

#### Clean Truck Rules Forum

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#### Overview

- Summary of Planned Action
- Background
- New Diesel Engine Requirements
  - Applicability and Legacy Engines
- Proposed rule updates CARB Amendments
- Next Steps
- DEQ Fleet Transition Support Overview
- Questions and Answers



## Summary of Planned Action

- DEQ will propose to postpone Heavy-Duty Low NOx Omnibus rule implementation until 2025
- Rationale for proposing this action:
  - Timing of final CARB amendments
  - Lack of legacy engine offset project criteria
  - Uncertainty over compliant engine availability
  - Ease ongoing restrictions on truck supply
- DEQ will propose a permanent rule to adopt the final CARB amendments in 2024



## Background

- What are the Clean Truck Rules?
- What has happened since Oregon adopted these rules?

EQC Adopts Clean Truck Rules [Nov 2021] US EPA adopts new national truck standards
[Dec 2022]

CARB/Industry announce Clean Truck Partnership [July 2023] CARB proposes
Omnibus
amendments
[Aug 2023]

CARB expected to adopt final amendments [end of 2023]

## New Diesel Engine Requirements (Omnibus)

Lowers oxides of nitrogen (NOx) and Particulate Matter (PM) emissions

- First phase scheduled to start with engine model year 2024
  - DEQ temporary rule proposal would delay implementation until engine model year 2025
- Second phase scheduled to start with engine model year 2027
  - Clean Truck Partnership agreement aligns with EPA for 2027



## Who do these rules apply to?

 Manufacturers that offer new medium- and heavyduty trucks and engines for sale in Oregon

- The rules do not apply to fleets
  - -No specific fleet purchasing requirements

## Proposed Amendments – Legacy Engines

- CARB proposed Omnibus amendments Aug 2023
- Current proposed changes/flexibilities:
  - -Emissions neutral
  - Legacy engine offsets remain in place
  - Ability to certify and sell legacy engines prior to certifying an Omnibus compliant engine family
  - Can start any proposed and approved offset projects as early as 2024

## **Next Steps**

- Formal notification
- Propose temporary rules to delay implementation of the Low NOx Omnibus rules until 2025
- Continue to work with CARB and engine manufacturers on the final CARB amendments
- Propose permanent rules in 2024 to:
  - solidify the temporary rule
  - adopt the final CARB amendments
- Track any CARB amendments to the ACT rules



## **DEQ Transition Support**

- Diesel Emission Mitigation Grants through 2027
- Diesel Emission Reduction Act (US EPA) Grants ongoing
- Congestion Mitigation Air Quality Grants ongoing
- Clean Fuels Program credit market
- Oregon Zero Emission Fund ZE infrastructure grants
- Future: Medium-duty vocational vehicle incentives (HB 2714)

Website: <a href="https://www.oregon.gov/deq/aq/programs/Pages/Diesel-Grants.aspx">https://www.oregon.gov/deq/aq/programs/Pages/Diesel-Grants.aspx</a>

### Discussion

# Q and A

# Low NOx Omnibus Rule – Agency Contact

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## Legacy Engine Sales – Current Rules

- Legacy engine provision for the transition to 75% lower NOx
  - 0.20g NOx/bhp-hr legacy (meets current 2023 standard) engines can be sold
  - Number of engines that can be sold is based on the fraction of total sales in Oregon
  - Additional emissions from these legacy engines must be offset
- Offsets would be applied in the following way:
  - ZEV credits can be used for MY 24 and 25.
  - Natural gas engine credits or other NOx credits
  - Other projects that reduce NOx that would have otherwise been emitted

## Legacy Engine Sales – Current Rules

- Caps on allowable legacy engines
  - -MY 2024: Up to 45% of total sold
  - -MY 2025: Up to 25% of total sold

## Proposed CARB Amendments

- Proposed new legacy engine caps (Option 1)
  - -MY 2024: Up to 45% of total sold
  - -MY 2025: Up to 25% of total sold
  - -MY 2026: Up to 10% of total sold

## Proposed CARB Amendments

- Proposed new legacy engine caps (Option 2)
  - Manufacturers that sell medium heavy-duty diesel engines
  - -MY 2024 & 2025: Up to 60% of total sold
  - Combined cap for light heavy-duty and heavy heavyduty diesel engines
    - MY 2024: Up to 15% of total sold
    - MY 2025: Up to 8% of total sold

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