

Innovative and Incentive-Based Policies Workgroup

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El Monte, California

Co-Chairs:

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Background

- Workgroup Formed in July 1997
- Workgroup Coordinated with Other FACA Groups
- Workgroup Comprised of Various Stakeholders:
 - U.S. EPA
 - States
 - Automobile Manufacturers
 - Environmental Groups
 - Repair Industry

Background (cont.)

- Workgroup Objective: To Investigate Innovative and Incentive-Based Policy Options to Reduce Vehicle Emissions, Focusing Primarily on Policies that Offer Incentives to States, Motorists, Mechanics, and Government Agencies to Reduce Emissions in Cost-Effective Ways
- Workgroup Held Seven Meetings Between July 1997 and October 1998
- Draft Recommendations Report Issued to Workgroup Members in October 1998

Workgroup Process

- Workgroup Focused on Three Major Areas:
 - Inspection and Maintenance (I/M): To Develop Ideas for More Effective Implementation of I/M Programs
 - Emissions Information: To Assess the Types of Vehicle Emissions Information that Would Be Most Valuable to the Public and the Methods by Which the Information Could Be Distributed

Workgroup Process (cont.)

- Workgroup Focused on Three Major Areas (cont.):
 - On-Board Diagnostics (OBD): To Discuss the Potential for the Use of OBD in Place of, or As a Supplement to, Conventional Tailpipe Testing and the Potential for Improving OBD to Better Serve Testing and Information Needs

Recommendations

- Inspection and Maintenance (I/M)
 - Recommendation that EPA Require States to Perform *Ex Post* Evaluations of the Effectiveness of I/M Programs in Order for States to Claim Emission Reduction Credits
 - No Incentive Exists for States to Conduct Evaluation of Their I/M Program
 - EPA Should Work with States to Develop Protocols for Evaluating I/M Programs
 - Develop Sampling and Testing Techniques
 - Examine In-Program and Out-of-Program Data

Recommendations (cont.)

- Inspection and Maintenance (I/M) (cont.)
 - Recommendation that States Be Granted Flexibility in Developing Innovative and Incentive-Based Policies for State SIP Credit

Recommendations (cont.)

- Inspection and Maintenance (I/M) (cont.)
 - Recommendation that EPA Review the Way Aspects of Emission Reduction for I/M Are Handled within the MOBILE Model
 - EPA Should Develop Better Guidance for States on Estimating Non-Compliance Rates
 - I/M Component of MOBILE Model Should Be Modified to Give States Ability to Compare Certain Modeled Assumptions Against Actual Results

Recommendations (cont.)

- Inspection and Maintenance (I/M) (cont.)
 - Recommendation on Cost-Effective Emission Reduction under I/M
 - EPA Should Facilitate the Development of Vehicle Profiling As Part of State I/M Programs
 - Vehicle Profiling Could Improve Cost-Effectiveness and Consumer Acceptance of I/M Programs
 - High-Emitter Profiling: Identify Likely Gross-Emitting Vehicles that Would Be Tested Instead of Testing All Vehicles
 - Low-Emitter Profiling: Identify Likely Clean Vehicles that Could Be Exempted

Recommendations (cont.)

- Inspection and Maintenance (I/M) (cont.)
 - Recommendation on Cost-Effective Emission Reduction under I/M (cont.)
 - Revenue Recycling (e.g., Fees for Clean Screened Vehicles Used to Subsidize Repairs on Other Vehicles)

Recommendations (cont.)

- Inspection and Maintenance (I/M) (cont.)
 - Recommendation on Improving Repair Effectiveness in I/M Programs
 - EPA Should Encourage States to Make I/M Test Data Available to Automotive Technicians (e.g., Post I/M Test Data to a Repair-Related Central Web Site)
 - Dissemination of Data Could Help Reveal Vehicle Pattern Failures

Recommendations (cont.)

- Emissions Information
 - Recommendation on the Use of Failure Rate Information
 - EPA Should Encourage States to Collect Specific Failure Rate Data (Model Year, Make, Model Type, Vehicle Technology Type)
 - EPA Should Analyze Failure Rate Data to Determine If There Are Certain Trends Across Different State Programs
 - After Review Period, Failure Rate Data Should Be Made Available to Public

Recommendations (cont.)

- Emissions Information (cont.)
 - Recommendation for a Federal Vehicle Emission Information Program for New Vehicles
 - EPA Should Implement a Vehicle Emission Information Program by 2001 in Conjunction with Implementation of National LEV
 - Evaluate and Consider Implementing a Vehicle Emission Index Labeling Program
 - Single Set of Emission Indices for All Light-Duty Vehicles
 - Examine California's Smog Index Labeling Program

Recommendations (cont.)

- Emissions Information (cont.)
 - Recommendation on Recall Enforcement/Linking Registration to Recall
 - EPA Should Offer Incentives to States to Deny Vehicle Registration Renewal if Required Recall Repairs Have Not Been Performed
 - Establish National Vehicle Clearinghouse Database to Track Vehicles

Recommendations (cont.)

- On-Board Diagnostics (OBD)
 - Recommendation for Modification to Future OBD Systems to Eliminate the Need for Special Trips to an Emission Testing Station
 - Modify OBD Requirements to Allow Automated and Tamper-Proof Transfer of Emissions Data
 - Permanent Memory
 - Cell-Phone Transmission Technology or OBD Data Download at Service Station
 - Standardized Connectors

Next Steps

- Draft Recommendations Report Circulated to the Mobile Source Technical Review Subcommittee and Other EPA Officials for Comment
- Final Recommendations Report to Be Submitted to the MSTRS in January 1999