



MARYLAND DEPARTMENT OF THE ENVIRONMENT

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Martin O'Malley
Governor

Robert M. Summers, Ph.D.
Secretary

Anthony G. Brown
Lieutenant Governor

January 9, 2014

The Honorable Paul G. Pinsky
James Senate Office Building, Room 220
Annapolis, MD 21401

The Honorable Anne Healey
House Office Building, Room 350
Annapolis, MD 21401

Dear Chairman Pinsky and Chairwoman Healey:

As required by the Maryland Clean Cars Act of 2007, §2-1107, the Maryland Department of the Environment shall submit a report on or before October 1st of each year to the Administrative, Executive, and Legislative Review Committee for the Committee's review. The report is to provide a list and summary of the changes to the California Motor Vehicle Emissions Standards and compliance requirements proposed or adopted by the California Air Resources Board in the prior twelve months.

Enclosed, for your review, is this report covering the time period of September 3, 2012 through September 2, 2013. If I may be of further assistance, please contact me or Mrs. Heather Barthel, Director of Legislative and Intergovernmental Affairs at 410-537-3056 or by e-mail at heather.barthel@maryland.gov.

Sincerely,

Robert M. Summers, Ph.D.
Secretary

Enclosure

cc: Mrs. Heather Barthel, Director of Legislative and Intergovernmental Affairs



Maryland Clean Cars Act of 2007
Summary of Proposed or Adopted Changes to the California Low Emissions
Vehicle Program by the California Air Resources Board (CARB)
– 2013 –
(September 3, 2012 through September 2, 2013)

Prepared by:
Mobile Sources Control Program
Air and Radiation Management Administration

Prepared for:
Senate Education, Health, and Environmental Affairs Committee

House Environmental Matters Committee

Martin O'Malley, Governor
State of Maryland

Anthony G. Brown, Lt. Governor
State of Maryland

Thomas V. Mike Miller, Jr., Senate President
Maryland General Assembly

Michael E. Busch, House Speaker
Maryland General Assembly

September 11, 2013



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The following report summarizes changes to the California Code of Regulations (CCR) sections that were incorporated by reference by the Maryland Department of the Environment (MDE) in developing regulations to administer the Clean Cars Act of 2007. All changes that impact Maryland regulations are listed although few will result in any changes in program implementation. The following resources were used to determine changes to the California regulations:

- The California Code of Regulations (CCR), as posted on the California Office of Administrative Law website <http://government.westlaw.com/linkedslice/default.asp?Action=TOC&RS=GVT1.0&VR=2.0&SP=CCR-1000>,
- The California Air Resources Board's (CARB's) inventory of regulatory activities as posted on the agency's website <http://www.arb.ca.gov/regact/regact.htm>, and
- The California Regulatory Notice Register, as posted on the California Office of Administrative Law (OAL) http://www.oal.ca.gov/Notice_Register.htm.

As this report builds on the 2012 report, changes identified but not finalized at the time of publication of the previous report are reviewed along with additional changes initiated since publication of that report. Changes in the California program that were final at the time of the 2012 report are not repeated in this report. The 2012 report included changes up to September 2, 2012, so this report includes information published between September 3, 2012 and September 2, 2013. The changes are listed in order by status, with finalized changes listed first.

1. LEV III GHG and ZEV Regulation Amendments for Federal Compliance Option

Status: Final (effective December 31, 2012)

The US EPA and NHTSA have collaborated with the ARB to develop new national greenhouse gas standard for light-duty vehicles for the 2017-2025 MY. These standards were developed to closely follow California's new greenhouse gas standards for MY 2017-2025. A major component of Maryland's Clean Cars Program was the adoption of California's greenhouse gas standards. California, as part of the compromise for the national program with the auto manufacturers, agreed to amend its greenhouse gas regulations to allow compliance with the federal standard to satisfy compliance with its own standards. This will eliminate manufacturer opposition to producing two different cars to meet two different standards, as well as reduce cost and make compliance easier.

Also included in this amendment are other non-substantive revisions to the LEV and ZEV regulations. These revisions clarified language in the LEV regulation concerning testing and certification procedures, and warranty requirements. The amendments also modified language concerning the determination of small volume manufacturers.

2. Heavy-Duty On-Board Diagnostics (HD-OBD) and OBD II

Status: Final (effective July 31, 2013)

The Air Resources Board has amended the HD-OBD regulations as well as the OBD II regulations, for medium-duty diesel engines and vehicles (which are not part of Maryland's Clean Cars program). The purpose of HD-OBD and OBD II regulations is to reduce motor vehicle and motor vehicle engine emissions by establishing standards and other requirements for OBD systems installed on motor vehicles for sale in California. The proposed amendments are to reaffirm and make more explicit these intentions of OBD, as well as to better align the medium-duty regulations with the heavy-duty regulations.

While Maryland did not adopt California's medium-duty or heavy-duty engine and vehicle regulations, some changes do apply to sections that were Incorporated by Reference into the Maryland regulations. This amendment has no regulatory effect on Maryland's Clean Cars Program.

3. EPA Tier III Emission Standards

Status: Under Review (Public hearings were held on April 24th and April 29th 2013)

EPA has proposed new emission standards for light duty motor vehicles, referred to as the Tier 3 standards, which will phased in from model years 2017 thru 2025. These rules will not directly affect Maryland since we have adopted the California emission standards under the Maryland Clean Cars Program, however they are beneficial because they will harmonize the federal standards with the California emission standards thereby effectively creating one car¹ in the United States.

One key component of the Tier 3 program is the requirement for the reduction of sulfur in gasoline from 30 ppm to 10 ppm. This is referred to as the Tier 3 low sulfur gas rule. In order to maximize the benefits achieved from the new emissions standards under both Tier 3 and CALEV III, low sulfur gasoline should be utilized. Sulfur acts as poison on emission control devices and in order for the new emission control equipment to operate at its most efficient, low levels of gasoline sulfur are desired. In addition, low sulfur gasoline will have an immediate effect in reducing emissions from older vehicles, resulting in immediate emissions benefits nationally.

¹ Currently, all vehicles sold in the U.S. must be certified to meet either the Federal or California vehicle emission standards. 'One car' refers to the ability, if the two standards were harmonized, of manufacturers to have one standard they can certify their vehicles to that would then satisfy the Federal requirements as well as the California requirements for new vehicle emissions. This 'one car' would then be allowed to be sold in any state, regardless of if they had adopted the California standards or not.

4. Alternative Fuel Conversion Certification Procedures

Status: Currently Under Development

The California Air Resources Board (ARB) is proposing to update its current regulation governing alternative fuel conversion certification procedures for on-road motor vehicles and engines. The California Natural Gas Vehicle Coalition is requesting that ARB provide small volume conversion manufacturers a more streamlined process for obtaining retrofit certification, and to incorporate changes to make the approval process more similar to that of the United States Environmental Protection Agency (U.S. EPA).

The proposed amendments to the current fuel conversion certification procedures would reduce the upfront demonstration requirements for small volume conversion manufacturers and allow systems to be sold sooner with lower certification costs than with the current process. Many of these changes will be set to sunset for the 2018 model year because they may no longer be appropriate when lower emission standards take effect for new vehicles and engines.