



Texas Low Emission Diesel (TxLED) Program Revisions

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Overview

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Background

- Reasons for the rulemaking
 - Reduced resources for test review and monitoring
 - Changes to diesel standards regarding biodiesel
 - Expired or outdated rule provisions
 - Underutilized compliance flexibility
- Goals of the rulemaking
 - Clarify requirements to facilitate rule compliance and enforcement
 - Minimize program impact on agency resources



Issues Under Evaluation

- TCEQ is seeking informal stakeholder comments on the following TxLED rule issues:
 - New regulatory guidance policy for biodiesel and biodiesel blends
 - Changes to alternative diesel fuel formulation approval procedures; and
 - any other TxLED issues that may need to be addressed during rulemaking.



Rationale for Considering New Regulatory Guidance for Biodiesel Use in TxLED

- The United States Environmental Protection Agency (EPA) has adopted phase 2 Renewable Fuel Standards (RFS2) requiring diesel producers to meet biomass-based diesel standards; proposed volume requirement of 1.0 billion gallons for 2012, and 1.28 billion gallons for 2013.
- TxLED blended with biodiesel comprised less than 1% of the total annual production volume of TxLED reported in 2008 through 2010.
- California Air Resources Board (CARB) has issued new regulatory guidance policy for biodiesel use in California diesel.



New CARB Regulatory Guidance Policy on Biodiesel in California Diesel

- Biodiesel blenders are not considered as producers of CARB diesel fuel, but only distributors.
- Biodiesel (B100) Blendstock must meet following requirements:
 - sulfur content must not exceed 15 parts per million (ppm);
 - aromatic hydrocarbon content must not exceed 10% by volume; and
 - the B100 must meet requirements of ASTM D-6751-08.
- Biodiesel Blends of B1-B50 will be deemed CARB diesel compliant provided: (1) the petroleum diesel used to make the blend meets CARB diesel specifications; and (2) the biodiesel blendstock meets the B100 Blendstock requirements.
- Biodiesel Blends above B50 are not subject to CARB diesel requirements.



DRAFT TCEQ Regulatory Guidance on Biodiesel Use in TxLED Program

- Biodiesel blenders will not be considered producers subject to TxLED requirements.
- Biodiesel blends will be deemed TxLED compliant provided: (1) the petroleum diesel used to make the blend is TxLED compliant prior to blending; and (2) the biodiesel blendstock meets the B100 Blendstock requirements.
- Biodiesel (B100) Blendstock must meet following requirements:
 - sulfur content must not exceed 15 ppm;
 - aromatic hydrocarbon content must not exceed 10% by volume; and
 - the B100 must meet the requirements of the current active version of ASTM D-6751.



Alternative Diesel Fuel Formulation Approval

- Current options for TCEQ approval of alternative diesel fuel formulations
 - TCEQ-approved testing procedures
 - EPA Environmental Technology Verification (ETV)
 - EPA Unified Model (not applicable for additives)
- Proposed changes
 - Remove option for TCEQ-approved testing.
 - Remove option for EPA ETV testing since the EPA has discontinued the program.
 - Grandfather all currently approved formulations.
- Remaining options
 - EPA Unified Model (not applicable for additives)
 - CARB approval required for any new additive-based formulations



Other Issues

- Approval revocation
 - All TCEQ approved additive-based formulations subject to revocation if composition of additive is altered.
 - Producers must discontinue use of revoked formulation within 45 days of the date of revocation.
- Registration
 - Require all new producers and importers to register within 45 days of the date that they begin to provide TxLED to the affected counties.



Timeline

- Anticipated timeline for this rulemaking:
 - Tentative rule proposal agenda: March 2012
 - Tentative public hearing in Austin: April 2012
 - Tentative rule adoption agenda: August 2012



Informal Comments: Methods

- Electronic comments are preferable, and may be submitted via e-mail to Morris.Brown@tceq.texas.gov.
 - All electronic comments should reference “Project Number 2009-001-114-EN” in the subject line.
- Mail comments to:
Morris Brown
TCEQ Air Quality Division, MC-206
P.O. Box 13087
Austin, TX 78711-3087
- Fax comments to (512) 239-6188.



Informal Comments: Specifics

- Accepting informal comments until **November 16, 2011**.
- Seeking detailed informal comments on the issues identified in this presentation.
- When submitting comments:
 - clearly identify any confidential information;
 - provide as much detail and technical information as possible, including information on associated cost; and
 - if referencing a specific document, please provide a copy, Web link, or citation for the information.



Relevant Web pages

- TxLED Stakeholders Group Web page
 - http://www.tceq.texas.gov/airquality/mobilesource/TxLED_Adv_Grp.html
- TxLED Program Web page
 - <http://www.tceq.texas.gov/airquality/mobilesource/cleandiesel.html>



Contact Information

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