

# Proposed Rule 2306 - Indirect Source Rule for Rail Yards

## Working Group Meeting

01/17/2024  
2:00 pm (PST)  
South Coast AQMD

Join Zoom Webinar Meeting - from PC or Laptop  
<https://scaqmd.zoom.us/j/99824774155>  
 Zoom Webinar ID: 998 2477 4155  
 Teleconference Dial In (669) 900-6833

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# Agenda

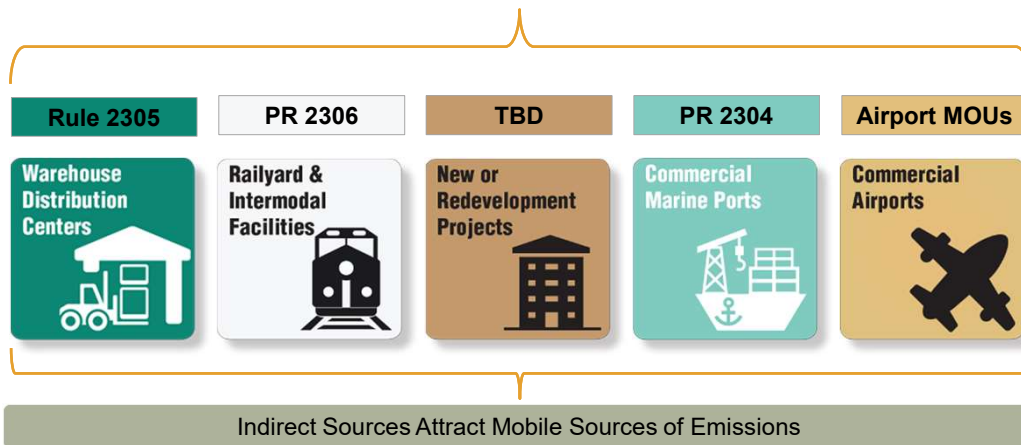
- Background**
  - Facility Based Mobile Source Measures
  - Emission Sources
  - State and Local Implementation
- Applicability**
- Preliminary PR 2306 Overview**
- Initial Rule Design**
  - Emission Reduction Requirement
  - PR 2306 Compliance Flexibility
  - Infrastructure
  - Preliminary Reporting Requirements
  - New Freight Rail Yard
- Next Steps**

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## Background – Facility Based Mobile Source Measures

Facility Based Mobile Source Measures (FBMSMs) work together to reduce mobile source emissions from indirect sources within South Coast AQMD\*

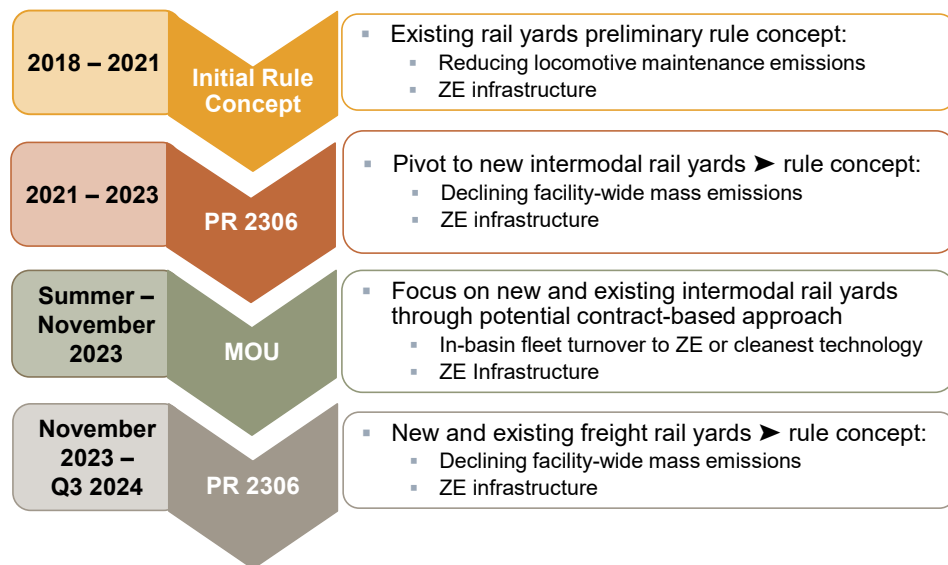


*FBMSMs included in 2016 and 2022 Air Quality Management Plans*

\* Prior to FBMSMs, South Coast AQMD has adopted indirect source rules, including Rule 2202, to reduce passenger vehicle emissions associated with commuting to/from large worksites.

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## Rail Yard Facility Based Measure Implementation



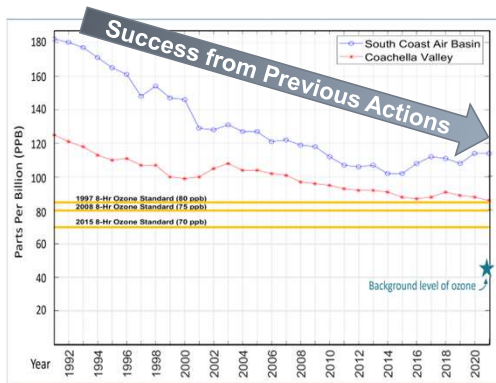
ZE = Zero Emission      MOU = Memorandum of Understanding

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# Mobile Emission Sources at Rail Yards

		<p><b>Drayage Trucks</b></p> 
<p><b>Locomotives</b></p>	<p><b>Cargo Handling Equipment (CHE)</b></p>	<p><b>Transport Refrigeration Units (TRUs)</b></p> 
<ul style="list-style-type: none"> <li>▪ Line Haul</li> <li>▪ Switchers</li> </ul> <p>Includes maintenance and testing areas</p>	<p>Examples:</p> <ul style="list-style-type: none"> <li>▪ Rubber-Tired Gantry Cranes</li> <li>▪ Yard Hostlers</li> </ul>	<p><b>Others</b></p> <p>Examples:</p> <ul style="list-style-type: none"> <li>• Rail car movers</li> <li>• Operational support equipment</li> </ul> 

# Air Quality Need for South Coast AQMD



- ❑ Air quality has improved dramatically in South Coast AQMD over past several decades
- ❑ Local air quality is still among worst in nation
  - Ozone, particulate matter
  - Federal Clean Air Act requires we meet air quality standards or the region will face sanctions
- ❑ Goods movement source make up about half of all smog-forming emissions in our region
- ❑ Rail yards are listed as a key concern in several AB 617 Community Emissions Reduction Plans (CERPs)
  - Concern of local impacts from diesel particulate matter



# Need for PR 2306 – Emission Reductions Are Needed In Our Communities

- Need to ensure emission reductions from CARB’s locomotive and drayage truck regulations occur within South Coast AQMD
- Federal funding\* is helpful, but does not necessarily address emission reduction needs for nonattainment areas

**Goal of PR 2306:**  
Local level implementation of State level emission reduction targets

% Emission Reductions Locally should be no less than % Emission Reductions Statewide

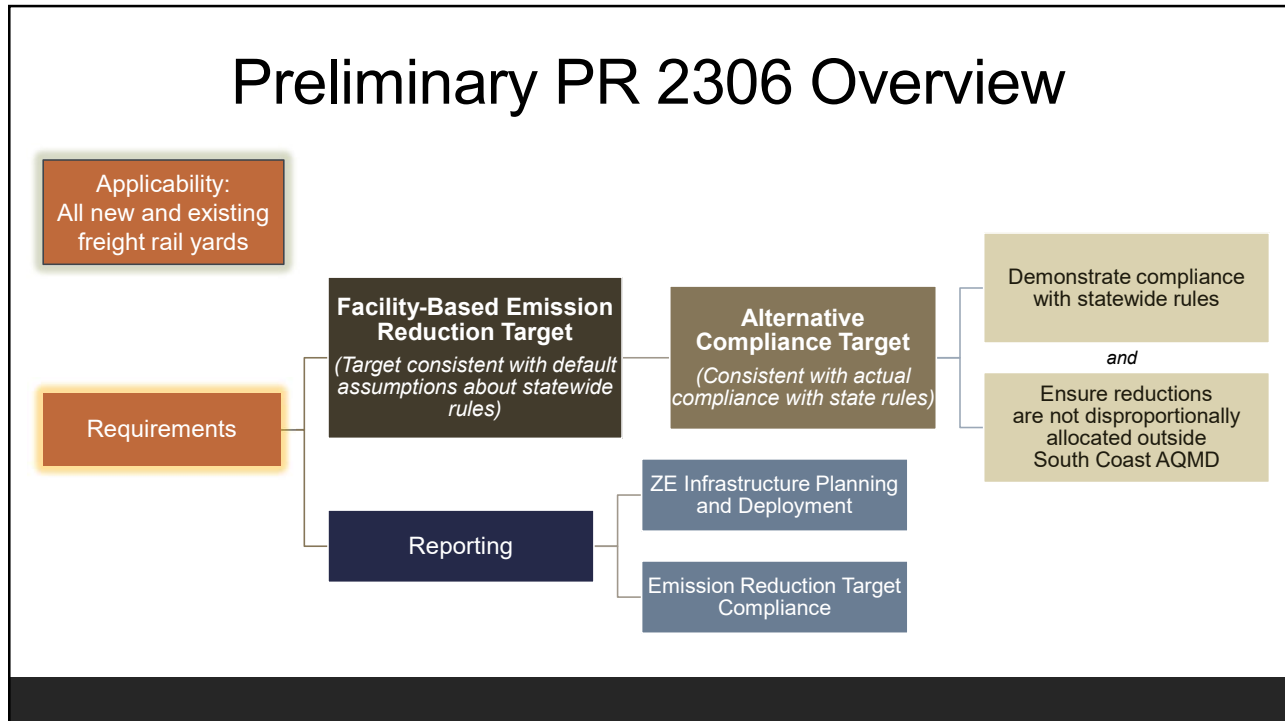


Examples include grants from Inflation Reduction Act and Bipartisan Infrastructure Law

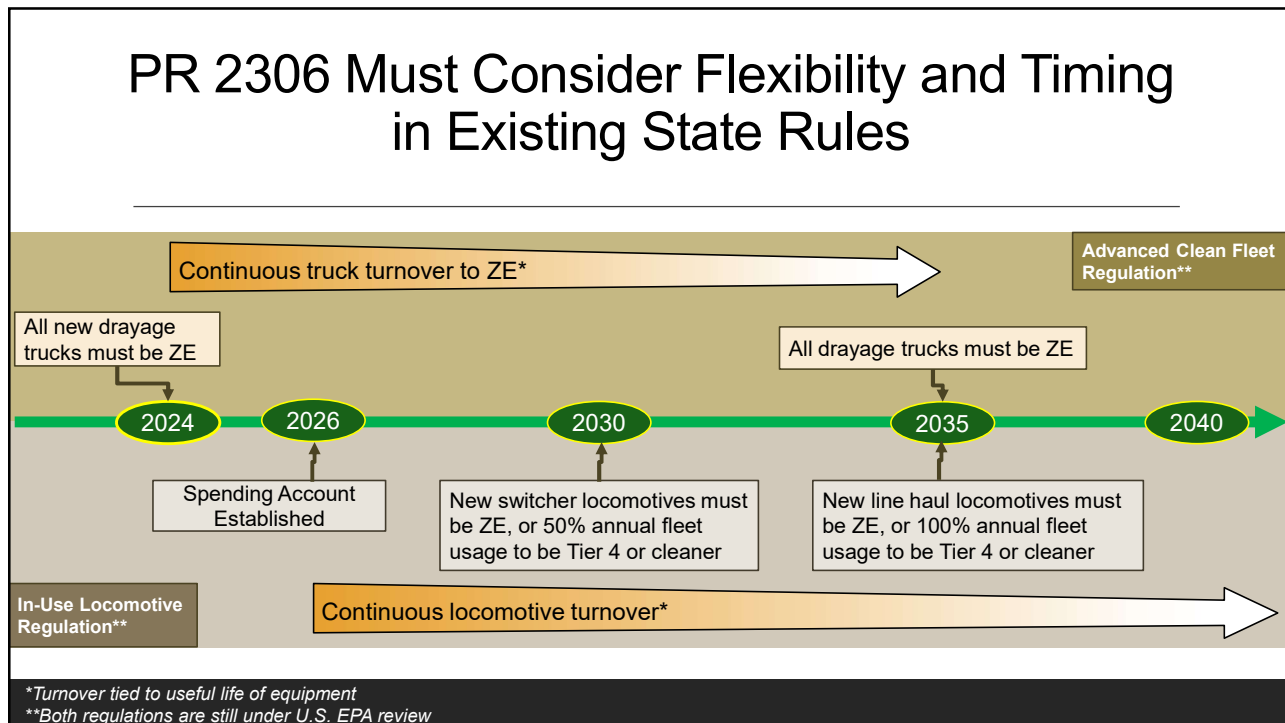
## Applicability: New and Existing Freight Rail Yards

- Working definition:
  - A freight rail yard is any rail yard where more than de minimis railcar switching activities occur, or where containerized or non-containerized cargo, including empty containers, is loaded to or unloaded from railcars for the transportation to or from an outside location by locomotive(s) operated by the freight rail yard operator
  - Except on-port/harbor activities (covered by PR 2304)
  - Seeking stakeholder input

(The map shows known existing freight rail yards within South Coast AQMD)



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## Proposed Interaction Between PR 2306 and State Rules

- PR 2306 emission reduction targets:
  - Tied to state rules for locomotives and drayage trucks
    - Ensures that flexibility in state rules still results in necessary emission reductions in South Coast AQMD
      - Worst ozone in the nation and greatest number of AB 617 communities impacted locally by rail yards
  - Provide flexibility for railroads
    - Emission reductions can come from trucks, locomotives, cargo handling equipment, or transportation refrigeration units

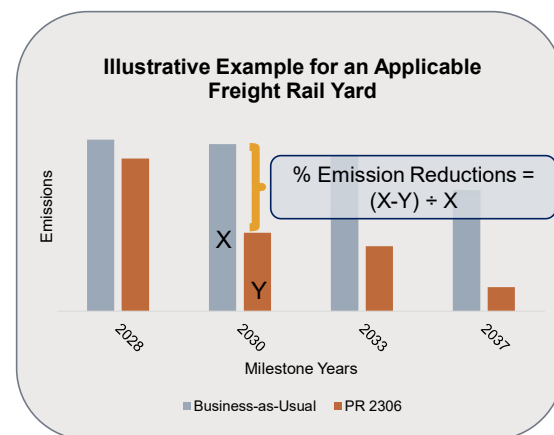


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## Initial Rule Design Emission Reduction Requirement

- Emission reductions demonstrated per facility
  - Includes onsite and offsite emissions
- Milestone emission reduction targets:
  - Percent reductions compared to the business-as-usual baseline\*
  - Default: pre-determined based on CARB's regulatory projections
  - Alternative: determined by actual statewide compliance with CARB rules



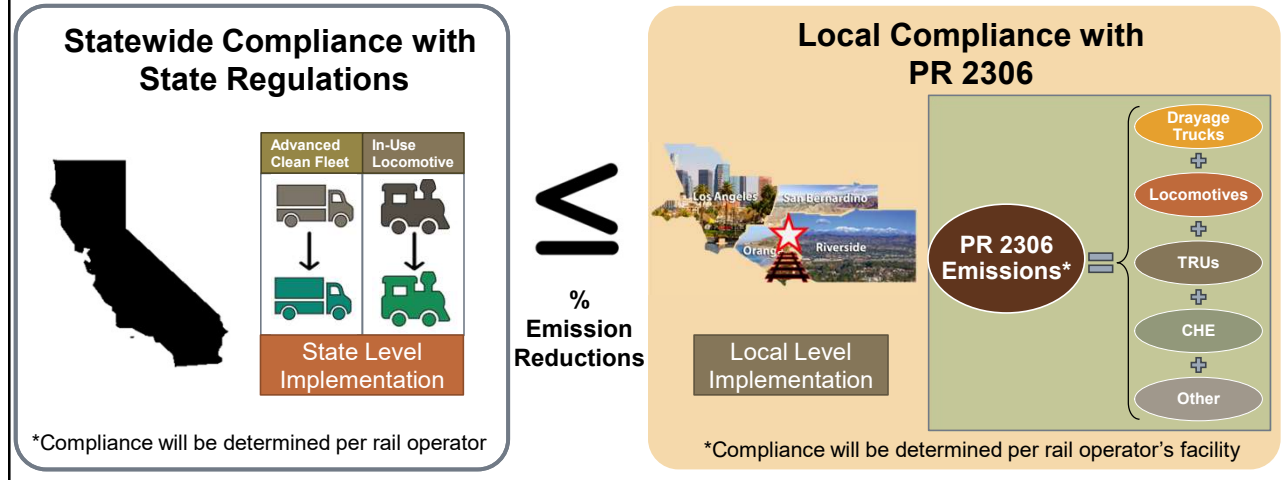
\*Business-As-Usual is estimated aggregate mobile source emissions from an applicable facility absent CARB's Advanced Clean Fleets and In-Use Locomotive regulations, and PR 2306.

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# Initial Rule Design PR 2306 Compliance Flexibility



\*A freight rail yard may have emissions generated from all or some mobile sources listed on this slide.

# Initial Rule Design Infrastructure

Railroads shall inform South Coast AQMD of their progress in development of necessary infrastructure associated with each facility to comply with state level goals

The infrastructure reporting requirement for PR 2306 is split into two parts:

- Initial Report; and
- Periodic Milestone Reports



## Preliminary Reporting Requirements – Emission Reduction Target

### Rule Compliance Reporting

- Reported data includes, but is not limited to:
  - Vehicle activity data (e.g., miles traveled)
  - Average idling time
  - Fleet composition
  - Equipment operation within South Coast AQMD borders

### Reporting Milestone Years

- Initial Report
  - 2028
- Periodic Milestone Years
  - 2030
  - 2033
  - 2037

### Additional Reporting for Alternative Compliance Targets

- In line with data required by ACF and In-Use Locomotive Regulations
- To demonstrate that emission reductions per applicable facility are proportionally no less than statewide reductions

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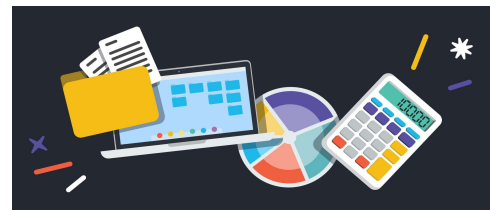
## Preliminary Reporting Requirements Infrastructure

### Infrastructure Reporting

- Initial Reporting will provide an overview of plans and expectations
  - Projected timeline of planned developments
  - Justification for timeline milestones
  - Utility agreements and any other information that informed timeline expectations
- Milestone Reports serve as regular updates to the Initial Report, including:
  - Implementation updates
  - Deviations from the Initial Report
  - Reasoning for deviations

### Reporting Milestone Years

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  - 2028
- Periodic Milestone Years
  - 2030
  - 2033
  - 2037



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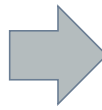
## New Freight Rail Yard

Any new freight rail yard beginning operation after the year 2028 shall:

### Prior to Start of Initial Operation

Submit an Initial Facility Outlook Plan:

- To establish the facility's business-as-usual baseline
- Initial infrastructure reporting
- Built off initial PR 2306 concepts released on January 28, 2023\*



### After Operation Begins

Maintain same periodic reporting as required for existing rail yards, such as:

- Emission reduction target milestones
- Reporting requirements for compliance and infrastructure

\*Additional information for initial PR 2306 concepts as well as the First Draft Preliminary Rule Language can be found on the PR 2306 Rule Page:  
<https://www.aqmd.gov/home/rules-compliance/rules/scaqmd-rule-book/proposed-rules/rule-2306>

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## PR 2306 Next Steps

Release Initial Rule Language in Spring

Hold 2<sup>nd</sup> Working Group Meeting

Community Meetings and Public Workshop in Spring 2024

Public Hearing in 3<sup>rd</sup> Quarter 2024

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# Staff Contacts

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