment of all renewal and penalty fees. Registration may be reissued under the original registration number and

expiration date. A portable engine or equipment unit without valid registration is subject to the rules and regulations of the district in which it operates.

- (f) Fees shall be periodically revised by the Executive Officer in accordance with the consumer price index, as published by the United States Bureau of Labor Statistics.
- (g) A district may collect a fee for the inspection of a registered equipment unit pursuant to section 2460(b)(3). The district shall bill the owner of the equipment unit at a rate as specified in Table 23 of the regulation for actual staff time taken to perform the inspection, not to exceed the amount specified in Table 23. Upon receipt of the invoice for the inspection fee, the owner shall have the right to appeal the district's fee determination to the district Air Pollution Control Officer/~~Executive Officer~~ pursuant to the provisions of the district's rules and regulations that govern appeals of fee determinations.
- ~~(h) The Executive Officer shall collect fees at the time of initial registration and renewal for each registered engine as specified in Table 2.~~
- (ih) The Executive Officer shall annually distribute district inspection fees collected for that year. General inspection fees will be distributed equally among the districts. Home district inspection fees will be distributed to the corresponding home district.
- (ji) TSE fees are due at the time of the report pursuant to section 2458 (c). Failure to submit the annual report and applicable fees within six calendar months after the end of the year will result in cancellation of the registration. For TSE, if registration is cancelled or allowed to expire, the applicant shall reapply and pay initial registration fees.
- (ki) The district may collect an inspection fee as listed in Table 3 one time per calendar year for each registered TSE inspected. When multiple registered TSE units are inspected at a given source or location, the inspection fee shall be equal to the lesser of the actual cost, including staff time, for conducting the inspection or the fee as listed in Table 23 per registered portable engine or equipment unit inspected. If the district performs an inspection leading to determination of non-compliance with this article, or any applicable state or federal requirements, the district may charge a fee as listed in Table 23 per portable engine or equipment unit for each inspection necessary for the determination and ultimate resolution of the violation. In no event shall the total fees exceed the actual costs, including staff time, to the district of conducting the investigations and resolving any violations.
- (k) Portable engines qualifying for initial registration as resident engines per section 2452(mm)(2) shall use the Table 2 fee schedule. The fees collected subject to this section shall be distributed to the districts, except that \$270 dollars per engine for initial registration, and an additional \$80 dollars per engine shall be retained by the Air Resources Board to provide for administrative costs. The fees

shall be determined as follows:

(1) For tier 1 engines, as defined in section 2452(vv), registration fees will be based on the year listed in Table 2, as determined below:

(A) Where date of purchase can be verified by the Executive Officer, the earlier of:

(1) for engines ≥ 50 bhp and < 100 bhp: year of purchase or 2004;

(2) for engines ≥ 100 bhp and < 300 bhp: year of purchase or 2003;

(3) for engines ≥ 300 bhp and < 600 bhp: year of purchase or 2001;

(4) for engines ≥ 600 bhp and ≤ 750 bhp: year of purchase or 2002;

(5) for engines > 750 bhp: year of purchase or 2006.

(B) Where the date of purchase can not be verified, the model year shall be used.

(2) For tier 2 engines, as defined in section 2452(ww), registration fees as listed in table 3 will be based on the year the engine was purchased (as verified by the Executive Officer) or the model year of the engine (if purchase date is not available).

Table 2 Registration Fees For Resident Engines Per Section 2452(mm)(2)

<u>Portable Engine Date*</u>	<u>Application Submitted on or Before 12/31/07</u>	<u>Application Submitted in 2008</u>	<u>Application Submitted in 2009</u>
<u>1996</u>	<u>\$2,353</u>	<u>\$3,130</u>	<u>\$5,000</u>
<u>1997</u>	<u>\$2,195</u>	<u>\$2,920</u>	<u>\$4,685</u>
<u>1998</u>	<u>\$2,038</u>	<u>\$2,710</u>	<u>\$4,370</u>
<u>1999</u>	<u>\$1,880</u>	<u>\$2,500</u>	<u>\$4,055</u>
<u>2000</u>	<u>\$1,723</u>	<u>\$2,290</u>	<u>\$3,740</u>
<u>2001</u>	<u>\$1,565</u>	<u>\$2,080</u>	<u>\$3,425</u>
<u>2002</u>	<u>\$1,408</u>	<u>\$1,870</u>	<u>\$3,110</u>
<u>2003</u>	<u>\$1,250</u>	<u>\$1,660</u>	<u>\$2,795</u>
<u>2004</u>	<u>\$1,093</u>	<u>\$1,450</u>	<u>\$2,480</u>
<u>2005</u>	<u>\$935</u>	<u>\$1,240</u>	<u>\$2,165</u>
<u>2006</u>	<u>\$778</u>	<u>\$1,030</u>	<u>\$1,850</u>

*As determined in section 2461(k)

Table 23 Fees for Statewide Registration Program
(Fees are per registered unit except where noted otherwise)

1	Initial Registration	\$270.00
2	TSE, initial registration	
A	Registration of first 25 units (or portion thereof)	\$750.00
B	Registration of every additional 50 units (or portion thereof)	\$750.00
3	Change of status from non-operational to operational	
A	Where initial evaluation has not been previously completed	\$180.00
B	Where initial evaluation has been previously completed	\$90.00
4	Identical replacement	\$75.00
5	Renewal, non-TSE	\$225.00
6	Penalty fee for late renewal payments, non-TSE	
A	Postmarked within 2 calendar months prior to registration expiration date	\$45.00
B	Postmarked within the calendar month prior to registration expiration date	\$90.00
C	Postmarked after the registration expiration date	\$250.00
7	Annual TSE inventory fee	
A	first 25 units (or portion thereof)	\$375.00
B	every additional 50 units (or portion thereof)	\$375.00
8	Modification to registered portable engine or equipment unit	\$75.00
9	Change of ownership	\$75.00
10	Replacement of registration identification device or placard	\$30.00
11	Correction to an engine or equipment unit description	\$45.00
12	Update company information, copy of registration documents	\$45.00
13	Copy of registration documents	\$45.00
14	Total district inspection fee per registered portable engine, paid once every 3 years	\$345.00
A	General district inspection fee	\$30.00
B	Home district inspection fee	\$315.00
15	District off-hour service fee per hour	\$50.00
16	District inspection fees for equipment units:	
A	General district inspection fee, paid once every 3 years	\$75.00
B	District inspection fee per equipment unit, per hour	\$98.00 (not to exceed \$500.00)
17	TSE inspection fees:	
A	General district inspection fee per TSE unit, paid annually	\$10.00
B	District inspection fee per TSE unit per inspection	\$75.00
18	Placard	\$5.00

NOTE: Authority cited: Sections 39600, 39601, 41752, 41753, 41754, 41755, 43013(b) and 43018, Health and Safety Code. Reference: Sections 41750, 41751, 41752, 41753, 41754, and 41755, Health and Safety Code.

§ 2462. Duration of registration.

- (a) ~~Except as provided for in section 2456(d)(6), r~~Registrations and renewals will be valid for three years from date of issuance. For change of ownership, the registration shall retain the original expiration date, except where the registration has expired.
- (b) The Executive Officer shall mail to the owner of a registered engine or equipment unit a renewal invoice at least 60 days prior to the registration expiration. Failure to send or receive a renewal invoice does not relieve the responsible official from paying all applicable fees when due.

NOTE: Authority cited: Sections 39600, 39601, 41752, 41753, 41754, 41755, 43013(b) and 43018, Health and Safety Code. Reference: Sections 41750, 41751, 41752, 41753, 41754, and 41755, Health and Safety Code.

§ 2463. Suspension or Revocation of Registration.

- (a) The Executive Officer for just cause may suspend or revoke registration in any of the following circumstances:
 - (1) the holder of registration has violated one or more terms and conditions of registration or has refused to comply with any of the requirements of this article;
 - (2) the holder of registration has materially misrepresented the meaning, findings, effect or any other material aspect of the registration application, including submitting false or incomplete information in its application for registration regardless of the holder's personal knowledge of the falsity or incompleteness of the information;
 - (3) the test data submitted by the holder of registration to show compliance with this regulation have been found to be inaccurate or invalid;
 - (4) enforcement officers of the ARB or the districts, after presentation of proper credentials, have been denied access, during normal business hours or hours of operation, to any facility or location where registered engines and equipment units are operated or stored and are prevented from inspecting such engines or equipment units as provided for in this article (the duty to provide access applies whether or not the holder of registration owns or controls the facility or location in question);
 - (5) enforcement officers of the ARB or the districts, after presentation of proper credentials, have been denied access to any records required by this regulation for the purpose of inspection and duplication;

- (6) the registered engine or equipment unit has failed in-use to comply with the findings set forth in the registration. For the purposes of this section, noncompliance with the registration may include, but is not limited to:
 - (A) a repeated failure to perform to the standards set forth in this article;
or
 - (B) modification of the engine or equipment unit that results in an increase in emissions or changes the efficiency or operating conditions of such engine or equipment unit, without prior notice to and approval by the Executive Officer; or
 - (7) the holder of registration has failed to take requested corrective action as set forth in a Notice of Violation or Notice to Comply within the time period set forth in such notice or as otherwise specified in writing by the issuing district.
 - (8) the holder of the registration has failed to pay fees assessed by either the Executive Officer or district within 120 after the specified due date and there is no pending appeal.
- (b) A holder of registration may be subject to a suspension or revocation action pursuant to this section based upon the actions of an agent, employee, licensee, or other authorized representative.
 - (c) The Executive Officer shall notify each holder of registration by certified mail of any action taken by the Executive Officer to suspend or revoke any registration granted under this article. The notice shall set forth the reasons for and evidence supporting the action(s) taken. A suspension or revocation is effective upon receipt of the notification.
 - (d) A holder of registration having received a notice to revoke or suspend registration may request that the action be stayed pending a hearing under section 2464. In determining whether to grant the stay, the Executive Officer shall consider the reasonable likelihood that the registration holder will prevail on the merits of the appeal and the harm the holder of registration will likely suffer if the stay is not granted. The Executive Officer shall deny the stay if the adverse effects of the stay on the public health, safety, and welfare outweigh the harm to the holder of registration if the stay is not granted.
 - (e) Once a registration has been suspended pursuant to (a) above, the holder of registration shall satisfy and correct all noted reasons for the suspension and submit a written report to the Executive Officer advising him or her of all such steps taken by the holder before the Executive Officer will consider reinstating the registration.
 - (f) After the Executive Officer suspends or revokes a registration pursuant to this section and prior to commencement of a hearing under section 2464, if the holder of registration demonstrates to the Executive Officer's satisfaction that the decision to

suspend or revoke the registration was based on erroneous information, the Executive Officer will reinstate the registration.

- (g) Nothing in this section shall prohibit the Executive Officer from taking any other action provided for by law for violations of the Health and Safety Code.

NOTE: Authority cited: Sections 39600, 39601, 41752, 41753, 41754, 41755, 43013(b) and 43018, Health and Safety Code. Reference: Sections 41750, 41751, 41752, 41753, 41754, and 41755, Health and Safety Code.

§ 2464. Appeals.

- (a) Hearing Procedures.

- (1) Any applicant for registration whose application has been denied or a holder of registration whose registration has been, suspended, or revoked may request a hearing to review the action taken by sending a request in writing to the Executive Officer. A request for hearing shall include, at a minimum, the following:

- (A) name of applicant or holder of registration;
- (B) registration number;
- (C) copy of the Executive Order revoking or suspending registration or the written notification of denial;
- (D) a concise statement of the issues to be raised, with supporting facts, setting forth the basis for challenging the denial, suspension, or revocation (mere conclusory allegations will not suffice);
- (E) a brief summary of evidence in support of the statement of facts required in (D) above; and
- (F) the signature of an authorized person requesting the hearing.

- (2) A request for a hearing shall be filed within 20 days from the date of issuance of the notice of the denial, suspension, or revocation.
- (3) A hearing requested pursuant to this section shall be heard by a qualified and impartial hearing officer appointed by the Executive Officer. The hearing officer may be an employee of the ARB, but may not be any employee who was involved with the registration at issue. In a request for a hearing of a denial of registration, after reviewing the request for a hearing and supporting documentation provided under subsection (1) above, the hearing officer shall grant the request for a hearing if he or she finds that the request raises a genuine and substantial question of law or fact.
- (4) Except as provided in (3) above, the hearing officer shall schedule and hold, as soon as practicable, a hearing at a time and place determined by the hearing officer.
- (5) Upon appointment, the hearing officer shall establish a hearing file. The file shall consist of the following:

- (A) the determination issued by the Executive Officer which is the subject of the request for hearing;
 - (B) the request for hearing and the supporting documents that are submitted with it;
 - (C) all documents relating to and relied upon in making the determination to deny registration or to suspend or revoke registration; and
 - (D) correspondence and other documents material to the hearing.
- (6) The hearing file shall be available for inspection by the applicant at the office of the hearing officer.
- (7) An applicant may appear in person or may be represented by counsel or by any other duly-authorized representative.
- (8) The ARB may be represented by staff or counsel familiar with the registration program and may present rebuttal evidence.
- (9) Technical rules of evidence shall not apply to the hearing, except that relevant evidence may be admitted and given probative effect only if it is the kind of evidence upon which reasonable persons are accustomed to relying in the conduct of serious affairs. No action shall be overturned based solely on hearsay evidence, unless the hearsay evidence would be admissible in a court of law under a legally recognized exception to the hearsay rule.
- (10) The hearing shall be recorded either electronically or by a certified shorthand reporter.
- (11) The hearing officer shall consider the totality of the circumstances of the denial, suspension, or revocation, including but not limited to, credibility of witnesses, authenticity and reliability of documents, and qualifications of experts. The hearing officer may also consider relevant past conduct of the applicant including any prior incidents involving other ARB programs.
- (12) The hearing officer's written decision shall set forth findings of fact and conclusions of law as necessary.
- (13) Within 30 days of the conclusion of a hearing, the hearing officer shall submit a written proposed decision, including proposed finding as well as a copy of any material submitted by the hearing participants as part of that hearing and relied on by the hearing officer, to the Executive Officer. The hearing officer may recommend to the Executive Officer any of the following:
- (A) uphold the denial, suspension, or revocation action as issued;
 - (B) reduce a revocation to a suspension;
 - (C) increase a suspension to a revocation if the registration holder's conduct so warrants; or
 - (D) overturn a denial, suspension, or revocation in its entirety.

- (14) The Executive Officer shall render a final written decision within 60 working days of the last day of hearing. The Executive Officer may do any of the following:
- (E) adopt the hearing officer's proposed decision;
 - (F) modify the hearing officer's proposed decision; or
 - (G) render a decision without regard to the hearing officer's proposed decision.
- (b) Hearing conducted by written submission.
- (1) In lieu of the hearing procedure set forth in (a) above, an applicant may request that the hearing be conducted solely by written submission.
 - (2) In such case the requestor must submit a written explanation of the basis for the appeal and provide supporting documents within 20 days of making the request. Subsequent to such a submission the following shall transpire:
 - (A) ARB staff shall submit a written response to the requestor's submission and documents in support of the Executive Officer's action no later than 10 days after receipt of requestor's submission;
 - (B) The registration holder may submit one rebuttal statement which may include supporting information, as attachment(s), but limited to the issues previously raised;
 - (C) If the registration holder submits a rebuttal, ARB staff may submit one rebuttal statement which may include supporting information, as attachment(s), but limited to the issues previously raised; and
 - (D) the hearing officer shall be designated in the same manner as set forth in (a)(3) above. The hearing officer shall receive all statements and documents and submit a proposed written decision and such other documents as described in (a) 13 above to the Executive Officer no later than 30 working days after the final deadline for submission of papers. The Executive Officer's final decision shall be mailed to the holder of registration no later than 60 days after the final deadline for submission of papers.
 - (E) The Executive Officer shall render a final written decision within 60 working days of the last day of hearing. The Executive Officer may do any of the following:
 - (1) adopt the hearing officer's proposed decision;
 - (2) modify the hearing officer's proposed decision; or
 - (3) render a decision without regard to the hearing officer's proposed decision.

NOTE: Authority cited: Sections 39600, 39601, 41752, 41753, 41754, 41755, 43013(b) and 43018, Health and Safety Code. Reference: Sections 41750, 41751, 41752, 41753, 41754, and 41755, Health and Safety Code.

§ 2465. Penalties.

Violation of the provisions of this article may result in civil, and/or criminal penalties pursuant to the California Health and Safety Code. Each day during any portion of which a violation occurs is a separate violation.

NOTE: Authority cited: Sections 39600, 39601, 41752, 41753, 41754, 41755, 43013(b) and 43018, Health and Safety Code. Reference: Sections 41750, 41751, 41752, 41753, 41754, and 41755, Health and Safety Code.

Appendix B

Proposed Regulation Order

Amendments to the Airborne Toxic Control Measure For Diesel Particulate Matter From Portable Engines

California Air Resources Board

Amendments to sections 93116.1, 93116.2, 93116.3, and Adoption of section 93116.3.1, Title 17, California Code of Regulations

(Note: Proposed amendments to the regulation are identified below. Underline is used to indicate the proposed additions. ~~Strikeout~~ is used to indicate proposed deletions from the regulation text.)

PROPOSED REGULATION ORDER

Amend sections 93116.1, 93116.2, 93116.3 and adoption of section 93116.3.1, Title 17, California Code of Regulations. Sections 93116, 93116.4, and 93116.5 are not being amended, but are included for clarity.

93116 Purpose.

The purpose of this airborne toxic control measure (ATCM) is to reduce diesel particulate matter (PM) emissions from portable diesel-fueled engines having a rated brake horsepower of 50 and greater (≥ 50 bhp).

Authority cited: Sections 39600, 39601, 39650, 39658, 39659, 39666, 41752, 43013 and 43018 Health and Safety Code. Reference: Sections 39650, 39666, 41752 Health and Safety Code.

93116.1 Applicability.

- (a) Except as provided below, all portable engines having a maximum rated horsepower of 50 bhp and greater and fueled with diesel are subject to this regulation.
- (b) The following portable engines are not subject to this regulation:
 - (1) Any engine used to propel mobile equipment or a motor vehicle of any kind;
 - (2) Any portable engine using an alternative fuel;
 - (3) Dual-fuel diesel pilot engines that use an alternative fuel or an alternative diesel fuel;
 - (4) Tactical support equipment;
 - (5) Portable diesel-fueled engines operated on either San Clemente or San Nicolas Island;
 - (6) Engines preempted from State regulation under 42 USC §7543(e)(1); and
 - (7) Portable diesel-fueled engines operated at airports that satisfies the following requirements:
 - (A) the equipment is subject to the South Coast Ground Service Equipment Memorandum of Understanding (MOU); and

- (B) the participating airlines have demonstrated to the satisfaction of the Executive Officer that the diesel PM reductions achieved by satisfying the requirements of the MOU are equivalent to the reductions achieved by this control measure.

Authority cited: Sections 39600, 39601, 39650, 39658, 39659, 39666, 41752, 43013 and 43018 Health and Safety Code. Reference: Sections 39650, 39666, 41752 Health and Safety Code.

93116.2 Definitions.

- (a) **“Air Pollution Control Officer or APCO”** means the air pollution control officer of a district, or his/her designee.
- (b) **“Alternative Fuel”** means gasoline, natural gas, propane, liquid petroleum gas (LPG), hydrogen, ethanol, or methanol.
- (c) **“Alternative Diesel Fuel”** means any fuel used in a compression ignition (CI) engine that is not, commonly or commercially known, sold or represented by the supplier as diesel fuel No. 1-D or No. 2-D, pursuant to the specifications in ASTM Standard Specification for Diesel Fuel Oils D975-81, or an alternative fuel, and does not require engine or fuel system modifications for the engine to operate, although minor modifications (e.g., recalibration of the engine fuel control) may enhance performance. An emission control strategy using a fuel additive will be treated as an alternative diesel fuel based strategy unless:
 - (1) the additive is supplied to the engine fuel by an on-board dosing mechanism, or
 - (2) the additive is directly mixed into the base fuel inside the fuel tank of the engine, or
 - (3) the additive and base fuel are not mixed until engine fueling commences, and no more additive plus base fuel combination is mixed than required for a single fueling of a single engine.
- (d) **“CARB Diesel Fuel”** means any diesel fuel that is commonly or commercially known, sold, or represented by the supplier as diesel fuel No. 1-D or No. 2-D, pursuant to the specification for Diesel Fuel Oils D975-81, and that meets the specifications defined in Title 13 CCR, sections 2281, 2282, and 2284.
- (e) **“Certified Nonroad Engine”** refers to an engine meeting an applicable nonroad engine emission standard as set forth in Title 13 of the California Code of Regulations or CFR 40 Part 89.

- (f) **“Diesel Fuel”** means any fuel that is commonly or commercially known, sold, or represented by the supplier as diesel fuel, including any mixture of primarily liquid hydrocarbons—organic compounds consisting exclusively of the elements carbon and hydrogen—that is sold or represented as suitable for use in an engine.
- (g) **“Diesel-Fueled”** means fueled by diesel fuel, or CARB diesel fuel, in whole or part.
- (h) **“Diesel Particulate Matter (PM)”** means the particles found in the exhaust of diesel-fueled engines which may agglomerate and adsorb other species to form structures of complex physical and chemical properties.
- (i) **“District”** means a District as defined in Health and Safety Code section 39025.
- (j) **“Dual-fuel Diesel Pilot Engine”** means a dual-fueled engine that uses diesel fuel as a pilot ignition source at an annual average ratio of less than 5 parts diesel fuel to 100 parts total fuel on an energy equivalent basis.
- (k) **“Emergency”** means providing electrical power or mechanical work during any of the following events and subject to the following conditions:
 - (1) the failure or loss of all or part of normal electrical power service or normal natural gas supply to the facility:
 - (A) which is caused by any reason other than the enforcement of a contractual obligation the owner or operator has with a third party or any other party; and
 - (B) which is demonstrated by the owner or operator to the district APCO’s satisfaction to have been beyond the reasonable control of the owner or operator;
 - (2) the failure of a facility’s internal power distribution system:
 - (A) which is caused by any reason other than the enforcement of a contractual obligation the owner or operator has with a third party or any other party; and
 - (B) which is demonstrated by the owner or operator to the district APCO’s satisfaction to have been beyond the reasonable control of the owner or operator;
 - (3) the pumping of water or sewage to prevent or mitigate a flood or sewage overflow;
 - (4) the pumping of water for fire suppression or protection;

- (5) the pumping of water to maintain pressure in the water distribution system for the following reasons:
 - (A) pipe break; or
 - (B) high demand on water supply system due to high use of water for fire suppression;
- (6) the breakdown of electric-powered pumping equipment at sewage treatment facilities or water delivery facilities;
- (7) the training of personnel in the use of portable equipment for emergency purposes.
- (l) **“Emergency Event”** refers to a situation arising from a sudden and reasonably unforeseen natural disaster such as an earthquake, flood, fire, or other acts of God, or other unforeseen event that requires the use of portable engines to help alleviate the threat to public health and safety.
- (m) **“Engine”** means any piston-driven internal combustion engine.
- (n) **“Engines Used Exclusively in Emergency Applications”** refer to engines that are used only during an emergency or emergency event, and includes appropriate maintenance and testing.
- (o) **“Executive Officer”** means the Executive Officer of the California Air Resources Board (CARB) or his/her designee.
- (p) **“Fleet”** refers to a portable engine or group of portable engines that are owned and managed by an individual operational entity, such as a business, business unit within a corporation, or individual city or state department under the control of a Responsible Official. Engines that are owned by different business entities that are under the common control of only one Responsible Official shall be treated as a single fleet.
- (q) **“Fuel Additive”** means any substance designed to be added to fuel or fuel systems or other engine-related systems such that it is present in-cylinder during combustion and has any of the following effects: decreased emissions, improved fuel economy, increased performance of the engine; or assists diesel emission control strategies in decreasing emissions, or improving fuel economy or increasing performance of the engine. Fuel additives used in conjunction with diesel fuel may be treated as an alternative diesel fuel.
- (r) **“In-Use Engines”** refers to portable diesel-fueled engines operating under valid permits or registrations as of December 31, 2005.

- (s) **“Level-3 Verified Technology”** means a technology that has satisfied the requirements of the “Verification Procedure for In-Use Strategies to Control Emissions from Diesel Engines” in Title 13, California Code of Regulations, commencing with section 2700, and has demonstrated an reduction in diesel particulate matter of 85% or greater.
- (t) **“Location”** means any single site at a building, structure, facility, or installation.
- (u) **“Low-Use Engines”** refers to portable diesel-fueled engines that operate 80 hours or less in a calendar year.
- (v) **“Maximum Rated Horsepower (brake horsepower (bhp))”** is the maximum brake horsepower rating specified by the portable engine manufacturer and listed on the nameplate of the portable engine.
- (w) **“Nonroad Engine”** means:
- (1) Except as discussed in paragraph (2) of this definition, a nonroad engine is any engine:
 - (A) in or on a piece of equipment that is self-propelled or serves a dual purpose by both propelling itself and performing another function (such as garden tractors, off-highway mobile cranes and bulldozers); or
 - (B) in or on a piece of equipment that is intended to be propelled while performing its function (such as lawnmowers and string trimmers); or
 - (C) that, by itself or in or on a piece of equipment, is portable or transportable, meaning designed to be and capable of being carried or moved from one location to another. Indicia of transportability include, but are not limited to, wheels, skids, carrying handles, dolly, trailer, or platform.
 - (2) An engine is not a nonroad engine if:
 - (A) the engine is used to propel a motor vehicle or a vehicle used solely for competition, or is subject to standards promulgated under section 202 of the federal Clean Air Act; or
 - (B) the engine is regulated by a federal New Source Performance Standard promulgated under section 111 of the federal Clean Air Act; or
 - (C) the engine otherwise included in paragraph (1)(C) of this definition remains or will remain at a location for more than 12 consecutive

months or a shorter period of time for an engine located at a seasonal source. Any engine(s) that replace(s) an engine at a location and that is intended to perform the same or similar function as the engine replaced will be included in calculating the consecutive time period. An engine located at a seasonal source is an engine that remains at a seasonal source during the full annual operating period of the seasonal source. A seasonal source is a stationary source that remains in a single location on a permanent basis (at least two years) and that operates at that single location approximately three (or more) months each year.

- (x) **“Off-Road Engine”** means the same as nonroad engine.
- (y) **“Outer Continental Shelf (OCS)”** shall have the meaning provided by section 2 of the Outer Continental Shelf Lands Act (43 USC Section 1331 et seq.).
- (z) **“Participating Airlines”** means the collective group of Individual Participating Airlines under the MOU, which currently is as follows: ABX Air, Inc. (formerly Airborne Express), Alaska Airlines, America West Airlines, American Airlines, ATA Airlines (formerly American Trans Air), Continental Airlines, Delta Air Lines, Astar Air Cargo (formerly DHL Airways), Federal Express, Hawaiian Airlines, Jet Blue Airways Corp., Midwest Airlines (formerly Midwest Express Airlines), Northwest Airlines, Southwest Airlines, United Airlines, United Parcel Service, and US Airways. Participating Airlines does not mean the Air Transportation Association of America, Inc.
- (aa) **“Permit”** refers to a certificate issued by the Air Pollution Control Officer acknowledging expected compliance with the applicable requirements of the district’s rules and regulations.
- (bb) **“Portable”** means designed and capable of being carried or moved from one location to another. Indicia of portability include, but are not limited to, wheels, skids, carrying handles, dolly, trailer, or platform. For the purposes of this regulation, dredge engines on a boat or barge are considered portable. The engine is not portable if:
 - (1) the engine or its replacement is attached to a foundation, or if not so attached, will reside at the same location for more than 12 consecutive months. The period during which the engine is maintained at a storage facility shall be excluded from the residency time determination. Any engine, such as a back-up or stand-by engine, that replace engine(s) at a location, and is intended to perform the same or similar function as the engine(s) being replaced, will be included in calculating the consecutive time period. In that case, the cumulative time of all engine(s), including the time between the removal of the original engine(s) and installation of the replacement engine(s), will be counted toward the consecutive time period; or

- (2) the engine remains or will reside at a location for less than 12 consecutive months if the engine is located at a seasonal source and operates during the full annual operating period of the seasonal source, where a seasonal source is a stationary source that remains in a single location on a permanent basis (at least two years) and that operates at that single location at least three months each year; or
 - (3) the engine is moved from one location to another in an attempt to circumvent the portable residence time requirements.
- (cc) **“Project”** means the use of one or more registered or permitted portable engines or equipment units operated under the same or common ownership or control to perform a single activity.
- (dd) **“Registration”** refers to either:
- (1) a certificate issued by the Executive Officer acknowledging expected compliance with the applicable requirements of the Statewide Portable Equipment Registration Program; or
 - (2) a certificate issued by the Air Pollution Control Officer acknowledging expected compliance with the applicable requirements of the district's Portable Equipment Registration Program.
- (ee) **“Responsible Official”** refers to an individual employed by the company or public agency with the authority to certify that the portable engines under his/her jurisdiction complies with applicable requirements of this regulation. A company or public agency may have more than one Responsible Official. ~~A contracted designee cannot certify compliance in lieu of the Responsible Official.~~
- (ff) **“Selective Catalytic Reduction (SCR) System”** refers to an air pollution emissions control system that reduces oxides of nitrogen (NOx) emissions through the catalytic reduction of NOx by injecting nitrogen-containing compounds into the exhaust stream, such as ammonia or urea.
- (gg) **“Stationary Source”** means any building, structure, facility or installation that emits any air contaminant directly or as a fugitive emission. Building, structure, facility, or installation includes all pollutant emitting activities which:
- (1) are under the same ownership or operation, or which are owned or operated by entities which are under common control; and
 - (2) belong to the same industrial grouping either by virtue of falling within the same two-digit standard industrial classification code or by virtue of being part of a common industrial process, manufacturing process, or connected process involving a common raw material; and

(3) are located on one or more contiguous or adjacent properties.

[Note: For the purposes of this regulation a stationary source and nonroad engine are mutually exclusive.]

(hh) **“Stock Engine”** means a certified diesel-fueled engine that has never been placed in service and is part of a supply of engines offered for sale, rent, or lease by a person or company who offers for sale, rent, or lease engines and related equipment for profit.

(hhi) **“Storage”** means a warehouse, enclosed yard, or other area established for the primary purpose of maintaining portable engines when not in operation.

(hij) **“Tactical Support Equipment (TSE)”** means equipment using a portable engine, including turbines, that meets military specifications, owned by the U.S. Department of Defense and/or the U.S. military services or its allies, and used in combat, combat support, combat service support, tactical or relief operations, or training for such operations. Examples include, but are not limited to, engines associated with portable generators, aircraft start carts, heaters and lighting carts.

(jjk) **“Tier 4 Emission Standards”** refers to the final emission standards adopted by the U.S. EPA for newly manufactured nonroad engines.

(kkl) **“Transportable”** means the same as portable.

(lmm) **“Verified Emission Control Strategy”** refers to an emission control strategy, designed primarily for the reduction of diesel PM emissions which has been verified pursuant to the “Verification Procedure for In-Use Strategies to Control Emissions from Diesel Engines” in Title 13, California Code of Regulations, commencing with section 2700, and incorporated by reference.

(mnn) **“U.S. EPA”** refers to the United States Environmental Protection Agency.

Authority cited: Sections 39600, 39601, 39650, 39658, 39659, 39666, 41752, 43013 and 43018 Health and Safety Code. Reference: Sections 39650, 39666, 41752 Health and Safety Code.

93116.3 Requirements.

(a) Diesel-fueled portable engines shall only use one of the following fuels:

(1) CARB diesel fuel; or

(2) alternative diesel fuel that has been verified through the Verification Procedure for In-Use Strategies to Control Emissions from Diesel Engines; or

- (3) CARB diesel fuel utilizing fuel additives that have been verified through the Verification Procedure for In-Use Strategies to Control Emissions from Diesel Engines.

[Note that credit for diesel PM reductions for diesel fuel or CARB diesel fuel blends that use an alternative diesel fuel such as biodiesel, Fischer-Tropsch fuels, or emulsions of water in diesel fuel is available only for fuel blends that been verified through the Verification Procedure for In-Use Strategies to Control Emissions from Diesel Engines. The credit granted is based upon the verified level approved by the Executive Officer within the Executive Order for the fuel blend.]

(b) Diesel PM Standards

- (1) Requirements for in-use portable diesel-fueled engines

(A) Except as provided in sections 93116.3(b)(1)(B) and 93116.3 (b)(4), starting January 1, 2010, all portable diesel-fueled engines shall be certified to meet a federal or California standard for newly manufactured nonroad engines pursuant to 40 CFR Part 89 or Title 13 of the California Code of Regulations (that is, certified to Tier 1, 2 or 3 nonroad engine standards).¹

(B) In lieu of complying with (b)(1)(A), owners of portable diesel-fueled engines used exclusively in emergency applications or portable diesel-fueled engines that qualify as low-use engines may commit to replacing these engines with Tier 4 engines, subject to the requirements below:

1. the Responsible Official shall submit written notification identifying the specific portable diesel-fueled engines to be replaced with portable diesel-fueled engines certified to the Tier 4 emission standards; and
2. for each class and category of nonroad engine, replace each portable diesel-fueled engine so identified within two years of the first engine being offered for sale that satisfies the Tier 4 emission standards.

¹ Tier 1, 2, 3, and 4 refer to nonroad engine emission standards promulgated by ARB and U.S. EPA for newly manufactured engines pursuant to 40 CFR Part 89 or Title 13 of the California Code of Regulation. Each successive Tier represents more stringent emission standards and the requirements are phased-in over time with the Tier 1 engine standards becoming effective for some engines manufactured in 1996 and becoming effective for all engines by 2000. Tier 2 engine standards are phased in for engines manufactured beginning in 2001 and becomes effective for all engines by 2006. Similarly, Tier 3 engines are phased in for engines manufactured beginning in 2006, and Tier 4 engines are phased in for engines manufactured beginning in 2011.

- (2) Portable diesel-fueled engines that have not been permitted or registered prior to January 1, 2006, are subject to the following requirements:
- (A) except as specified in 93116.3(b)(5), 93116.3(b)(6), 93116.3(b)(7), and 93116.3(b)(8) and except as allowed under flexibility provisions for equipment and vehicle manufacturers and post-manufacture marinizers pursuant to 40 CFR Part 89 or Title 13 of the California Code of Regulations, the portable diesel-fueled engine shall meet the most stringent of the federal or California emission standard for nonroad engines; and/or
 - (B) Upon approval by the air pollution control officer, a diesel-fueled portable engine not certified to an emission standard pursuant to 40 CFR Part 89 or Title 13 of the California Code of Regulations used exclusively in emergency applications or qualifying as a low-use engine designation may only be permitted or registered by a district. Any engine used exclusively in emergency applications or qualifying as a low-use engine designation is subject to the requirements of section 93116.3(b)(3).
- (3) Except as provided in section 93116.3(b)(1)(B), portable diesel-fueled engines used exclusively in emergency applications or qualifying as low-use engines shall satisfy one of the following requirements by January 1, 2020:
- (A) the portable diesel-fueled engine is certified to Tier 4 emission standards for newly manufactured nonroad engines; or
 - (B) the portable diesel-fueled engine is equipped with a properly functioning level-3 verified technology; or
 - (C) the portable diesel-fueled engine is equipped with a combination of verified emission control strategies that have been verified together to achieve at least 85% reduction in diesel PM emissions.
- (4) Lattice boom cranes
- (A) A portable diesel-fueled engine used in a lattice boom crane shall be exempt from the requirements of section 93116.3(b)(1)(A) if the Responsible Official has demonstrated to the satisfaction of the Executive Officer or the APCO that the portable diesel-fueled engine in the lattice boom crane cannot be replaced with a portable diesel-fueled engine that is certified to meet a federal or California standard for newly manufactured nonroad engines pursuant to 40 CFR Part 89 or Title 13 of the California Code of Regulations (that is, certified to Tier 1, 2 or 3 nonroad engine standards).

- (B) Portable diesel-fueled engines exempt from the requirements of section 93116.3(b)(1)(A) pursuant to section 93116.3(b)(4)(A) shall satisfy one of the following requirements by January 1, 2020:
1. the portable diesel-fueled engine is certified to Tier 4 emission standards for newly manufactured nonroad engines; or
 2. the portable diesel-fueled engine is equipped with a properly functioning level-3 verified technology; or
 3. the portable diesel-fueled engine is equipped with a combination of verified emission control strategies that have been verified together to achieve at least 85% reduction in diesel PM emissions.
- (5) Engines operated in California between March 1, 2004 and October 1, 2006 may be permitted or registered by a district or registered in the Statewide Portable Equipment Registration Program until 12/31/09 if they meet an emission standard pursuant to 40 CFR Part 89 or Title 13 of the California Code of Regulations.
- (6) Upon approval by the air pollution control officer, a district may permit or register engines operated in California between March 1, 2004 and October 1, 2006 that are not certified to an emission standard pursuant to 40 CFR Part 89 or Title 13 of the California Code of Regulations.
- (7) An engine dealer or distributor may permit or register a stock engine not meeting the most stringent emission standard providing the following are met:
- (A) verifiable information is provided to the satisfaction of the Executive Officer or District that at the time of taking possession, the engine met the most stringent emission standard in effect prior to the change for that horsepower range; and
 - (B) The application for permit or registration of the engine is submitted within six months of the effective date of the change in emission standards.
- (8) If the Executive Officer or District finds, based on verifiable information, that an owner had ordered or purchased, within six months prior to the date an emissions standard change for that horsepower range, but had not taken possession of, an engine meeting the most stringent emissions standard in effect at the time of order or purchase, then the owner will have up to six months after the date the new emissions standard for that engine became effective to submit an application to permit or register the engine.

(c) Fleet Requirements

- (1) Each fleet is subject to and shall comply with the following weighted PM emission fleet averages expressed as grams per brake horsepower-hour (g/bhp-hr) by the listed compliance dates:

Fleet Standard Compliance Date	Engines <175 hp (g/bhp-hr)	Engines ≥175 to 749 hp (g/bhp-hr)	Engines ≥750 hp (g/bhp-hr)
1/1/13	0.3	0.15	0.25
1/1/17	0.18	0.08	0.08
1/1/20	0.04	0.02	0.02

- (2) For the purposes of this regulation, the portable diesel-fueled engines affected by the fleet provisions of this regulation include all portable diesel-fueled engines operated in California, including portable diesel-fueled engines registered with the Statewide Portable Equipment Registration Program or permitted by or registered with a district.
- (3) The following portable diesel-fueled engines shall be excluded from the fleet requirements:
- (A) portable diesel-fueled engines operated exclusively outside of California or operated only within the OCS.
 - (B) portable diesel-fueled engines used exclusively in emergency applications.
 - (C) portable diesel-fueled engines that qualify as low-use engines.
 - (D) portable diesel-fueled engines used in a lattice boom crane.
- (4) Portable diesel-fueled engines that qualify as low-use engines and subsequently exceed the allowed hours of operation in a calendar year, or portable diesel-fueled engines that are identified to be used exclusively in emergency applications but subsequently are used in non-emergency applications, become immediately subject to the requirements of section 93116.3(c) in the year such exceedence or use occurs. For low-use engines, the hours of operation used for an emergency event shall not be counted toward the allowed hours of operation.
- (5) Portable alternative-fueled engines may be included in a fleet if the engine satisfies the requirements in section 93116.3(d)(2)(B).

- (6) Portable diesel-fueled portable engines equipped with SCR systems.
- (A) The diesel PM fleet emission standards in section 93116.3(c)(1) do not apply to:
1. portable diesel-fueled engines equipped with properly operating SCR systems as of January 1, 2004; and
 2. with the approval of the Executive Officer, portable diesel-fueled engines equipped with properly operating SCR systems after January 1, 2004.
- (B) At the request of the Responsible Official, portable diesel-fueled engine(s) equipped with a SCR system(s) may be included in the company's fleet for the purpose of complying with an applicable fleet emission standard. Once the engine(s) is included in a fleet, compliance with applicable fleet emission standards shall always include these diesel-fueled portable engine(s).
- (C) For all diesel-fueled portable engines equipped with SCR systems, the following information shall be submitted to the Executive Officer to demonstrate that the SCR system is operating properly:
1. Tests results for NOx, PM, and ammonia slip
 - a. the following tests methods shall be used to demonstrate compliance:
 - i. NOx shall be measured with CARB test method 100 dated July 1997, or equivalent district-approved test method; and
 - ii. diesel PM shall be measured with CARB test method 5 dated July 1997 or equivalent district-approved test method. For the purposes of this requirement, only the probe catch and filter catch ("front half") is used to determine the emission rate, g/bhp-hr, and shall not include PM captured in the impinger catch or solvent extract; and
 - iii. ammonia slip shall be measured with Bay Area Air Quality Management District Source Test Procedure ST-1B, Ammonia Integrated Sampling, dated January 1982, or other equivalent district approved test method.

- b. the duration of the emission test shall be sufficient to document the typical operation of the portable diesel-fueled engine(s); and
 - c. testing shall be performed at the frequency required by the permit or registration. In no event shall the time between emission tests exceed three years.
- (7) Beginning on January 1, 2013, the weighted average PM emission rate for the fleet cannot exceed the fleet standard that is in effect. Changes in the fleet, including portable engine additions and deletions, shall not result in noncompliance with this standard.

(d) Fleet Average Calculations

(1) General Provisions

- (A) The average PM emission factor for the fleet is determined by the following formula:

$$\frac{\sum \text{Summation for each portable engine in the fleet (bhp x emission factor)}}{\sum \text{Summation for each portable engine in the fleet (bhp)}}$$

where:

bhp = maximum rated horsepower.

emission factor = diesel PM emission rate, as determined below:

- (B) The following diesel PM emission rates shall be used with the above formula to determine the weighted average fleet emission rate:
1. for portable diesel-fueled engines certified to a nonroad engine standard, the results of emission measurements submitted to either the U.S. EPA or CARB for the purposes of satisfying the appropriate emission standard; or
 2. results from emission measurements from a verified emission control strategy may be used in conjunction with engine emission information; or
 3. for portable diesel-fueled engine(s) equipped with SCR system(s), results from valid emission tests.

- (2) The following incentives may be used to revise the fleet average, as outlined below:
- (A) Where equipment uses grid power for more than 200 hours in lieu of operating a portable diesel-fueled engine for a given project, the time period grid power is used may be used to reduce each affected engine's emission factor. The emission factor for each affected portable engine will be reduced proportionally by the percentage of time the equipment uses grid power. To receive credit for grid power in the fleet calculation, the recordkeeping and reporting requirements in section 93116.4(c)(3) shall be satisfied.
 - (B) Alternative-fueled portable engines
 1. Alternative-fueled portable engines operating 100 or more hours may be included toward determining compliance with the applicable fleet emission standards. A diesel PM emission rate of zero shall be used in the fleet calculations for these engines.
 2. Alternative-fueled portable engines operating 100 or more hours per calendar year and added to a fleet prior to January 1, 2009, may be counted twice in the company's fleet average determination toward compliance with the 2013 and 2017 fleet emission standards. The alternative-fueled engine shall be certified to meet a federal or California standard for newly manufactured nonroad engines pursuant to 40 CFR Part 89 or Title 13 of the California Code of Regulations.
 - (C) Portable diesel-fueled engines certified to Tier 4 nonroad engine standards that are added to a fleet prior to January 1, 2015, may be counted twice in the company's fleet average determination toward compliance with the 2013 and 2017 fleet emission standards.

93116.3.1 Compliance Flexibility for Diesel PM Standards.

If the Executive Officer finds, based on verifiable information from the engine manufacturer, distributor, or dealer, that current model year engines meeting the current emission standards are not available or not available in sufficient numbers or in a sufficient range of makes, models, and horsepower ratings, then the Executive Officer may allow the sale, purchase, or installation of a new stock engine meeting the emission standards from the previous model year to meet the emission standards in sections 93116.3(b).

Authority cited: Sections 39600, 39601, 39650, 39658, 39659, 39666, 41752, 43013 and 43018 Health and Safety Code. Reference: Sections 39650, 39666, 41752 Health and Safety Code

93116.4 Fleet Recordkeeping and Reporting Requirements.

- (a) The owner or operator of a fleet is not subject to the requirements of this section if each portable diesel-fueled engine in the fleet satisfies any one of the following requirements:
 - (1) the portable diesel-fueled engine is certified to Tier 4 emission standards for newly manufactured nonroad engines; or
 - (2) the portable diesel-fueled engine is equipped with a properly functioning level-3 verified technology; or
 - (3) the portable diesel-fueled engine is equipped with a combination of verified emission control strategies that have been verified together to achieve at least 85% reduction in diesel PM emissions.
- (b) Portable diesel-fueled engine(s) equipped with properly operating SCR system(s) shall be excluded from the requirements of section 93116.4(a) if the engine(s) is not subject to section 93116.3(c)(1).
- (c) Effective January 1, 2012, the Responsible Official of a fleet shall:
 - (1) Keep and maintain records for:
 - (A) alternative-fueled portable engines used as part of a company's fleet average, except as provided in section 93116.4(d); and
 - (B) portable diesel-fueled engines affected by the use of electrification; and
 - (C) portable diesel-fueled engines qualifying as low-use engines; and
 - (D) portable diesel-fueled engines used exclusively in emergency applications.
 - (2) The Responsible Official, for all portable engines subject to section 93116.4(c)(1), shall:
 - (A) install or cause to be installed and properly maintained on each portable engine subject to recordkeeping a non-resettable hour-meter; and
 - (B) maintain on a calendar year basis a record of the total hours of operation for each portable engine. If the portable engine is used out-of-state, then the records may account for operation within California only, excluding operation within the OCS; and

- (C) maintain all required records at a central place of business for five years. The records shall clearly identify each portable engine subject to the recordkeeping requirement as well as the annual hours of operation. These records are to be made available, upon request for inspection, to local air pollution control district or CARB personnel. The requested records shall be provided to the appropriate personnel within ten business days of the request.
- (3) The Responsible Official of a fleet electing to use electrification in determining the fleet average shall:
 - (A) notify the Executive Officer identifying the dates, location, duration of the project, and a description of the project that will rely on electrification instead of using portable diesel-fueled engines. The notification shall be provided prior to the start of the project; and
 - (B) identify each affected portable diesel-fueled engine, including: make, model, serial number, year of manufacture for each engine, emission factor (g/bhp-hr) and district permit or State/district registration number; and
 - (C) shall clearly identify the electrification activity, including indicating the amount of electricity used and the time period for the project; and
 - (D) shall retain copies of contracts or other documentation, with the project proponent and/or applicable utility, supporting the use of grid power.
 - (4) Test results for SCR compliance shall be maintained at a central place of business for five years. At the request of CARB or district personnel, the Responsible Official shall have three business days to provide a copy of the most recent test results.
- (d) Effective January 1, 2008, for alternative-fueled engines added to a fleet prior to January 1, 2009, the Responsible Official shall:
 - (1) install or cause to be installed and properly maintained on each portable engine subject to recordkeeping a non-resettable hour-meter; and
 - (2) maintain on a calendar year basis a record of the total hours of operation for each portable engine. If the portable engine is used out-of-state, then the records may account for operation within California only, excluding operation within the OCS; and
 - (3) maintain all required records at a central place of business for five years. The records shall clearly identify each portable engine subject to the recordkeeping requirement as well as the annual hours of operation.

These records are to be made available, upon request for inspection, to local air pollution control district or CARB personnel. The requested records shall be provided to the appropriate personnel within ten business days of the request.

- (e) The Responsible Official of the fleet shall provide the following reports to the Executive Officer:
 - (1) A status report, due to the Executive Officer by March 1, 2011, that includes the following items:
 - (A) the fleet's weighted average PM emission rate for the 2010 calendar year, including a summary for each portable engine that is part of the fleet and each engine's emission rate (g/bhp-hr); and
 - (B) inventory of portable engines in the fleet identifying whether the engine is state-registered or permitted/registered with the district. Alternative-fueled engines should be identified by fuel type. The inventory shall identify the make, model, serial number, year of manufacture, primary fuel type, emission factor (g/bhp-hr), and district permit or State/district registration number for each engine to be used in the fleet average determination; and
 - (C) identify, if applicable, each portable diesel-fueled engine that the owner commits to replacing with a Tier 4 engine, including: make, model, serial number, year of manufacture for each engine, and district permit or State/district registration number; and
 - (D) listing of portable diesel-fueled engines, if applicable, used exclusively in emergency applications. The listing shall identify each engine claiming use only in emergency applications, including: make, model, serial number, year of manufacture for each engine, emission factor (g/bhp-hr), and district permit or State/district registration number; and
 - (E) listing of portable diesel-fueled engines, if applicable, satisfying the low-use engine requirements. The listing shall identify each engine, including: make, model, serial number, year of manufacture for each engine, emission factor (g/bhp-hr), and district permit or State/district registration number; and
 - (F) listing of portable alternative-fueled engines, if applicable, added to the fleet prior to January 1, 2009, pursuant to section 93116.3(d)(2)(B)2. The listing shall identify each engine, including: make, model, serial number, year of manufacture for each engine, U.S. EPA engine family name, emission factor (g/bhp-hr), and district permit or State/district registration number; and

- (G) for portable diesel-fueled engine(s) equipped with SCR-system(s), documentation demonstrating that the SCR system is operating properly.
- (2) A statement of compliance signed by the Responsible Official that the fleet standards are being achieved and a summary that identifies each portable engine in the fleet and the associated emission rate (g/bhp-hr). Portable engines included in the fleet are those that are part of the fleet at the time the fleet standard became effective. The engine identification shall include, at a minimum, the make, model, serial number, and year of manufacture for each engine. Alternative-fueled engines should be identified by fuel type. The statements of compliance are due to the Executive Officer by the following dates:
 - (A) March 1, 2013, for the fleet standards that become effective January 1, 2013; and
 - (B) March 1, 2017, for the fleet standards that become effective January 1, 2017; and
 - (C) March 1, 2020 for the fleet standards that become effective January 1, 2020.
 - (3) The Responsible Official shall identify to the Executive Officer, as part of each compliance report, the specific portable diesel-fueled engines, if any, used exclusively in emergency applications and the specific portable diesel-fueled engines, if any, claimed to be low-use engine. The list shall include for each portable diesel-fueled engine: the make, model, serial number, year of manufacture for each engine, emission factor (g/bhp-hr), and district permit or State/district registration number.
 - (4) The Responsible Official shall identify to the Executive Officer, as part of each compliance report, the specific portable diesel-fueled engines, if any, excluded from the fleet because the portable diesel-fueled engine operated exclusively outside of California or operated only within the OCS. The list shall include for each portable diesel-fueled engine: the make, model, serial number, year of manufacture, and, district permit or State/district registration number for each engine.
 - (5) If compliance with the fleet average includes the use of electrification, the Responsible Official shall provide documentation supporting the credit claimed for electrification.
 - (6) As part of each compliance report, the Responsible Official shall, if applicable, certify the following:
 - (A) all portable alternative-fueled engines included in the fleet average operated at least 100 hours during the previous 12 months prior to the fleet emission standard becoming effective.

- (B) for all portable diesel-fueled engines used exclusively in emergency applications, the engines were used only for emergency applications.
 - (C) for all portable diesel-fueled engines using the low-use designation, the engines operated no more than 80 hours for the reporting period.
 - (D) for all portable diesel-fueled engines equipped with SCR, the engine complies with applicable district or Statewide Portable Equipment Registration Program requirements.
- (7) After March 1, 2013, the APCO or the Executive Officer may require the submittal of information demonstrating compliance with the applicable fleet standard. Upon receiving the request, the Responsible Official shall provide the requested information within 30 days.
- (f) For fleets that are exempted from the requirements of section 93116.4 pursuant to section 93116.4 (a), the Responsible Official shall certify that all portable diesel-fueled engines in the fleet satisfy the requirements of section 93116.4(a). The Responsible Official shall provide the certification statement and a list of the portable diesel-fueled engines in the fleet to the Executive Officer when the fleet initially satisfies the requirements of section 93116.4(a). The list of engines shall identify the make, model, serial number, and district permit or State/district registration number for each engine.

Authority cited: Sections 39600, 39601, 39650, 39658, 39659, 39666, 41752, 43013 and 43018 Health and Safety Code. Reference: Sections 39650, 39666, 41752 Health and Safety Code.

93116.5 Enforcement Of Fleet Requirements.

- (a) Both the Executive Officer and the APCO have the authority to review or seek enforcement action for violation of the fleet emission standard.
- (b) The CARB will make available to the districts the information the Responsible Official has provided to CARB to demonstrate compliance with the fleet standard.

Authority cited: Sections 39600, 39601, 39650, 39658, 39659, 39666, 41752, 43013 and 43018 Health and Safety Code. Reference: Sections 39650, 39666, 41752 Health and Safety Code.

Appendix C

Derivation Of Back Registration And Inspection Fees

Proposed Back Registration And Inspection Fees For Resident Engines

Portable Engine Purchase Date/Manufacture Date	Application Submitted on or Before 12/31/07 (1)	Application Submitted in 2008 (2)	Application Submitted in 2009 (3)
1996	\$2,353	\$3,130	\$5,000
1997	\$2,195	\$2,920	\$4,685
1998	\$2,038	\$2,710	\$4,370
1999	\$1,880	\$2,500	\$4,055
2000	\$1,723	\$2,290	\$3,740
2001	\$1,565	\$2,080	\$3,425
2002	\$1,408	\$1,870	\$3,110
2003	\$1,250	\$1,660	\$2,795
2004	\$1,093	\$1,450	\$2,480
2005	\$935	\$1,240	\$2,165
2006	\$778	\$1,030	\$1,850

(1) Total = (((2007-purchase/manufacture date)*\$105)*1.5) + \$620

(2) Total = (((2006-purchase/manufacture date)*\$105) + \$205)*2) + \$620

(3) Total = (((2006-purchase/manufacture date)*\$105) + \$410)*3) + \$620

Note: \$105 = 1 year in the old fee schedule (ie. \$30 registration fee + \$75 inspection fee).

\$205 = 1 year in the new fee schedule (i.e. \$270 registration fee + \$345 inspection fee = \$615/3 = \$205 Note: \$615 does not need to include the \$5 placard fee which is collected with the \$620.

\$410 = 2 years in the new fee schedule (i.e. \$270 registration fee + \$345 inspection fee = \$615/2 = \$410 Note: \$615 does not need to include the \$5 placard fee which is collected with the \$620.

\$620 = Total fees to register for first three years (i.e. \$270 registration fee + \$345 inspection fee + one-time \$5 placard fee).

Appendix D

Economic Impacts Analysis

Current PERP Distribution

	Companies	Engines	% of Total Companies	% of total engines
Private	2246	22097	0.8843	0.9119
Local	260	1641	0.1024	0.0677
State	15	340	0.0059	0.0140
Federal	19	154	0.0075	0.0064
Total	2540	24232	1	1

	Companies	Engines	% of Private Companies	% of Private engines
Small Private	1488	2801	0.66	0.13

Engine Distribution Based on Current PERP

Year	2007	2008	2009
Total Engines	7000	2000	1000
Private	6383	1824	912
Local	474	135	68
State	98	28	14
Federal	44	13	6
Small Private	809	231	116

Portable Engine Purchase Date or Manufacture Date (as applicable)

	Application Submitted on or before 12/31/07	Application Submitted between 1/1/08 and 12/31/08	Application Submitted between 1/1/09 and 12/31/09
1996	\$866	\$1,255	\$2,920
1997	\$788	\$1,150	\$2,710
1998	\$709	\$1,045	\$2,500
1999	\$630	\$940	\$2,290
2000	\$551	\$835	\$2,080
2001	\$473	\$730	\$1,870
2002	\$394	\$625	\$1,660
2003	\$315	\$520	\$1,450
2004	\$236	\$415	\$1,240
2005	\$158	\$310	\$1,030
2006	\$79	\$205	\$820
Average Cost	\$473	\$730	\$1,870

Cost Based on Average Cost and Engine Distribution (At 10,000 engines)

Year	2007	2008	2009	Total
Private	\$3,016,087	\$1,331,364	\$1,705,241	\$6,052,692
Local	\$223,985	\$98,872	\$126,637	\$449,494
State	\$46,408	\$20,485	\$26,238	\$93,131
Federal	\$21,020	\$9,279	\$11,884	\$42,183
Total	\$3,307,500	\$1,460,000	\$1,870,000	\$6,637,500

Small business private	\$382,317	\$168,763	\$216,155	\$767,235
A Small Business	low (1 engine at low average cost)	High (5 engines at high average cost)		
	\$473	\$9,350		
	Low-low \$79	high-high \$14,600		
A Typical Business	low (6 engines at average cost)	high (30 engines at average cost)		
	\$2,835	\$56,100		
	low-low \$473	high-high \$87,600		

Appendix E

List of Acronyms

Appendix E

List of Acronyms

AB	Assembly Bill
AQIA	Air Quality Impact Analysis
ARB or Board	Air Resources Board
ARB staff or Staff	Air Resources Board Staff
Portable Engine ATCM	Airborne Toxic Control Measure
BACT	Best Available Control Technology
bhp	Brake-horsepower
CAA	Federal Clean Air Act
CAPCOA	California Air Pollution Control Officers Association
CCR	California Code of Regulations
CEQA	California Environmental Quality Act
CFR	Code of Federal Regulations
CO	Carbon Monoxide
Districts	Air Pollution Control Districts or Air Quality Management Districts
DOF	Department of Finance
g/bhp-hr	Grams per Brake Horsepower-hour
HAP	Hazardous Air Pollutant
HC	Hydrocarbons
HSC	California Health and Safety Code
ISOR	Initial Statement of Reasons
LAER	Lowest Achievable Emission Rate
MACT	Maximum Achievable Control Technology
NMHC	Non-methane Hydrocarbons
NO _x	Oxides of Nitrogen
NSR	New Source Review
OCS	Outer Continental Shelf
PEPS	Provider of Essential Public Service
PERP	Statewide Portable Equipment Registration Program
PM	Particulate Matter
ppmvd	Parts Per Million by Dry Volume
PSD	Prevention of Significant Deterioration
SB	Senate Bill
SCAQMD	South Coast Air Quality Management District
SO _x	Oxides of Sulfur
STW	State Territorial Waters
Statewide PERP Regulation	Statewide Portable Equipment Registration Program Regulation
TACs	Toxic Air Contaminants
TSE	Tactical Support Equipment
U.S. EPA	United States Environmental Protection Agency
UTM	Universal Transverse Mercator
VOC	Volatile Organic Compounds
Workgroup	Portable Equipment Workgroup