



AIR QUALITY CONTROL ADVISORY COUNCIL

AGENDA

September 10, 2012

8:15 a.m.

Montgomery Park
Aqua Conference Room, 1st Floor
1800 Washington Boulevard
Baltimore, Maryland 21230

8:15 a.m. Welcome and Introductions John Quinn, Advisory Council Chair
Tad Aburn, Air Director

8:20 a.m. Approval of Meeting Minutes John Quinn

Action Items for Discussion/Approval:

8:30 a.m. PSD Amendments Diane Franks
COMAR 26.11.01.01 / 26.11.06.14

8:50 a.m. California Low Emission Vehicle (Cal- LEV) Standards Tim Shepherd
COMAR 26.11.34

Briefings

9:15 a.m. New (75 ppb) Ozone Standard Diane Franks

10:00 a.m. Transportation Planning Targets Tad Aburn

11:00 a.m. Legal Action 2013 Tad Aburn

11:30 a.m. Confirm Next Meeting Dates Members

11:35 a.m. Adjourn

Title 26 DEPARTMENT OF THE ENVIRONMENT

Subtitle 11 AIR QUALITY

Chapter 01 General Administrative Provisions

Authority: Environment Article, §§1-101, 1-404, 2-101—2-103, 2-301—2-303, 10-102, and 10-103, Annotated Code of Maryland

.01 Definitions.

A. (text unchanged)

B. Terms Defined.

(1) — (36) (text unchanged)

(37) “Prevention of Significant Deterioration (PSD) source” means any new or modified source subject to the provisions of 40 CFR §52.21, as [published in the 2009 edition, as amended by the "Prevention of Significant Deterioration and Title V Greenhouse Gas Tailoring Rule" (75 FR 31514) and the "Deferral for CO₂ Emissions from Bioenergy and Other Biogenic Sources under the Prevention of Significant Deterioration and Title V Programs" (76 FR 43490), including:] *amended*.

[(a) Any of the following sources which emit, or have the potential to emit, 100 tons per year of any air pollutant, except for greenhouse gases, regulated under the federal Clean Air Act Amendments of 1977 (42 U.S.C. §7401 et seq.):

- (i) Fossil fuel-fired steam electric plants of more than 250 million Btu per hour heat input;
- (ii) Coal cleaning plants (with thermal dryers);
- (iii) Kraft pulp mills;
- (iv) Portland cement plants;
- (v) Primary zinc smelters;
- (vi) Iron and steel mill plants;
- (vii) Primary aluminum ore reduction plants;
- (viii) Primary copper smelters;
- (ix) Municipal incinerators capable of charging more than 250 tons of refuse per day;
- (x) Hydrofluoric, sulfuric, and nitric acid plants;
- (xi) Petroleum refineries;
- (xii) Lime plants;
- (xiii) Phosphate rock processing plants;
- (xiv) Coke oven batteries;
- (xv) Sulfur recovery plants;
- (xvi) Carbon black plants (furnace process);
- (xvii) Primary lead smelters;
- (xviii) Fuel conversion plants;
- (xix) Sintering plants;
- (xx) Secondary metal production plants;
- (xxi) Chemical process plants;
- (xxii) Fossil fuel boilers (or combination of them) totaling more than 250 million Btu per hour heat input;
- (xxiii) Petroleum storage and transfer units with a total storage capacity exceeding 300,000 barrels;
- (xxiv) Taconite ore processing plants;
- (xxv) Glass fiber processing plants;
- (xxvi) Charcoal production plants;

(b) Any other source which emits or has the potential to emit 250 tons per year or more of any air pollutant, except for greenhouse gases, regulated under the Federal Clean Air Act (42 U.S.C. 7401 et seq.);

(c) Beginning January 2, 2011, sources of GHGs to which 40 CFR 52.21(b)(49)(iv) applies; and

(d) Beginning July 1, 2011, sources of GHGs to which 40 CFR 52.21(b)(49)(v) applies.]

(38) — (53) (text unchanged)

Title 26 DEPARTMENT OF THE ENVIRONMENT

Chapter 06 General Emission Standards, Prohibitions, and Restrictions

Authority: Environment Article, §§1-101, 1-404, 2-101—2-103, 2-301—2-303, 10-102, and 10-103, Annotated Code of Maryland

.14 Control of PSD Sources.

A. (text unchanged)

B. General Requirements.

(1) A person may not construct, modify, or operate, or cause to be constructed, modified, or operated, a Prevention of Significant Deterioration (PSD) source, as defined in COMAR 26.11.01.01B(37), which will result in violation of any provision of 40 CFR §52.21, as [published in the 2009 edition, as amended by the "Prevention of Significant Deterioration and Title V Greenhouse Gas Tailoring Rule" (75 FR 31514) and the "Deferral for CO₂ Emissions from Bioenergy and Other Biogenic Sources under the Prevention of Significant Deterioration and Title V Programs" (76 FR 43490)] *amended*.

(2) (text unchanged)



Facts About...

Amendments to COMAR 26.11.34 Low Emissions Vehicle Program

August 27, 2012

Purpose of Amendments

The purpose of these amendments is to update COMAR 26.11.34.02 Incorporation by Reference to reflect the changes made to the California regulations since their last update.

Submission to EPA as Revision to Maryland's SIP (or 111(d) Plan, or Title V Program)

These amendments will be submitted to the U.S. Environmental Protection Agency (EPA) as a revision to Maryland's State Implementation Plan (SIP).

Background

Vehicles sold in the United States must be certified under one of two certification programs: the federal program (Tier 2) or the California program (the Clean Car Program). Section 177 of the Clean Air Act Amendments of 1990 provides states the ability to adopt the California program in lieu of the federal program as long as the adopted state program is identical to the California program and the state allows two model years lead time from adoption to implementation.

The Maryland Clean Cars Act of 2007 required the Maryland Department of the Environment (MDE) to adopt regulations implementing the California Clean Car Program (also referred to as the California Low Emissions Vehicle Program-Cal LEV) in Maryland. Maryland's implementing regulations adopted, through incorporation by reference, the applicable California regulations. The Cal LEV program is a dynamic, changing program in which many of the relevant California regulations are continuously updated. To retain California's standards, Maryland must remain consistent with their regulations, hence when California updates its regulations, Maryland must reflect these changes by amending our regulations.

The proposed changes were approved by the California Air Resource Board in 2012. These amendments represent a significant update to the Clean Cars Program, but will have minimal, if any, impact on the cost or implementation of the program in Maryland.

Sources Affected and Location

These amendments apply to automobile manufacturers that produce new motor vehicles for sale in Maryland. All vehicle types that have a gross vehicle weight rating of less than 14,000 pounds are affected.

Requirements

The Cal LEV III amendments include proposed changes to the LEV II, Greenhouse Gas (GHG), and Zero Emission Vehicle (ZEV) standards. LEV III regulates criteria pollutants, and requires that all new 2015 and subsequent model year vehicles transferred (including titled and registered) in the State of Maryland be certified to meet the new California emission standards. The LEV III standards will be phased in from 2015-2025. The new GHG emission standard will phase-in from 2017-2025, and develops a 'footprint' curve to establish GHG targets for vehicle models based on their size. Proposed changes to the ZEV regulation aim to simplify the program, as well as increase requirements for the deployment of ZEV vehicles starting in 2018.

Expected Emissions Reductions

The Cal LEV III Program is the successor to the current Cal LEV II Program, and will reduce smog-forming emissions (also known as criteria pollutants) even more than the Cal LEV II Program. By 2025, vehicles will emit 75% less smog-forming pollutants, such as NO_x and VOCs. NO_x emissions adversely impact the Chesapeake Bay and are also major contributors to the State's ozone and fine particulate pollution. VOCs are also linked to Maryland's ozone pollution. The new standards include a GHG reduction component that will reduce GHG emissions by 34% in 2025.

Economic Impact on Affected Sources and the Department

The economic impact on automobile manufacturers is expected to result in price increases for new vehicles, while leading to reduced operating costs for consumers. The greatest cost increase will be due to the ZEV program credit requirements. However, many changes to the ZEV program are designed to ease the burden of increased vehicle requirements. These changes remove expiration dates for credits, reduce credit requirements for Intermediate Volume Manufacturers, and extend the 'Travel Provision.' The 'Travel Provision' allows eligible ZEVs that are placed in Section 177 states to be partially counted towards compliance with California's ZEV requirements (as if they were placed in California). Additionally, vehicles placed in California can be partially counted towards Section 177 state's ZEV requirements. This provision gives manufacturers additional time to continue to advance ZEV technology and develop the network needed to encourage adoption.

These amendments will have no economic impact on the Department. They also will have no impact on the Motor Vehicle Administration's registration, data management, and dealer oversight activities related to this program.

Economic Impact on Consumers and Dealers

Consumer savings on fuel costs will average \$6,000 over the life of the car. This savings will more than offset the average \$1,900 increase in vehicle prices due to this program

change.¹ The EPA is collaborating with CARB in introducing its new Tier III vehicle emissions standards. These standards, along with the new CAFE standards, are expected to be comparable to the Cal LEV III standard, helping to ensure that little additional burden is put on manufacturers to meet the Cal LEV state standard versus the national standards. Harmonizing the standards may also reduce the overall price increase for the new vehicles.

These amendments should have no impact on Maryland dealers. They will enable the dealers to provide consumers with the most fuel efficient technology and vehicles available.

Economic Impact on Small Businesses

These amendments impact the vehicle production and certification processes that are only applicable to the manufacturers of new motor vehicles. To the extent that small businesses purchase new vehicles subject to these new emission standards, this program will have an economic impact on them. However, as noted above, the businesses can anticipate eventual savings based on better efficiency and reduced operating costs.

Is there an Equivalent Federal Standard to this Proposed Regulatory Action?

No. The EPA is working to finalize Tier 3 emission standards that will be equivalent to Cal LEV III.

¹ Cost increase and fuel savings based on CARB findings-
http://www.arb.ca.gov/msprog/consumer_info/advanced_clean_cars/consumer_acc.htm

Title 26 DEPARTMENT OF THE ENVIRONMENT

Subtitle 11 AIR QUALITY

Chapter 34 Low Emissions Vehicle Program

Authority: Environment Article, §§1-404, 2-102, 2-103, and 2-301, Annotated Code of Maryland; Ch.111 and 112, Acts of 2007

.02 Incorporation by Reference.

A. In this chapter, the following documents are incorporated by reference.

B. Documents Incorporated.

(1) Title 13, California Code of Regulations (CCR), Division 3, Chapter 1, Article 1, §1900 Definitions, as effective [April 17, 2009] *August 7, 2012*.

(2) Title 13, California Code of Regulations (CCR), Division 3, Chapter 1, Article 2, §1960.1 Exhaust Emissions Standards and Test Procedures-1981 through 2006 Model Passenger Cars, Light-Duty and Medium-Duty Vehicles, as effective [March 26, 2004] *August 7, 2012*.

(3) (text unchanged).

(4) Title 13, California Code of Regulations (CCR), Division 3, Chapter 1, Article 2, §1961 Exhaust Emission Standards and Test Procedures-2004 [and Subsequent] *through 2019* Model Passenger Cars, Light-Duty Trucks, and Medium-Duty Vehicles, as effective [April 1, 2010] *August 7, 2012*.

(5) Title 13, California Code of Regulations (CCR), Division 3, Chapter 1, Article 2, §1961.1 Greenhouse Gas Exhaust Emission Standards and Test Procedures- 2009 [and Subsequent] *through 2016* Model Passenger Cars, Light-Duty Trucks, and Medium-Duty Vehicles, as effective [April 1, 2010] *August 7, 2012*.

(6) *Title 13, California Code of Regulations (CCR), Division 3, Chapter 1, Article 2, §1961.2 Exhaust Emission Standards and Test Procedures-2015 and Subsequent Model Passenger Cars, Light-Duty Trucks, and Medium-Duty Vehicles, as effective August 7, 2012.*

(7) *Title 13, California Code of Regulations (CCR), Division 3, Chapter 1, Article 2, §1961.3 Greenhouse Gas Exhaust Emission Standards and Test Procedures-2017 and Subsequent Model Passenger Cars, Light-Duty Trucks, and Medium-Duty Vehicles, as effective August 7, 2012.*

[(6)](8) Title 13, California Code of Regulations (CCR), Division 3, Chapter 1, Article 2, §1962 Zero-Emission Vehicle Standards for 2005 through 2008 Model Year Passenger Cars, Light-Duty Trucks, and Medium-Duty Vehicles, as effective February 13, 2010.

[(7)](9) Title 13, California Code of Regulations (CCR), Division 3, Chapter 1, Article 2, §1962.1 Zero-Emission Vehicle Standards for 2009 [and Subsequent] *through 2017* Model Year Passenger Cars, Light-Duty Trucks, and Medium-Duty Vehicles, as effective [February 13, 2010] *August 7, 2012*.

(10) *Title 13, California Code of Regulations (CCR), Division 3, Chapter 1, Article 2, §1962.2 Zero-Emission Vehicle Standards for 2018 and Subsequent Model Year Passenger Cars, Light-Duty Trucks, and Medium-Duty Vehicles, as effective August 7, 2012.*

[(10)](11) Title 13, California Code of Regulations (CCR), Division 3, Chapter 1, Article 2, §1962.[2]3 Electric Vehicle Charging Requirements, as effective [April 17, 2009] *August 7, 2012*.

[(9)](12) Title 13, California Code of Regulations (CCR), Division 3, Chapter 1, Article 2, §1965 Emission Control [and], Smog Index, and *Environmental Performance* Labels-1979 and Subsequent Model-Year Motor Vehicles, as effective [June 16, 2008] *August 7, 2012*.

[(10)](13) Title 13, California Code of Regulations (CCR), Division 3, Chapter 1, Article 2, §1968.2 Malfunction and Diagnostic System Requirements-2004 and Subsequent Model-Year Passenger Cars, Light-Duty Trucks, and Medium-Duty Vehicles and Engines, as effective [June 17, 2010] *August 7, 2012*.

[(11)](14) Title 13, California Code of Regulations (CCR), Division 3, Chapter 1, Article 2, §1968.5 Enforcement of Malfunction and Diagnostic System Requirements for 2004 and Subsequent Model-Year Passenger Cars, Light-Duty Trucks, and Medium-Duty Vehicles and Engines, as effective [November 9, 2007] *August 7, 2012*.

[(12)](15) —[(13)](16) (text unchanged)

[(14)](17) Title 13, California Code of Regulations (CCR), Division 3, Chapter 1, Article 2, §1976 Standards and Test Procedures for Motor Vehicle Fuel Evaporative Emissions, as effective [February 13, 2010] *August 7, 2012*.

[(15)](18) (text unchanged)

[(16)](19) Title 13, California Code of Regulations (CCR), Division 3, Chapter 1, Article 2, §1978 Standards and Test Procedures for Vehicle Refueling Emissions, as effective [February 13, 2010] *August 7, 2012*.

[(17)](20) —[(19)](22) (text unchanged)

[(20)](23) Title 13, California Code of Regulations (CCR), Division 3, Chapter 1, Article 6, §2037 Defects Warranty Requirements for 1990 and Subsequent Model Passenger Cars, Light-Duty Trucks, Medium-Duty Vehicles, and Motor Vehicle Engines Used in Such Vehicles, as effective [November 9, 2007] *August 7, 2012*.

[(21)](24) Title 13, California Code of Regulations (CCR), Division 3, Chapter 1, Article 6, §2038 Performance Warranty Requirements for 1990 and Subsequent Model Passenger Cars, Light-Duty Trucks, and Medium-Duty Vehicles, and Motor Vehicles Engines Used in Such Vehicles, as effective [November 9, 2007] *August 7, 2012*.

[(22)](25) —[(24)](27) (text unchanged)

[(25)](28) Title 13, California Code of Regulations (CCR), Division 3, Chapter 2, Article 1, §2062 Assembly-Line Test Procedures-1998 and Subsequent Model Years, as effective [November 27, 1999] *August 7, 2012*.

[(26)](29) —[(31)](34) (text unchanged)

[(32)](35) Title 13, California Code of Regulations (CCR), Division 3, Chapter 2, Article 2.1, §2112 Definitions, undated, as effective [August 16, 2009] *August 7, 2012*.

[(33)](36) —[(59)](62) (text unchanged)

[(60)](63) Title 13, California Code of Regulations (CCR), Division 3, Chapter 2, Article 2.3, §2139 Testing, as effective [August 16, 2009] *August 7, 2012*.

[(61)](64) Title 13, California Code of Regulations (CCR), Division 3, Chapter 2, Article 2.3, §2140 Notification and Use of Test Results, as effective [August 21, 2002] *August 7, 2012*.

[(62)](65) —[(65)](68) (text unchanged)

[(66)](69) Title 13, California Code of Regulations (CCR), Division 3, Chapter 2, Article 2.4, §2145 Field Information Report, as effective [November 27, 1999] *August 7, 2012*.

[(67)](70) (text unchanged)

[(68)](71) Title 13, California Code of Regulations (CCR), Division 3, Chapter 2, Article 2.4, §2147 Demonstration of Compliance with Emission Standards, as effective [August 16, 2009] *August 7, 2012*.

[(69)](72) —[(75)](78) (text unchanged)

[(76)](79) Title 13, California Code of Regulations (CCR), Division 3, Chapter 4.4, §2235 Requirements, as effective [September 17, 1991] *August 7, 2012*.

Robert M. Summers, Ph.D.
Secretary of the Environment