



Proposed Amended Rule 2202

On-Road Motor Vehicle Mitigation Options

Working Group Meeting #1
February 23, 2023

Join Zoom Webinar Meeting
<https://scaqmd.zoom.us/j/94339030649>
Webinar ID: **943 3903 0649**
Teleconference Dial-In: (669) 900-6833



Agenda

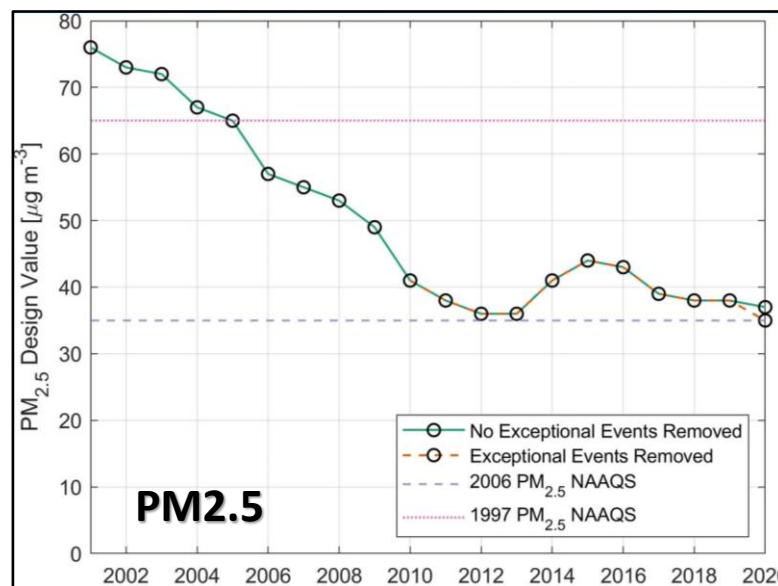
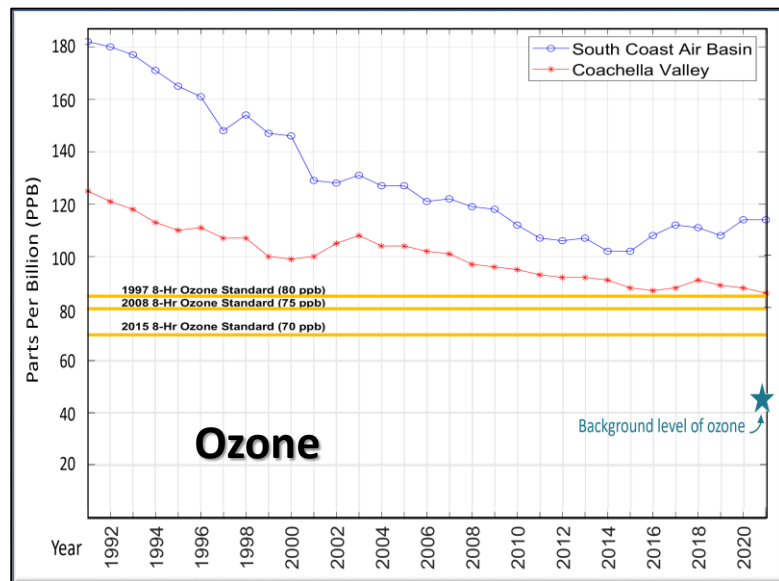
- Background
- Purpose and Need for Proposed Amended Rule 2202
- Rule 2202 History
- Current Rule 2202 Overview
- Recent Rule 2202 Implementation
- Proposed Approach to Potential Amendment to Rule 2202
- Next Steps

South Coast AQMD

- Multi-County Air Pollution Control Agency
 - Governed by a Board of local elected and appointed officials
- ~17 million people (>40% of CA)
 - ~11 million passenger vehicles
- Monitor air quality and meet federal and state air quality standards
- ~28,000 permitted sources
 - Refineries, power plants, gas stations, etc.
- Provide incentive funding for near-zero and zero emission technologies



Background – Air Quality

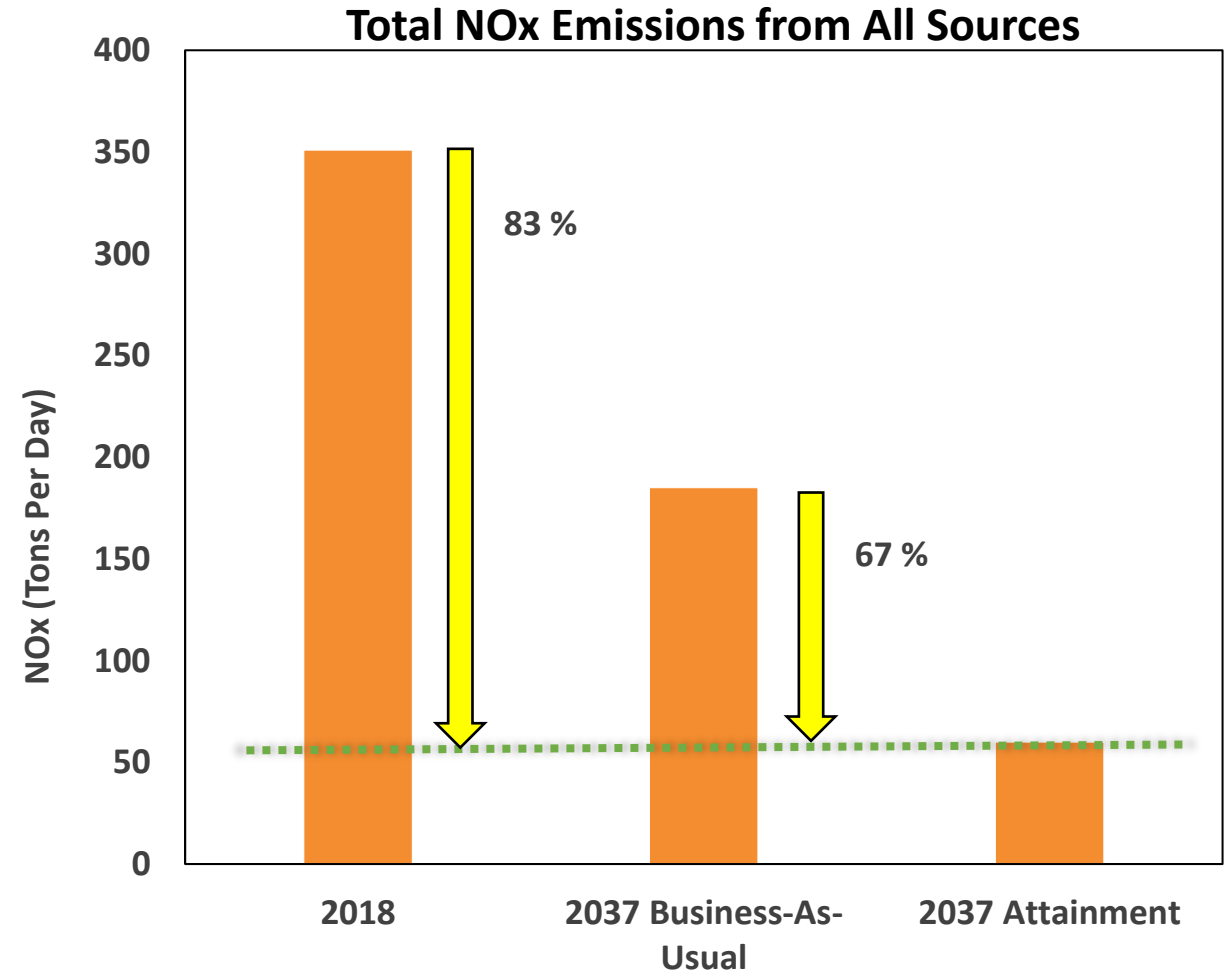


- Air quality has improved dramatically in South Coast AQMD over past several decades
- Local air quality is still among worst in nation
 - Ozone, particulate matter
- Federal Clean Air Act requires attainment of air quality standards or region faces sanctions
 - Loss of federal transportation funding
 - Loss of local control for air quality regulations
 - Increased cost to local businesses for emissions offsets



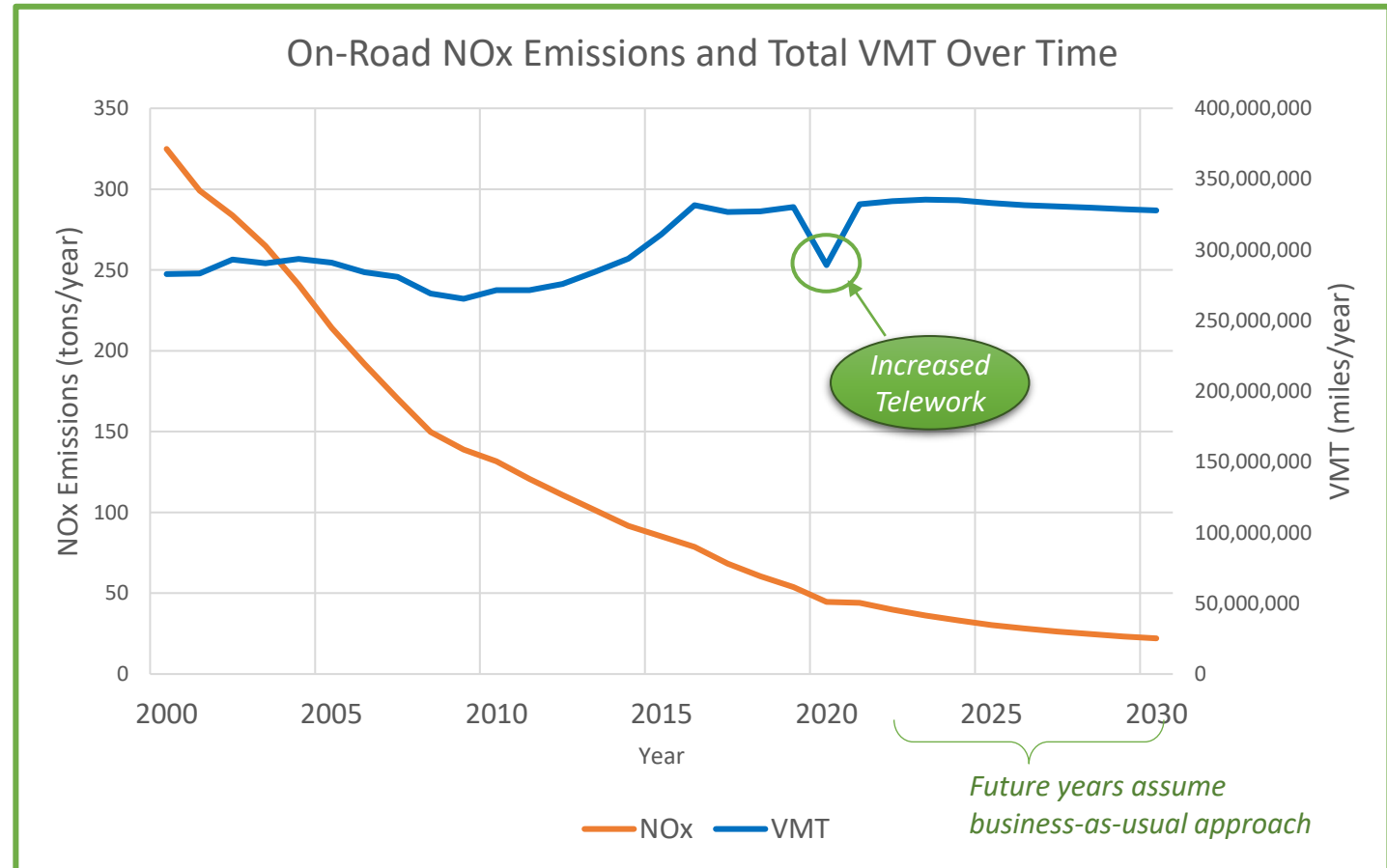
Need to Reduce NOx Emissions

- NOx is the primary pollutant that must be controlled to reduce ozone in our region
- NOx must be reduced to 60 tons per day to meet the 2015 ozone standard
 - 83% below current conditions
 - 67% below baseline (Business-As-Usual) conditions in 2037
- 2022 Air Quality Management Plan (AQMP) provides blueprint for how to meet the 2015 ozone standard



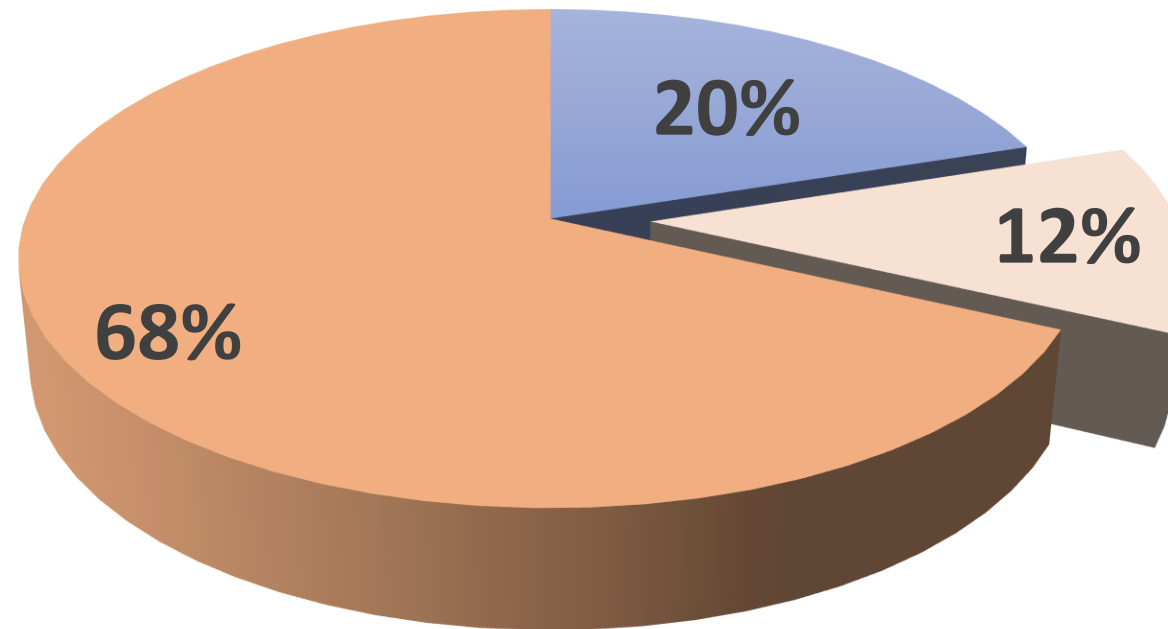
NOx and VMT Through Time

- History of successful emission reductions
 - NOx dropped even while Vehicle Miles Travelled (VMT) has risen
- Additional reduction still needed to meet federal and state air quality standards (*see previous slide*)



Source: EMFAC 2021

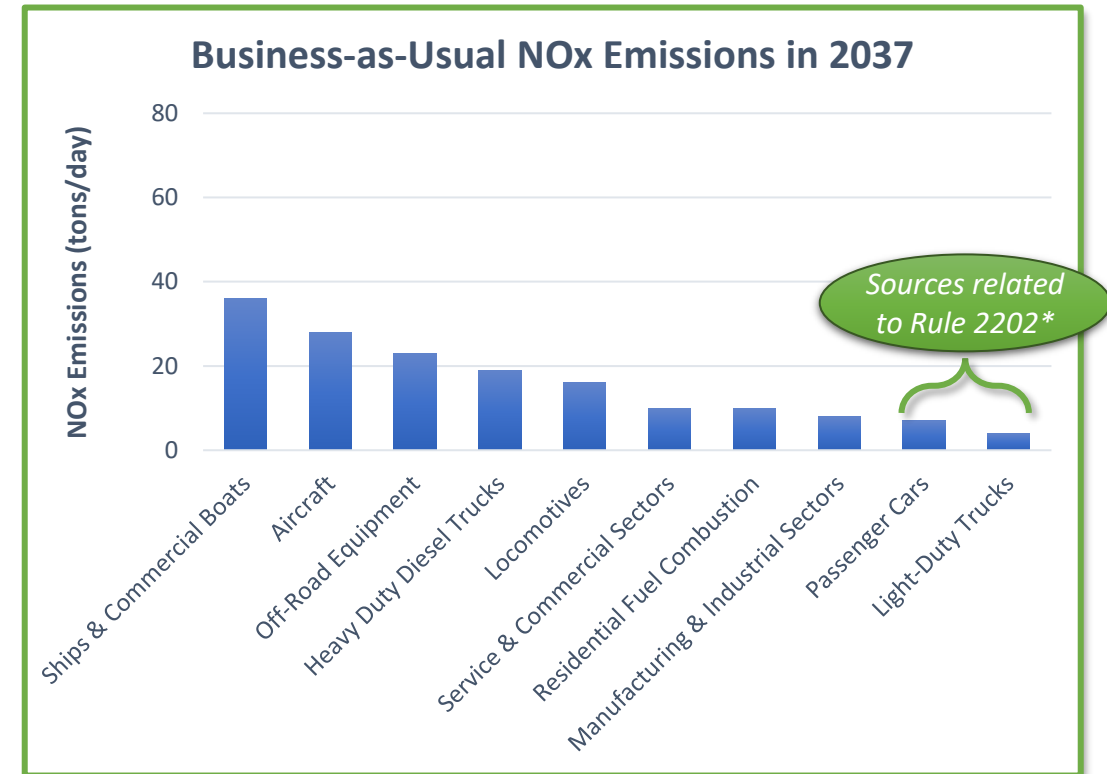
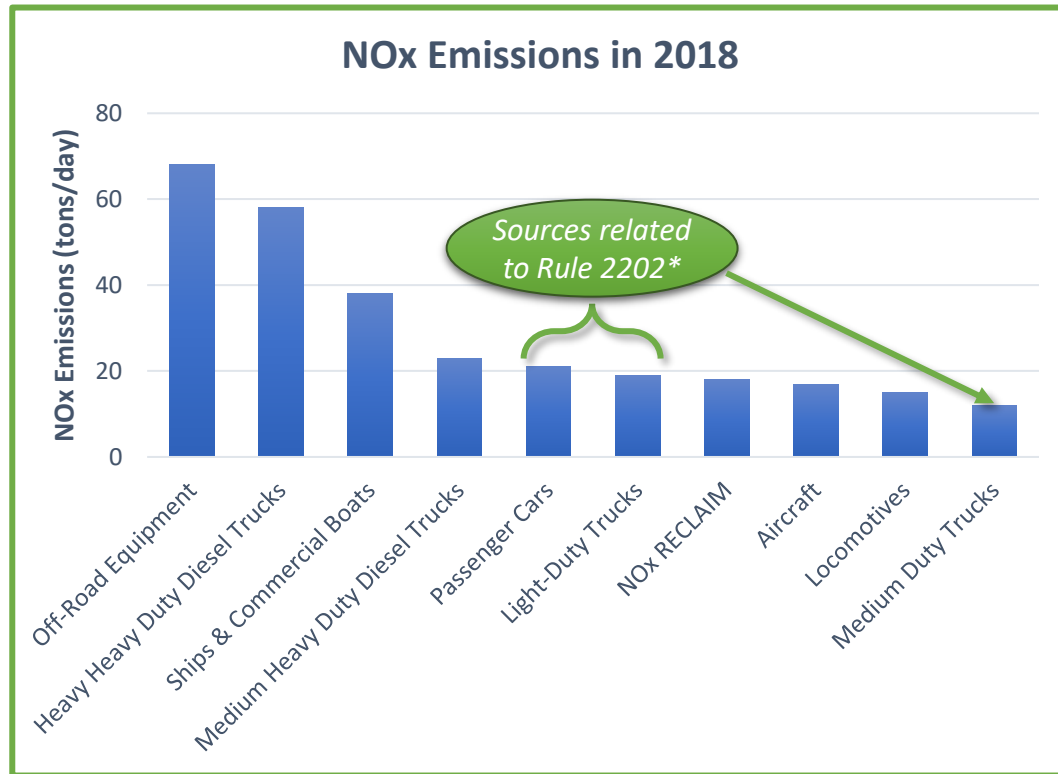
Key Air Quality Challenges – Regional Ozone and Fine PM Caused by Nitrogen Oxides (NO_x)



2022 NO_x Inventory

■ Stationary Sources ■ Passenger Vehicles ■ All Other Mobile Sources

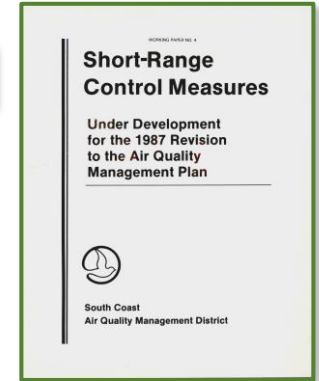
Top 10 Sources of NOx Emissions



*Emissions associated with Rule 2202 employee commutes are a subset of total emissions in these categories

Rule 2202 History

- **Rule 1501- Work Trip Reduction Plans** – initial mobile source emission rule called for in 1982 & 1987 AQMP that addressed employee vehicle trips to the worksite
 - Adopted 1987, repealed 1995
- **Rule 2202- On-Road Motor Vehicle Mitigation Options** – followed state legislation* to provide regulated employers with a menu of options to reduce emissions from employee commutes
 - Amendments to Rule 2202 included as control measure MOB-14 in 2022 AQMP



* Health and Safety Code 40447.5, 40454, 40455, 40456, 40458

Current Rule 2202 Background

Rule Purpose: to provide employers with a menu of options to reduce mobile source emissions generated from employee commutes

Applicability: employers with 250+ employees (approximately 1200 worksites)

Average Vehicle Ridership: metric used to measure success of company rideshare program

There are three compliance options for worksites to choose from.

Current Compliance Options

Air Quality Investment Program (AQIP)

- Pay \$46.73 per employee arriving at the work site
- Funds used for emission reduction projects
- Survey Optional

Emission Reduction Strategies (ERS)

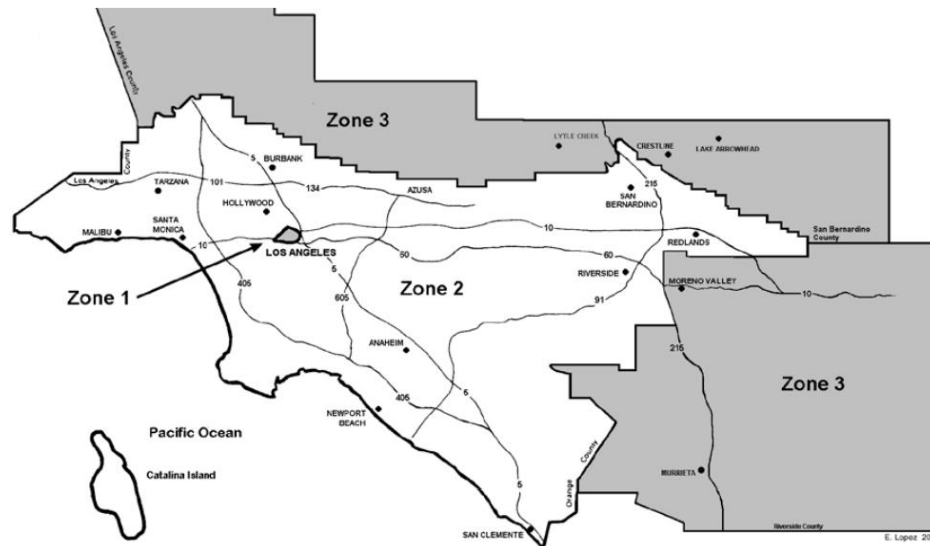
- Credits purchased from vendors and surrendered to meet emission reduction goal
- ERCs and Rule 1610 credits are currently used
- Survey optional

Employer Commute Reduction Program (ECRP)

- Worksites develop and implement a rideshare program
- Include marketing, basic support, and direct strategies
- Survey required

Rule 2202 Performance Zone

$$\text{Average Vehicle Ridership} = \frac{\text{number of employees}}{\text{number of vehicles}}$$



PERFORMANCE ZONES

AVR determined by employee survey

Worksite surveys employees for one week to determine transportation mode

AVR target per zone

Zone 1: 1.75

Zone 2: 1.5

Zone 3: 1.3

ECRP Submittal Determined by AVR

**ECRP sites must conduct an employee survey,
the AVR results will determine plan details:**

High AVR

If a site's AVR exceeds the AVR goal for their performance zone, they may continue with their previously approved rideshare program.

AVR Improvement

If a site's AVR has improved by 0.05 since the last year or by 0.01 for two consecutive years, they may continue with their previously approved rideshare program.

Standard ECRP

If a site does not reach their AVR goal or improve from the previous year, they will submit a revised rideshare program or complete a AQIP/ERS offset.

Emission Reduction Credits

Rule 2202 allows the use of emission credits as a compliance options

- Mobile Source Emission Credits (ERCs) – Rule 1610 (Old-Vehicle Scrapping)
- ERCS – Reg. XIII (shutdown stationary sources)
- Short Term ERCs (STERCs)- Reg. XIII
- Area Source Credits (ASCs) – Reg. XXV
- Other Emission Reduction Strategies
 - Must demonstrate real, quantifiable, enforceable, and surplus emission reductions for a discrete time period

Credits most used in Rule 2202

- Mobile Source Emission Reduction Credits (ERCs) – Rule 1610 (Old- Vehicle Scrapping)
- ERCs – Reg. XIII (shutdown stationary sources)

2014 Rule 2202 Amendment

Rule 2202 was last amended in 2014 and focused on ERCs

Staff evaluated the historical use of stationary credits and the availability of credits



Rule amended to prohibit new credits to be transferred into the program after 2014, existing credits were grandfathered in and discounted

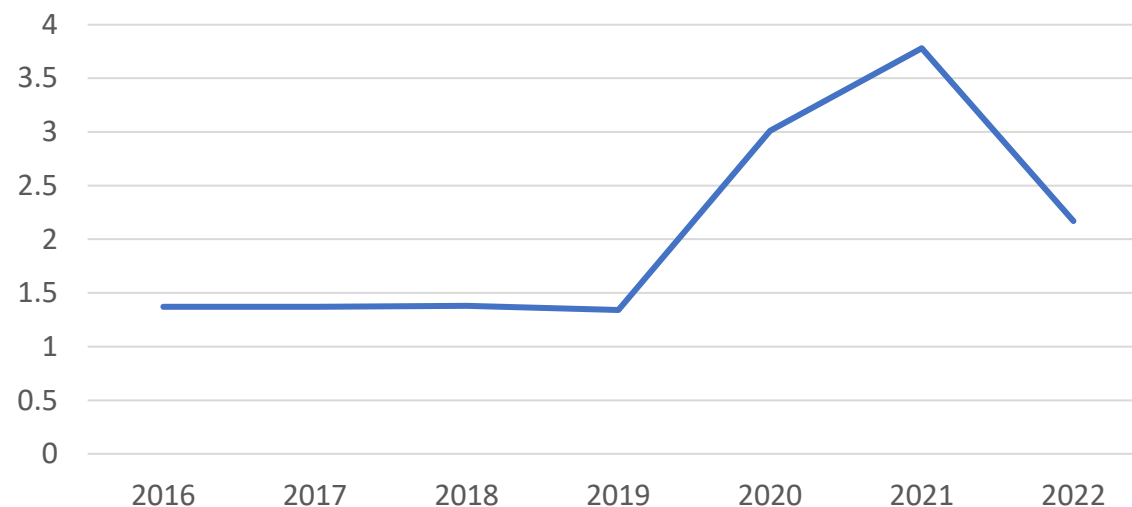
COVID-19's Impact on Average AVR for ECRP Sites

The pandemic significantly impacted average AVR in the district

- In 2019, the average AVR for ECRP worksites was 1.34
- In 2021, average AVR peaked at 3.78
- Average AVR for 2022 is 2.17

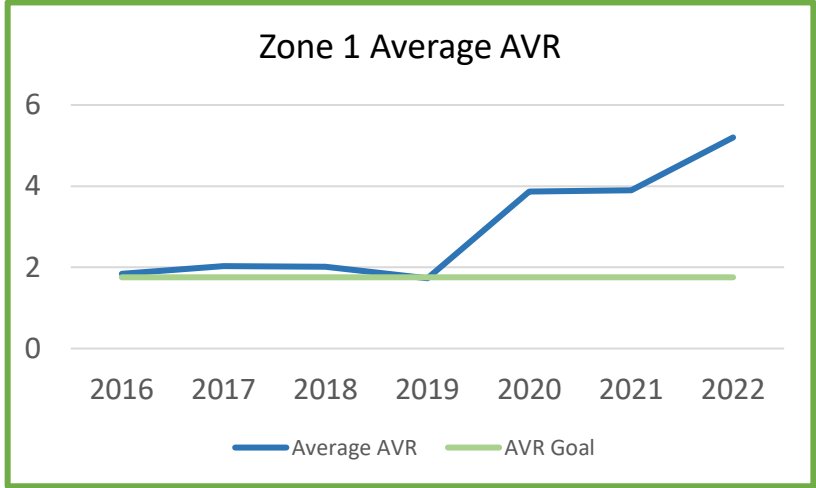
The fluctuation of average AVR since 2020 is most likely due to teleworking

Average Vehicle Ridership

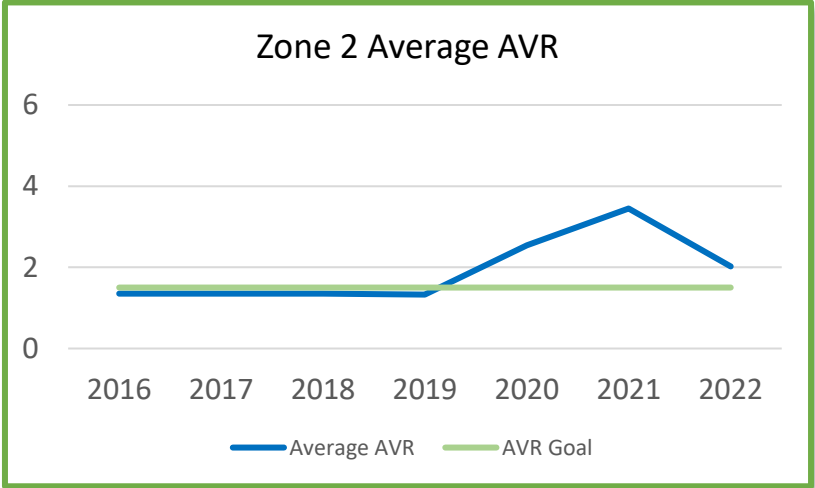


Average AVR for ECRP Sites By Zone

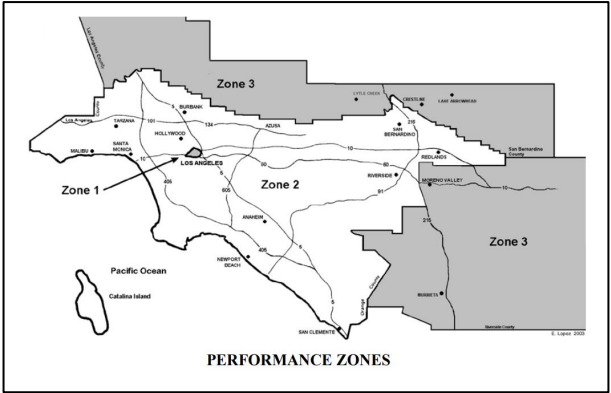
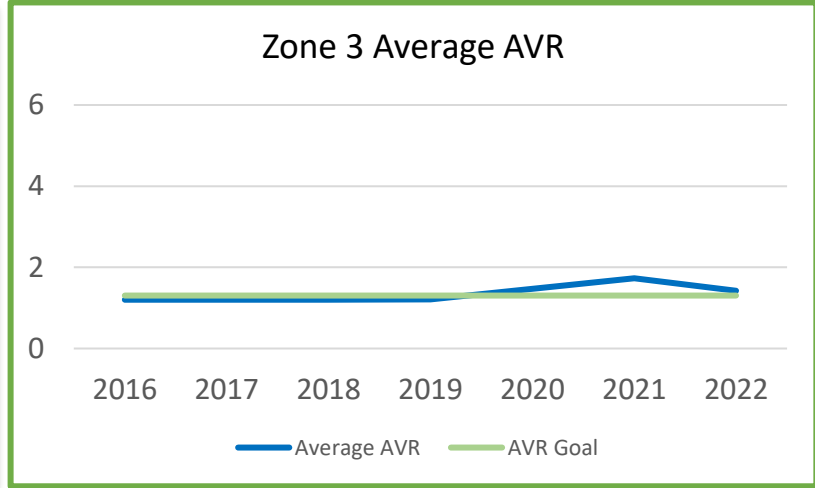
Zone 1 Average AVR



Zone 2 Average AVR

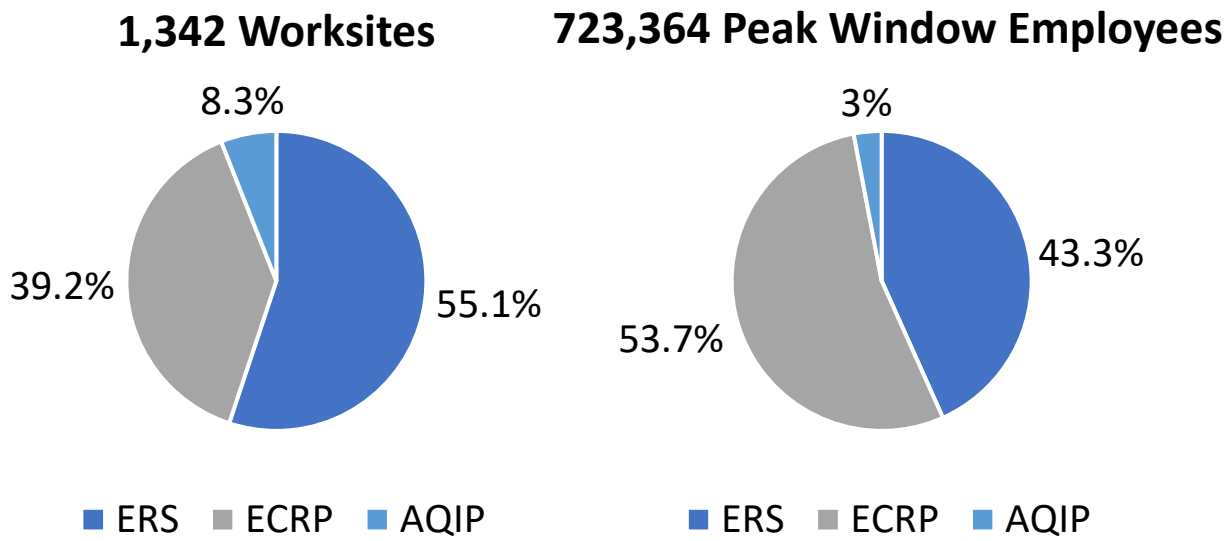


Zone 3 Average AVR

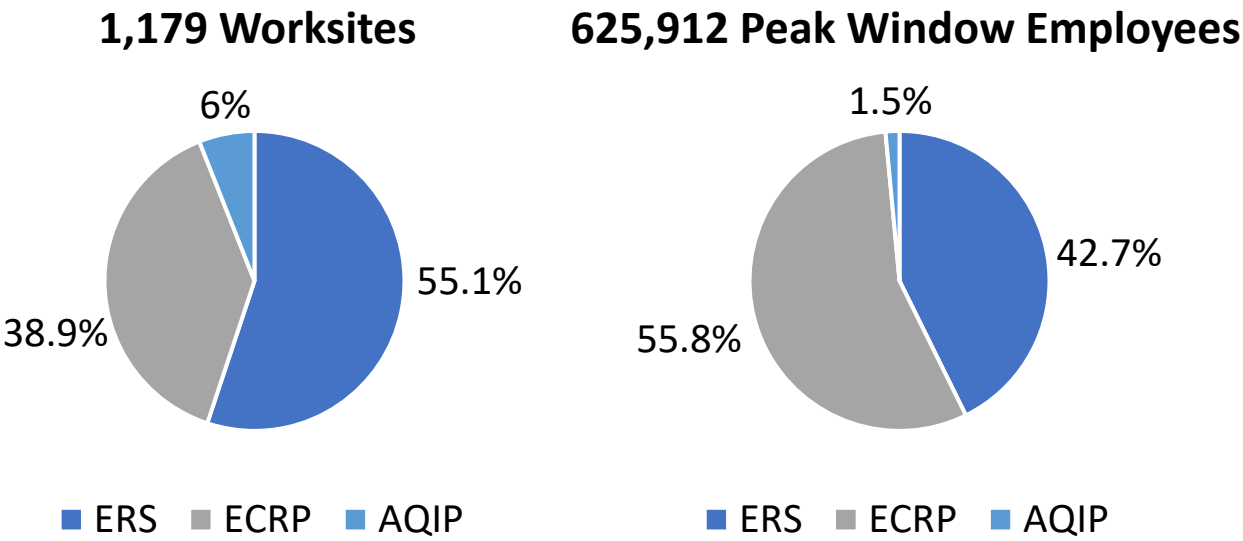


Worksite Activity Change Over Time

2019



Current



COVID-19 Temporary Protocols

South Coast AQMD provided employers with temporary flexibility due to the pandemic

These temporary protocols included

- Allowing multiple deadline extensions
- Waive fees for deadline extension requests and late submittal
- Worksite inspections temporarily halted
- Allow use of human resource or payroll records to account for telecommuters in place of an employee survey
- Allow furloughed employees to be exempt from employee count

Rule 2202 staff plan to remove these temporary protocols

- Fee waivers will end as we return to normal operations
- Site inspections will resume

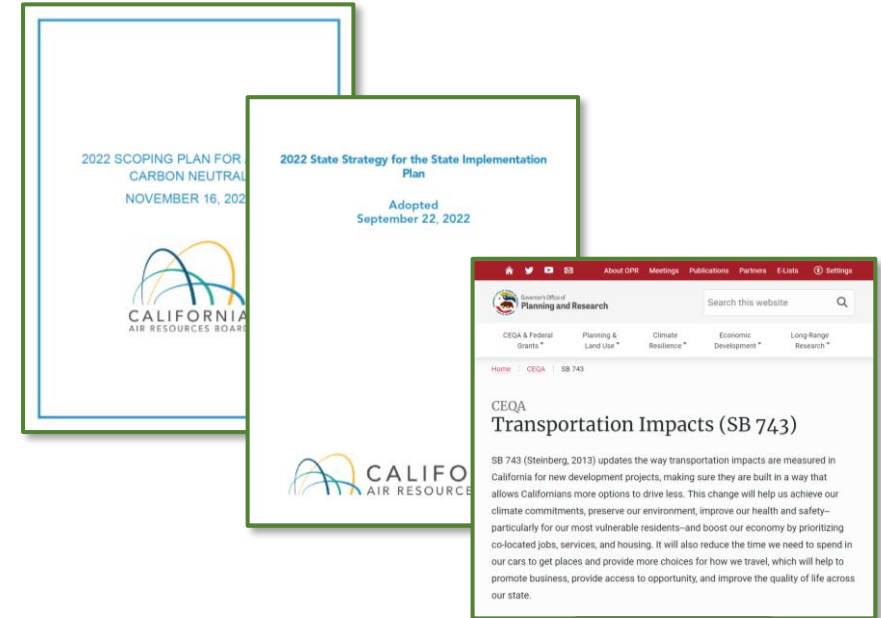
Telecommuter survey exemption and furloughed employee exemption will be included in the Phase 1 amendment

Metrics to Assess Mobile Source Emissions

- Key metric in current Rule 2202 is **Average Vehicle Ridership (AVR)**
 - Calculated through an employee survey that asks for commute mode
- Rule 2202 allows **Vehicle Miles Traveled (VMT)** reduction as a compliance option
 - Facilities subject to Rule 2202 currently do not record or report VMT

Vehicle Miles Travelled

- Many statewide policies include new focus on VMT as key metric for reducing emissions from light-duty vehicles
 - CARB Strategy for the State Implementation Plan
 - Attaining federal and state air quality standards
 - CARB Scoping Plan
 - Carbon neutrality
 - SB 743 Transportation Impact Analysis
 - CEQA
- VMT data used for air quality planning comes from regional transportation models
 - Southern California Association of Governments Regional Transportation Plan
 - **Actual facility-specific data not available**



Proposed Amended Rule 2202

Staff is proposing to amend Rule 2202 in two phases

Phase 1 August 2023

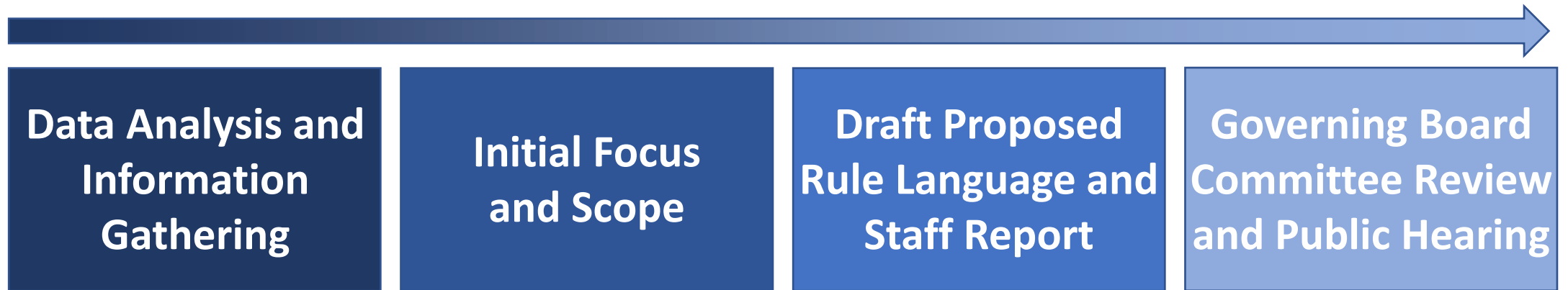
- Require VMT reporting to collect data for Phase 2
- Consider increase in teleworking
- Minor rule cleanup and streamlining

Phase 2 2025-2026 *(rulemaking to begin in 2024)*

- Consider using VMT as primary metric within rule
- Reassess performance zones to factor in new high quality transit areas and travel patterns
- Evaluate compliance options for zero emission passenger vehicles and supporting infrastructure
- Evaluate continued use of credit options for compliance
- Modify rideshare program requirements and reporting

Rule Development Process

Stakeholder Input



Rule Amendment Schedule

1st Working Group Meeting	February 23, 2023
2nd Working Group Meeting	March 2023
3rd Working Group Meeting	April 2023
4th Working Group Meeting	May 2023
Mobile Source Committee	May 19, 2023
Set Hearing	June 2, 2023
Public Hearing/ Governing Board	August 4, 2023

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Proposed Amended Rule 2202 Webpage

<http://www.aqmd.gov/home/rules-compliance/rules/scaqmd-rule-book/proposed-rules/rule-2202>