

August 18, 2000

Mr. Michael G. Ritchie
Division Administrator
Federal Highway Administration
U.S. Bank Plaza
980 9th Street, Suite 400
Sacramento, CA 95814

Mr. Leslie T. Rogers
Regional Administrator
Federal Transit Administration, Region 9
201 Mission Street, Suite 2210
San Francisco, CA 94105

Dear Mr. Ritchie and Mr. Rogers:

We have reviewed an August 17th letter from the California Air Resources Board (ARB) addressing the State's remedial actions to resolve shortfalls in implementation of on-road emission reduction measures in the South Coast Air Basin. In response to a request from your staffs, we offer the following comments on whether, and on what basis, the State's assurances, regulations, and legislation, as set out in the ARB letter, provide emission reductions that are creditable in the South Coast under the transportation conformity regulations.

The approved South Coast ozone attainment SIP contains enforceable commitments for several motor vehicle measures, some of which are currently achieving less than the emission reductions committed to in the SIP. Consistent with 40 CFR 93.110(e) and 40 CFR 93.122(a)(2), EPA agrees that it is acceptable for the regional analyses supporting the Southern California Association of Governments' (SCAG's) conformity determination to include emission reduction credit from these measures to the extent they are currently being implemented. That is, the conformity analysis would reflect the shortfall in emission reductions from the current implementation of these measures.

In addition, ARB and the Bureau of Automotive Repair (BAR) have committed to additional efforts and implementation enhancements related to the SIP measures that currently have emission reduction shortfalls. Their commitments satisfy the terms of 40 CFR 93.122(a)(2) and accordingly the conformity analyses could take into account and include emission reduction credit described in these commitments. These commitments in the aggregate will achieve the

emissions reductions that the SIP originally provided would occur from full implementation of the SIP measures.

40 CFR 93.122(a)(2) provides that areas may take credit for approved SIP measures, such as transportation control measures (TCMs) or other motor vehicle measures, whose implementation has been delayed, once their implementation has been assured. EPA expanded on the meaning of this phrase at 65 FR 18915 (April 10, 2000). In particular, we clarified that assurance of implementation would require that the legal or regulatory authority necessary to implement the [measure] has been secured or appropriate commitments are in place. Although this preamble discussion refers to the phrase in the specific context of TCMs, it is also relevant to other SIP measures.

EPA believes that the State's commitments, together with the measures already adopted but not included in the SIP (see below), do assure implementation of the SIP measures and their associated emission reductions. The approved SIP for the South Coast has enforceable commitments to achieve specific emissions reductions from certain measures. Although some of these measures are not currently achieving those emissions reductions, the State has identified and committed to undertake additional efforts and enhancements of these measures that will result in a fulfillment of the emissions reductions that the SIP measures provide for in the aggregate. We have attached a table which provides further details on the new measures that the State will pursue to achieve the SIP's emission reductions.

EPA believes that this is an appropriate commitment that assures implementation under 40 CFR 93.122(a)(2). The additional actions are within ARB's and BAR's current authority. They are an elaboration of how these agencies will achieve the overall emissions reductions prescribed under the SIP's existing, enforceable commitments to achieve specific emission reductions through certain measures. The commitments specify the timeframes and emission reductions associated with the new actions. The State also commits to incorporate all selected measures in a comprehensive 2001 SIP revision for the South Coast.

EPA also notes that the South Coast conformity determination should reflect emission reduction credits from measures that are already adopted but are not included in the approved SIP. This is consistent with 40 CFR 93.122(a)(3)(i). The enclosed table also provides further details on these adopted measures. The State will incorporate these measures in the comprehensive 2001 SIP revision for the South Coast.

Therefore, we conclude that reductions from the State's control measures, as identified in the table enclosed with this letter, are creditable for the South Coast under the transportation conformity regulations. The reductions may be assumed in the conformity determination for the South Coast 2000 Regional Transportation Improvement Program for the shortfall in emission reductions from the current implementation of the SIP's measures. We have coordinated our review with EPA's Office of Transportation and Air Quality and EPA's Office of General Counsel, and these offices concur in our conclusions. We believe that this interpretation can be used for future conformity determinations before the SIP is revised, contingent upon EPA's

review of the State's progress in implementing its commitments.

Please feel free to contact me if you have any questions, or your staff may contact Mark Brucker (415-744-1231) or Dave Jesson (415-744-1288).

Sincerely,

/s/

Amy K. Zimpfer
Acting Director, Air Division

Enclosure

cc: Mike Kenny, ARB
Doug Laue, BAR
Mark Pisano, SCAG
Barry Wallerstein, SCAQMD
Bob O'Loughlin, FHWA

Enclosure
EPA Review of California's Actions to Establish Emission Reduction Credits
under the Transportation Conformity Regulations
for the 2000 RTIP SCAG Conformity Analysis for the South Coast Air Basin

Improvements to Smog Check II

State Action	Responsible Agency	Legislation Needed?	Regulation Needed?	Adoption/Implementation Dates	Budget Years in which Reductions Are Counted	Basis for Credit under Conformity Regulations (40 CFR 93.122)
Smog Check - Lower NOx Cut Points	BAR	No	No	NA/2000	2002-2010	(a)(2) - implementation of SIP I/M measure
Smog Check- Loaded Mode Testing for HD Gas Trucks	BAR	No	Yes	2001/2001	2002-2010	(a)(2) - implementation of SIP I/M measure
Smog Check - Improved Evaporative Emission Testing	BAR	No	Yes	2001/2001-2002	2002-2010	(a)(2) - implementation of SIP I/M measure
Smog Check - Direct More Vehicles to Test-Only or Other High-Performance Stations	BAR	No	If necessary	2001/2001-2002	2002-2010	(a)(2) - implementation of SIP I/M measure
Smog Check - Use Remote Sensing to Help Identify High-Emitting Cars	BAR	No	No	NA/2001	NA	No credit claimed at this time

Improvements to Smog Check II

(continued)

State Action	Responsible Agency	Legislation Needed?	Regulation Needed?	Adoption/Implementation Dates	Budget Years in which Reductions Are Counted	Basis for Credit under Conformity Regulations (40 CFR 93.122)
Smog Check - Remove Rolling 30-Year Exemption	BAR	Yes	No	2002/2006	NA	Not creditable at this time; implementation depends on adoption of legislation.
Smog Check - Mid-Term Administrative Changes	BAR	No	No	2003/2006	2008-2010	(a)(2) - implementation of SIP I/M measure

Supplemental Measures to Implement Existing SIP Measures

Note: The State will pursue these actions to complete SIP emission reduction commitments. Adoption is scheduled for 2000-2003 with implementation by 2006. The actions will contribute emission reductions in the 2008 and 2010 budget years.

State Action	Responsible Agency	Legislation Needed?	Regulation Needed?	Basis for Credit under Conformity Regulations (40 CFR 93.122)
Enhancements to Low Emission Vehicle II Program for LDVs	ARB	No	Yes	(a)(2) - implementation of SIP measure M-2
Evaporative Emission Controls for On-Road Motorcycles	ARB	No	Yes	(a)(2) - implementation of SIP measure M-2

Supplemental Measures to Implement Existing SIP Measures

(continued)

State Action	Responsible Agency	Legislation Needed?	Regulation Needed?	Basis for Credit under Conformity Regulations (40 CFR 93.122)
Enhancements to Low Emission Vehicle II Program for MDVs	ARB	No	Yes	(a)(2) - implementation of SIP measure M-3
Emission Standards for HD Gas Trucks	ARB	No	Yes	(a)(2) - implementation of SIP measure M-8
Emission Reductions from School Buses	ARB with CEC and local air districts	No	No	(a)(2) - implementation of SIP measure M-4
Retrofit In-Use Diesel Engines with Particulate Filters	ARB	No	Yes	(a)(2) - implementation of SIP measures M-4 and M-5
Cleaner Diesel Fuel	ARB	No	Yes	(a)(2) - implementation of SIP measure M-5
Diesel Truck Standards	ARB	No	Yes	(a)(2) - implementation of SIP measures M-5 and M-6
Limit HDD Truck Idling	ARB	No	Yes	(a)(2) - implementation of SIP measure M-5

Fully Adopted Regulations Contributing On-Road Reductions Not Counted in SIP				
State Action	Responsible Agency	Adoption/Implementation Dates	Budget Years in which Reductions Are Counted	Basis for Credit under Conformity Regulations (40 CFR 93.122)
Control of Gasoline Combustion Chamber Deposits	ARB	1998/1998	2002-2010	(a)(3)(i) - regulation adopted by ARB in 1998
In-Use Benefits of Phase II Cleaner Burning Gasoline	ARB	1999/1999	2002-2010	(a)(3)(i) - legislation enacted in 1999
Phase III Cleaner Burning Gasoline	ARB	1999/2003	2005-2010	(a)(3)(i) - regulation adopted by ARB in 1999
On-Road Motorcycle Emission Standards	ARB	1998/2004 and 2008	2008-2010	(a)(3)(i) - regulation adopted by ARB in 1998
Emission Standards for HD Gasoline Engines	EPA	2000/2004	2008-2010	(a)(3)(iv) - regulation adopted by EPA in 2000*
Emission Standards for Urban Transit Buses	ARB	2000/2002	2010	(a)(3)(i) - regulation adopted by ARB in 2000
Footnote: *EPA's standards are effective in California; ARB intends to adopt the Federal regulations in order to allow for direct enforcement by the State.				