Mobile Source Emissions Program Updates and Priorities

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AAPCA Fall Business Meeting, November 13, 2018
Outline of topics

- Intro/Overview of OTAQ
- Regulatory Update
  - LD GHG/ SAFE rule update
  - HD NOx Update
- State and Local Technical Assistance
  - Transportation Conformity
  - MOVES updates
  - State requests to change fuel programs
  - TEAM partnerships
- EPA’s Ports Initiative
  - Highlights of recent progress
- VW Settlement Implementation Updates
  - Mitigation projects
  - Electrify America progress
- Other updates
  - DERA
  - RFS
OTAQ Mission Statement

To protect human health and the environment by reducing air pollution from mobile sources and the fuels that power them.
OTAQ – Who We Are and What We Do

**Assessment and Standards**

**Vehicle and Engine Testing**

**Compliance**

**State, Regional and Local Programs and our Transportation Future**
Solutions for Transportation Air Pollution

Emission reductions → Cleaner air & better health

- Catalytic converters in conjunction with unleaded gasoline and low sulfur levels significantly reduce hydrocarbon & nitrogen oxide emissions
- Fuel standards reduce exposure to pollutants like lead and benzene
- Engine technologies like computer controls, variable valve timing, multi-valve engines, turbo charging & gasoline direct injection improve fuel economy & reduce CO₂ emissions
- Transmission technologies like 7+ speeds, dual clutch transmissions (DCTs), & continuously variable transmissions (CVTs) improve fuel economy & reduce CO₂ emissions
- Diesel filters reduce particulate matter from on road & off road diesel engines
- Alternative vehicle technologies like plug-in electric vehicles & fuel cells = zero tailpipe emissions
- Better transportation planning for passengers & freight reduce emissions & fuel use

EPA United States Environmental Protection Agency
Light Duty GHG and CAFE Standards

• Proposes revised standards for MY2021-2025

• Preferred option would flatline standards at MY2020
  • Taking comment on a wide range of other options

• Proposes to revoke CA waivers
Heavy Duty NOx Standards

• In 2016, 20 organizations petitioned EPA to develop revised emissions standards for Heavy Duty NOx.

• EPA responded that we would continue technical work to inform a potential future rule.

• 30 companies and trade associations have told us they support a revised 50 state standard.

• NOx emissions from heavy duty trucks make up 1/3 of mobile source emissions in 2025.
Fuels Regulatory Streamlining

• We have begun a rule to streamline EPA's existing gasoline, diesel, and other fuels regulations of 40 CFR Part 80 by:
  • Deleting expired provisions
  • Consolidating redundant provisions
  • Consolidating the various reg provisions of EPA’s gasoline programs
  • Improve their applicability to today’s more diverse fuel marketplace

• This is NOT an effort to weaken or rollback standards
Fuels Regulatory Streamlining (cont.)

• This effort will improve environmental performance at a lower cost for EPA and stakeholders, and would:
  • Improve the fungibility of fuels (saving consumers at the pump)
  • Improve EPA’s oversight of fuel quality
  • Create a more straightforward way for RVP relaxation and RFG program opt-in/opt-out processes

• Aspects that will remain unchanged:
  • Applicable standards (e.g., sulfur, benzene, etc.)
  • Legacy standards required by the CAA (e.g., lead levels in gasoline)
  • RFS
Fuels Regulatory Streamlining (cont.)

• We welcome and encourage all stakeholder input:
  • We held a public workshop in May 2018, to engage all interested stakeholders
  • We have a discussion draft of the regulations online for stakeholder review
• EPA intends to issue a proposed rule in early 2019 – with the overall goal of a January 1, 2020 effective date
Transportation Conformity for the 2015 Ozone NAAQS

• EPA issued transportation conformity guidance for the 2015 ozone NAAQS on June 14, 2018

• Timing and the one-year grace period

• EPA and DOT field offices will work closely with affected areas during the grace period.
South Coast II and Transportation Conformity

• Court responded to EPA/DOJ in September

• As a result of the Court’s decision, transportation conformity applies in “orphan areas” for 1997 ozone NAAQS on Feb. 16, 2019

• OTAQ is developing conformity guidance to address court decision, and we are working with the EPA Regions and DOT to provide technical assistance as needed
MOVES Update

• MOVES2014b was released August 2018

• EPA providing training as needed

• Work on next version of MOVES continues
Summer Fuel Programs

Summer Fuel Requirements
- RFG
- State RVP 7.0
- State RVP 7.6
- Federal RVP 7.8
- No 1 psig E10 H Waiver

Revised 10/24/2018
The Travel Efficiency Assessment Method (TEAM)
EPA Ports Initiative

Funding
Helping Ports Capitalize on Funding for Clean Technologies

Technical Resources
Providing Tools to Help Identify Smart Infrastructure Investments

Collaboration
Promoting Port-Community Collaboration for Effective Planning

Coordination
Increasing Efficiency in Federal Government and Port Operations

Communications
Creating a Knowledge Clearinghouse

www.epa.gov/ports-initiative
EPA Partnership with Port Everglades

• **EPA and Port Everglades Partnership: Emission Inventories and Reduction Strategies**

• Released June 1, 2018

Diesel Emissions Reduction Act (DERA Grant Program) Update

- **State Grant Program**: Grants are being awarded now to all 49 states, DC, Puerto Rico, American Samoa

- **National Grant Competition**: ~$40M, estimated opening December 2018

- **Tribal Grant Competition**: Estimated $2M, open now, will close April 2019

- **School Bus Rebate Program**: $9M, closed on November 6, 2018. Selectees will be announced in January 2019.
VW Mitigation Trust Update

• Trust Effective Date -- October 2, 2017

• All states, DC, Puerto Rico certified as beneficiaries. Some state mitigation plans now online.

• States must submit Beneficiary Mitigation Plans and then can request trust funds
  • Nevada first (for school buses and trucks)

• Twenty-seven tribes certified as beneficiaries during the first cycle of funding (tribes may certify in the remaining years)

• States and tribes can use VW mitigation funds as matching funds on their DERA grants (called “DERA Option”)
  • EPA’s role is assistance with the “DERA Option”
VW Zero Emission Vehicle (ZEV) Investment

- Volkswagen required to invest $2 billion over 10 years in four 30-month cycles on:
  - Charging infrastructure
  - Education and awareness
  - ZEV access

- VW formed Electrify America to implement the ZEV investment requirement
  - Plan for first cycle (Jan 2017-June 2019) includes:
    - 200+ fast charging stations along highways in 40+ states using non-proprietary connectors
    - 650 charging stations in seventeen communities
  - Plan for second cycle under development
    - EA continuously seeking investment suggestions via their website

- Recent announcements:
  - Chargers at 100+ Walmarts in 34 states by June 2019
  - Partnerships to place chargers at other shopping locations
  - Electrify Canada
Questions?