

BOARD MEETING DATE: August 4, 2023

AGENDA NO. 23

PROPOSAL: Determine That Proposed Amended Rule 2202 – On-Road Motor Vehicle Mitigation Options is Exempt from CEQA; and Amend Rule 2202

SYNOPSIS: Proposed Amended Rule 2202 requires limited additional reporting of worksites with more than 250 employees to collect information that would be used to inform a potential second future amendment to Rule 2202. Proposed Amended Rule 2202 also includes administrative updates to the implementation guidance.

COMMITTEE: Mobile Source, May 19, 2023, Reviewed

RECOMMENDED ACTIONS:

Adopt the attached Resolution:

1. Determining Proposed Amended Rule 2202 – On-Road Motor Vehicle Mitigation Options is exempt from the requirements of the California Environmental Quality Act; and
2. Amending Rule 2202 – On-Road Motor Vehicle Mitigation Options

Wayne Nastri
Executive Officer

SR:IM:VW:JI

Background

Rule 2202 was adopted in 1995 to reduce mobile source emissions generated from employee commute trips, and was last amended in 2014. Rule 2202 applies to about 1,200 worksites with over 600,000 employees that commute during peak morning hours. Proposed amendments to Rule 2202 were included in the 2022 AQMP as control measure MOB-14. Rule 2202 provides worksites of 250 or more employees with three main compliance options to meet an emission reduction target for their worksite: (1) Employee Commute Reduction Program (ECRP), (2) Emission Reduction Strategies (ERS), and (3) AQIP. Under the ECRP, worksites develop and implement a rideshare

program to meet an AVR target. Under ERS, worksites purchase credits from credit vendors to meet an emission reduction goal. Under AQIP, worksites pay a mitigation fee that funds a wide variety of emission reduction projects, similar to the Carl Moyer Program. About 92 percent of all worksites choose ECRP or ERS programs, split about evenly. The remaining worksites use the AQIP.

Under Rule 2202, worksites can conduct a survey of their employees to determine how they commute to the worksite (e.g., via carpool, transit, drive-alone in a car, telecommuting, etc.). In 2022, about 45 percent of worksites conducted a survey, which included about 57 percent of all employees covered by the rule. The primary metric used in the survey is AVR, which is the number of employees scheduled to report to work divided by the number of vehicles arriving at the worksite during the peak morning commute. Since the adoption of Rule 2202, Vehicle Miles Travelled (VMT) has become a key metric used by lead agencies for measuring the success of reducing emissions of criteria air pollutants and greenhouse gases, as well as congestion from transportation sources. VMT is currently more widely used as a metric than AVR in various air quality, climate change and transportation-related studies and programs. For example, SCAG uses VMT to evaluate the effectiveness of the Regional Transportation Plan and the California Air Resources Board CARB includes VMT reductions as a control measure to reduce both criteria air pollutants and GHG emissions in the SIP and the Scoping Plan. The current Rule 2202 survey form allows for the reporting of VMT by employees, however most worksites do not collect or report this information.

Proposed Amendment

Staff is proposing to amend Rule 2202 in two phases. Proposed Amended Rule (PAR) 2202 represents the first phase, which will require new limited reporting for all regulated worksites, including the reporting of VMT data, telecommute activity, and business type/classification for the worksite. The proposal also includes additional minor administrative changes and updates to implementation guidance documents. The second phase of rulemaking will consider using VMT as a primary metric within the rule, re-assess how rule targets are used, explore more compliance options for zero emission vehicles and infrastructure, evaluate the continued use of credit options, and consider modifying rideshare options including telecommuting. The second phase of rulemaking is anticipated to begin in 2025/2026.

Public Process

PAR 2202 was developed through a public process including four Working Group Meetings, a Public Workshop, and numerous meetings with interested stakeholders. Follow-up meetings were held with a variety of affected stakeholders who provided input throughout the rule development process, including local transit agencies, transportation management consultants, and local municipalities.

Key Issues

Throughout the rulemaking process, staff has worked with stakeholders to resolve key issues with the proposed amendment. There are two unresolved issues raised by stakeholders. First, some stakeholders have expressed concern about the second phase of rulemaking, including how VMT and changing travel patterns and activities would be incorporated, how credits currently used in the program would function, and how much additional emission reductions would be proposed. Staff recognizes these concerns and is proposing to gather more information before beginning that second phase of rulemaking. Staff is committed to work with stakeholders as rulemaking is initiated for the second phase.

The second issue is centered around the implementation of the proposed amendments, especially in relation to current requirements in the rule. Stakeholders have requested extra time to update software tools used for compliance, clarification of rule definitions (e.g., telework vs. remote work – such as working from out of state), and questions about how the proposed requirements would be implemented. In response, the most recent version of PAR 2202 extended the new reporting requirements from July 1, 2024 to January 1, 2025, more than a full year after adoption of the rule amendments. Additionally, staff will ensure that updated reporting forms are both expeditiously made available if the rule is adopted and will seek to minimize impacts on third party reporting software requirements. Finally, this rule amendment includes updates to the implementation guidelines, and allows staff to modify those guidelines to streamline any implementation issues as they arise.

California Environmental Quality Act

Pursuant to the California Environmental Quality Act (CEQA) Guidelines Sections 15002(k) and 15061, the proposed project (PAR 2202) is exempt from CEQA pursuant to CEQA Guidelines Sections 15061(b)(3) and 15306. Further, there is no substantial evidence indicating that any of the exceptions to the categorical exemption set forth in CEQA Guidelines Section 15300.2 apply to the proposed project. A Notice of Exemption will be prepared pursuant to CEQA Guidelines Section 15062, and if the proposed project is approved, the Notice of Exemption will be filed with the county clerks of Los Angeles, Orange, Riverside, and San Bernardino counties, and with the State Clearinghouse of the Governor's Office of Planning and Research.

Socioeconomic Impact Assessment

Staff estimates that affected worksites would be able to complete the additional data collection and reporting requirements with a minimal amount of labor and time (approximately 10 hours per year). The total additional cost was estimated using the highest hourly wage rate (\$38.56) from the typical category of employee responsible for gathering Rule 2202 annual submittal information. With a total of 1,186 regulated worksites in the current Rule 2202 universe, the total additional annual cost estimated from PAR 2202 is estimated to be \$457,707 (or \$386 per worksite). The annual

compliance costs are not significant compared to the size of the economy of the South Coast Air Basin area, indicating that the PAR 2202 is expected to have no impacts on the regional economy.

AQMP and Legal Mandates

Health and Safety Code Section 40460(a) requires the South Coast AQMD to adopt an AQMP to meet state and federal ambient air quality standards in the South Coast Air Basin. In addition, the Health and Safety Code requires the South Coast AQMD to adopt rules and regulations that carry out the objectives of the AQMP. PAR 2202 is consistent with mobile source control measure MOB-14 in the South Coast AQMD's 2022 AQMP, which proposes to reduce emissions by evaluating potential amendments to Rule 2202.

Implementation and Resource Impact

Existing South Coast AQMD resources will be used to implement PAR 2202.

Attachments

- A. Summary of Proposal
- B. Key Issues and Responses
- C. Rule Development Process
- D. Key Contacts List
- E. Resolution
- F. PAR 2202
- G. Rule 2202 Implementation Guidelines
- H. Rule 2202 Employee Commute Reduction Program (ECRP) Guidelines
- I. Final Staff Report
- J. Notice of Exemption from CEQA
- K. Board Presentation

ATTACHMENT A
SUMMARY OF PROPOSAL

Proposed Amended Rule 2202 – On-Road Motor Vehicle Mitigation Options

Collect new data to inform Phase 2 Rulemaking (reporting requirements start January 1, 2025)

- New data reporting required from all worksites:
 - Vehicle Miles Traveled (VMT), as specified below:
 - ✓ Employers conducting an AVR survey (approximately 45% of worksites):
 - Employees to anonymously report distance from home to the worksite on the AVR survey form (some worksites do this already)
 - ✓ Employers not conducting a survey may use payroll/HR records:
 - Employee anonymous home zip codes provided to calculate approximate VMT from home to worksite address
 - Telecommuting Practices worksheet
 - ✓ All worksites required to report, using an additional page of the compliance packet, information including but not limited to:
 - Number of employees telecommuting
 - Worksite telecommuting policy (if available) and number of employees eligible to telecommute
 - Business Type/Classification (select from a list of industry categories based on NAICS codes)

Administrative cleanup/streamlining for rule implementation

- Guidance document revisions
 - Updated/added definitions
 - Reporting requirements for telecommuting and VMT
 - Specific Employee Commute Reduction Program strategies updated
 - Training requirement for sites that conduct a survey
 - Update AVR survey form and compliance documents
 - Additional administrative clarifications

ATTACHMENT B

KEY ISSUES AND RESPONSES

Proposed Amended Rule 2202 – On-Road Motor Vehicle Mitigation Options

Staff worked to address and resolve issues raised by stakeholders throughout the rule development process. These issues have been addressed either through proposed rule language, proposed guidelines language, or through clarifications added in the staff report. There are two remaining potential issues.

Concern about potential changes in a future, second phase of rulemaking

Some stakeholders have expressed concern about potential future amendments to Rule 2202, such as potential inclusion of Vehicle Miles Travelled compliance targets, modifying the use of credits, etc.

Staff Response:

Staff recognizes the potential significance of this second phase of rulemaking. This first proposed amendment is primarily designed to collect additional data from regulated worksites to help inform the second phase of rulemaking. The issues that have been raised by stakeholders for future rulemaking are important considerations and will be addressed during the public process for the second phase. That process is expected to take a longer period of time in order to allow time for stakeholder engagement on these more substantive issues.

Concern about implementation of first phase of rulemaking

Some stakeholders have stated that more time is needed to implement the current proposed amendment, and that implementation may present challenges when considering the existing reporting requirements in the rule. For example, 3rd party software could require significant upgrades and many facilities could reduce how much information is reported to county transportation commissions through their software that is then used for their rideshare programs (e.g., if worksites choose different compliance options that don't require surveys in response to new reporting requirements).

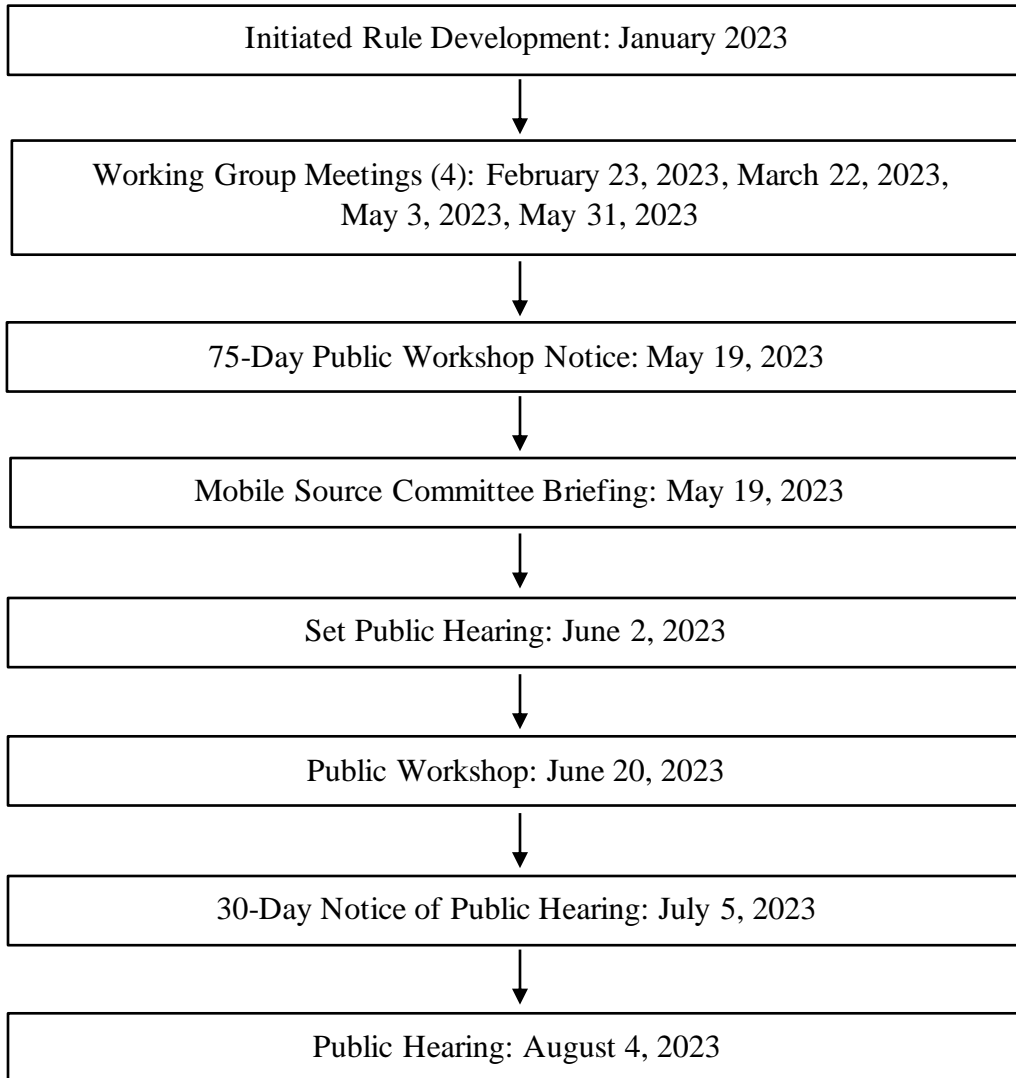
Staff Response:

The deadline for reporting was extended in PAR 2202 to allow a full year before new reporting is required. This additional time was added to allow more time for stakeholders to implement any changes, while also balancing the need to begin the next phase of rulemaking soon. Additionally, staff will focus on streamlining any potential reporting, for example by keeping new requirements as a standalone form that is easier to add into software rather than revising existing forms. In addition, the proposed amendments are designed to leverage existing reporting approaches to the maximum extent feasible, and are not anticipated to change how worksites comply with the rule. The proposed amendments are not intended nor expected to reduce the

number of sites that survey their employees. Finally, PAR 2202 allows the Executive Officer to update the implementation guidelines in order to allow staff to quickly make administrative changes to facilitate streamlined reporting.

ATTACHMENT C
RULE DEVELOPMENT PROCESS

Proposed Amended Rule: 2202 – On-Road Motor Vehicle Mitigation Options



Eight (8) months spent in rule development

Four (4) Working Group Meetings

One (1) Public Workshop

One (1) Mobile Source Committee Meeting

ATTACHMENT D
KEY CONTACTS LIST

- California Air Resources Board (CARB)
- City of Santa Monica
- Innovative Transportation Demand Management Solutions (ITS)
- Los Angeles County Metropolitan Transportation Authority (LA Metro)
- Market-Based Solutions, Inc.
- Orange County Transportation Authority (OCTA)
- Riverside County Transportation Commission (RCTC)
- San Bernardino County Transportation Authority (SBCTA)
- Southern California Association of Governments (SCAG)

ATTACHMENT E

RESOLUTION NO. 23 - _____

A Resolution of the South Coast Air Quality Management District (South Coast AQMD) Governing Board determining that Proposed Amended Rule 2202 – On-Road Motor Vehicle Mitigation Options is exempt from the requirements of the California Environmental Quality Act (CEQA).

A Resolution of the South Coast AQMD Governing Board amending Rule 2202 – On-Road Motor Vehicle Mitigation Options.

WHEREAS, the South Coast AQMD Governing Board finds and determines that Proposed Amended Rule 2202 is considered a “project” as defined by CEQA; and

WHEREAS, the South Coast AQMD has had its regulatory program certified pursuant to Public Resources Code Section 21080.5 and CEQA Guidelines Section 15251(l) and has conducted a CEQA review and analysis of the proposed project pursuant to such program (South Coast AQMD Rule 110); and

WHEREAS, the South Coast AQMD Governing Board finds and determines after conducting a review of the proposed project in accordance with CEQA Guidelines Section 15002(k) – General Concepts, the three-step process for deciding which document to prepare for a project subject to CEQA, and CEQA Guidelines Section 15061 – Review for Exemption, procedures for determining if a project is exempt from CEQA, that Proposed Amended Rule 2202 is exempt from CEQA; and

WHEREAS, the South Coast AQMD Governing Board finds and determines that because Proposed Amended Rule 2202 contains additional data collection requirements to analyze employee commute activity to inform future rule amendments, minor revisions and clarifications and will not require physical modifications, it can be seen with certainty that there is no possibility that the proposed project may have any significant effects on the environment, and is therefore, exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) – Common Sense Exemption; and

WHEREAS, the South Coast AQMD Governing Board finds and determines that the proposed project involves data collection activities which would not result in a serious or major disturbance to an environmental resource and which are categorically exempt from CEQA pursuant to CEQA Guidelines Section 15306 – Information Collection; and

WHEREAS, the South Coast AQMD Governing Board has determined that there is no substantial evidence indicating that any of the exceptions to the categorical exemption apply to the proposed project pursuant to CEQA Guidelines Section 15300.2 – Exceptions; and

WHEREAS, South Coast AQMD staff has prepared a Notice of Exemption for the proposed project, that is completed in compliance with CEQA Guidelines Section 15062 – Notice of Exemption; and

WHEREAS, Proposed Amended Rule 2202 and the August 4, 2023, Governing Board Letter, including Notice of Exemption, Final Staff Report, and other supporting documentation, were presented to the South Coast AQMD Governing Board and the South Coast AQMD Governing Board has reviewed and considered this information, as well as has taken and considered staff testimony and public comment prior to approving the project; and

WHEREAS, the South Coast AQMD Governing Board finds and determines, taking into consideration the factors in section (d)(4)(D) of the Governing Board Procedures (codified as section 30.5(4)(D)(i) of the Administrative Code), that any modifications to Proposed Amended Rule 2202 since the Notice of Public Hearing was published, are not so substantial as to significantly affect the meaning of Proposed Amended Rule 2202 within the meaning of Health and Safety Code section 40726 because the changes are to clarify rule language and: (a) the changes do not impact emission reductions, (b) the changes do not affect the number or type of sources regulated by the rule, (c) the changes are consistent with the information contained in the Notice of Public Hearing, and (d) the consideration of the range of CEQA alternatives is not applicable because Proposed Amended Rule 2202 is exempt from CEQA; and

WHEREAS, Health and Safety Code Section 40727 requires that prior to adopting, amending or repealing a rule or regulation, the South Coast AQMD Governing Board shall make findings of necessity, authority, clarity, consistency, non-duplication, and reference based on relevant information presented at the public hearing and in the Final Staff Report; and

WHEREAS, the South Coast AQMD Governing Board has determined that the Socioeconomic Impact Assessment of Proposed Amended Rule 2202 is consistent with the March 17, 1989, Governing Board Socioeconomic Resolution for rule adoption; and

WHEREAS, the South Coast AQMD Governing Board has determined that the Socioeconomic Impact Assessment is consistent with the provisions of Health and Safety Code Sections 40440.8 and 40728.5; and

WHEREAS, the South Coast AQMD Governing Board has determined that Proposed Amended Rule 2202 will result in increased costs to the affected industries, yet considered to be reasonable, with a total annualized cost as specified in the Final Staff Report; and

WHEREAS, the South Coast AQMD Governing Board has actively considered the Socioeconomic Impact Assessment and has made a good faith effort to minimize such impacts; and

WHEREAS, the South Coast AQMD Governing Board obtains its authority to adopt, amend, or repeal rules and regulations from Health and Safety Code Sections 39002, 40000, 40001, 40440, 40702, 40716, 40717, 40725 through 40728, and 41508; and

WHEREAS, the South Coast AQMD Governing Board has determined that a need exists to amend Rule 2202 in order to collect Vehicle Miles Traveled (VMT) data, telecommute activity, and business type/classification from regulated worksites which will be utilized to inform potential future Rule 2202 amendments; the South Coast AQMD Governing Board has determined that a need exists to include minor administrative changes and updates to the associated Rule 2202 guidance documents; and

WHEREAS, the South Coast AQMD Governing Board has determined that the proposed amendments to Rule 2202 are written and displayed so that the meaning can be easily understood by persons directly affected by it; and

WHEREAS, the South Coast AQMD Governing Board has determined that Rule 2202, as proposed to be amended, is in harmony and not in conflict with or contradictory to, existing federal or state statutes, court decisions, or regulations; and

WHEREAS, the South Coast AQMD Governing Board has determined that Rule 2202, as proposed to be amended, does not impose the same requirements as any existing state or federal regulation, and the proposed amended rule is necessary and proper to execute the powers and duties granted to, and imposed upon, the South Coast AQMD; and

WHEREAS, the South Coast AQMD Governing Board has determined that Proposed Amended Rule 2202 references the following statutes which the South Coast AQMD hereby implements, interprets or makes specific: Health and Safety Code Sections 40001(a) and (b) (air quality standards and air pollution episodes), 40440 (adoption of rules and regulations), 40701 (rules regarding South Coast AQMD's authority to collect information), 40702 (adoption of rules and regulations), and 40440 (rules and regulations to carry out the air quality management plan , 40717 (indirect source measures and transportation control measures), and 41511 (regarding South Coast AQMD's authority to collect information); and

WHEREAS, a public workshop was held in accordance with all provisions of law; and

WHEREAS, a public hearing has been properly noticed in accordance with all provisions of Health and Safety Code Section 40725; and

WHEREAS, the South Coast AQMD Governing Board has held a public hearing in accordance with all provisions of law; and

WHEREAS, the South Coast AQMD Governing Board has determined the proposed amendments to Rule 2202, should be adopted for the reasons contained in the Final Staff Report, and

WHEREAS, the proposed amendments to Rule 2202 will not be submitted for inclusion into State Implementation Plans; and

NOW, THEREFORE, BE IT RESOLVED, that the South Coast AQMD Governing Board does hereby determine, pursuant to the authority granted by law, that the proposed project (Proposed Amended Rule 2202) is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) – Common Sense Exemption. The proposed project contains action items that are also categorically exempt from CEQA pursuant to CEQA Guidelines Section 15306 – Information Collection. No exceptions to the application of the categorical exemption set forth in CEQA Guidelines Section 15300.2 – Exceptions, apply to the proposed project. This information was presented to the South Coast AQMD Governing Board, whose members exercised their independent judgment and reviewed, considered and approved the information therein prior to acting on the proposed project; and

BE IT FURTHER RESOLVED, that the South Coast AQMD Governing Board does hereby adopt, pursuant to the authority granted by law, Proposed Amended Rule 2202, as set forth in the attached, and incorporated herein by reference.

DATE

CLERK OF THE BOARDS

ATTACHMENT F

(Adopted December 8, 1995)(Amended March 8, 1996)
(Amended November 8, 1996)(Amended October 9, 1998)
(Amended January 11, 2002)(Amended February 6, 2004)
(Amended June 6, 2014)(Proposed Amendment August 4, 2023)

PROPOSED AMENDED RULE 2202 - ON-ROAD MOTOR VEHICLE MITIGATION OPTIONS

- (a) Purpose
- The purpose of this Rule is to provide eEmployers with a menu of options to reduce mobile source emissions generated from eEmployee commutes, to comply with federal and state Clean Air Act requirements, Health & Safety Code Section 40458, and Section 182(d)(1)(B) of the federal Clean Air Act.
- (b) Applicability
- Effective June 19, 1998, this Rule applies to any eEmployer who employs 250 or more eEmployees on a full or part-time basis at a Wworksite for a consecutive six-month period calculated as a monthly average, except as provided in subdivision (1) of this Rule. Effective February 6, 2004, eEmployers shall notify the District within 30 days when they become subject to Rule 2202 or no longer qualify for the eEmployee threshold exemption pursuant to paragraph (1)(1). Employers shall have 90 days from the date of notifying the District to comply with provisions of this Rule.
- (c) Sunset Provision
- This Rule shall be rescinded, at such time that a replacement measure is implemented which produces an equivalent level of emission reductions and such emission reductions are real, quantifiable, enforceable, and surplus relative to the most recently adopted state implementation plan.
- (d) Definitions
- For the purpose of this Rule, the following definitions shall apply:
- (1) AIR QUALITY INVESTMENT PROGRAM (AQIP) is an emission reduction option, in which monies collected by the District from eEmployers are used to fund programs or purchase emission reductions that have been approved by the District's Governing Board.
 - (2) AREA SOURCE CREDITS (ASCs) are emission credits, issued pursuant to Regulation XXV – Intercredit Trading.

- (3) AVERAGE VEHICLE RIDERSHIP (AVR) is the current number of Employees scheduled to report to work during the window for calculating AVR divided by the number of vehicles arriving at the Worksite during the same window.
- ~~(3)~~(4) BUSINESS TYPE/CLASSIFICATION is the activity type that classifies the primary nature of work conducted at the Worksite.
- ~~(4)~~(5) DISABLED EMPLOYEE means an individual with a physical impairment that prevents the Employee from traveling to the Worksite by means other than a single-occupant vehicle.
- ~~(5)~~(6) EMISSION REDUCTION CREDITS (ERCs) are as defined in subdivision (l) of Rule 1302 – Definitions and also includes the permanent credit issued under Rule 1309(f)(1).
- ~~(6)~~(7) EMISSION REDUCTION TARGET (ERT) is the annual VOC, NO_x, and CO emissions required to be reduced based on the number of Employees per Worksite and the Employee Emission Reduction Factor, determined in accordance with the provisions of subdivision (e) of this Rule.
- ~~(7)~~(8) EMPLOYEE is any person Employed by a person(s), firm, business, educational institution, non-profit agency or corporation, government or other entity. The term exempts the following in -accordance with -the Rule 2202 - Definitions: seasonal Employees; temporary Employees; Volunteers; Field Personnel; Field Construction Workers; and Independent Contractors.
- (9) EMPLOYEE COMMUTE REDUCTION PROGRAM (ECRP) is a compliance option that allows Employers the ability to choose and implement various rideshare strategies included in the ECRP Guidelines at the Worksite.
- (10) EMPLOYEE TRANSPORTATION COORDINATOR (ETC) is an individual who has completed a South Coast AQMD certified training course and has been appointed to develop, market, administer, and monitor the Worksite’s chosen Rule 2202 compliance option.
- ~~(8)~~(11) EMPLOYER is any person(s), firm, business, educational institution, non-profit agency or corporation, government agency, or other entity that employs 250 or more Employees. Several subsidiaries or units that occupy the same work site and report to one common governing board or governing entity or that function as one corporate unit are considered to be one Employer.

- ~~(9)~~(12) FEDERAL FIELD AGENT means any Employee who is employed by any federal entity whose main responsibility is National Security and performs field enforcement and/or investigative functions. This does not include Employees in non-field or non-investigative functions.
- ~~(10)~~(13) FIELD CONSTRUCTION WORKER means an Employee who reports directly to work at a construction site.
- ~~(11)~~(14) FIELD PERSONNEL means Employees who spend 20% or less of their work time, per week, at the Worksite and who do not report to the Worksite during the peak period for pick-up and dispatch of an Employer-provided vehicle.
- ~~(12)~~(15) INDEPENDENT CONTRACTOR means an individual who enters into a direct written contract or agreement with an Employer to perform certain services and is not on the Employer's payroll.
- ~~(13)~~(16) INTER-POLLUTANT CREDITING means the use of emission credits of one type of pollutant that may be used in lieu of another type of pollutant.
- ~~(14)~~(17) LOW-INCOME EMPLOYEE means an individual whose salary is equal to or less than the current individual income level set in the California Code of Regulations, Title 25, Section 6932, as lower income for the county in which the Employer is based. Higher income Employees may be considered to be "low-income" if the Employees demonstrate that the program strategy would create a substantial economic burden.
- (18) MOBILE SOURCE EMISSION REDUCTION CREDITS (MSERCs) are emission credits issued pursuant to Regulation XVI - Mobile Source Offset Programs.
- ~~(15)~~(19) MOTOR VEHICLE means a self-propelled vehicle, consistent with California Vehicle Code 415.
- ~~(16)~~(20) NITROGEN OXIDES (NO_x) are nitric oxides and nitrogen dioxides, collectively expressed as nitrogen dioxide.
- ~~(17)~~(21) PART-TIME EMPLOYEE means any Employee who reports to a Worksite on a part-time basis fewer than 32 hours per week, but more than four hours per week. These employees shall be included in the Employee count for purposes of Rule applicability; and for Average Vehicle Ridership (AVR) calculations of the Employer provided the Employees report to the Worksite during the window for calculating AVR.

- ~~(18)~~(22) PEAK COMMUTE TRIP is any Employee trip from home to work occurring for the purpose of reporting to work during the Ppeak Window.
- ~~(19)~~(23) PEAK WINDOW is the period of time, Monday through Friday between the hours of 6:00 AM and 10:00 AM, and used in calculating the Vehicle Trip Emission Credit.
- ~~(20)~~(24) PERFORMANCE ZONE is a geographic area that determines the Employee Emission Reduction Factor for a particular Worksite pursuant to the map in Attachment I of this Rule.
- ~~(21)~~(25) POLICE/SHERIFF means any Employee who is certified as a law enforcement officer and is employed by any state, county or city entity. Such Employees are only police officers and sheriffs, who perform field enforcement and/or investigative functions. This would not include Employees in non-field or non-investigative functions.
- (26) RECLAIM TRADING CREDIT (RTC) is as defined in paragraph (c)(63) of Rule—2000 - General.
- ~~(22)~~(27) SCHOOL means any public or private School, including juvenile detention facilities with classrooms, used for the education of more than 12 children at the School in kindergarten through grade 12. School also means an Early Learning and Developmental Program by the U.S. Department of Education or any state or local early learning and development programs such as preschools, Early Head Start, Head Start, First Five, and Child Development Centers. A School does not include any private School in which education is primarily conducted in private homes. The term includes any building or structure, playground, athletic field, or other area of School property.
- ~~(23)~~(28) SCHOOL DISTRICT means a public agency of the state that is a school district of every kind or class except a community college district, and shall include a County Office of Education.
- ~~(24)~~(29) SEASONAL EMPLOYEE means a person who is employed for less than a continuous 90-day period or an agricultural Employee who is employed for up to a continuous 16-week period.
- ~~(25)~~(30) SHORT TERM EMISSION REDUCTION CREDITS (STERCs) are as defined in subdivision (am) of Rule 1302 – Definitions.
- ~~(26)~~(31) STUDENT WORKER means a student who is enrolled and gainfully employed (on the payroll) by an institution. Student workers who work more than four (4) hours per week are counted for Rule

applicability and if they report during the 6:00 AM - 10:00 AM window are counted for AVR calculation.

~~(27)~~(32) TELECOMMUTING occurs when an Employee works from home, off site, a satellite office, or a Telecommuting center which eliminates a commute trip to the Worksite or reduces the commute travel distance by more than 50%.

~~(28)~~(33) TEMPORARY EMPLOYEE means any person employed by an employment service or agency that reports to a Worksite other than the employment agency's Worksite, under a contractual arrangement with a temporary employer. Temporary Employees are only counted as Employees of the temporary agency for purposes of Rule applicability and calculating AVR.

~~(29)~~(34) VEHICLE MILES TRAVELED (VMT) means the number of miles traveled one-way by a Motor Vehicle for a Worksite commute trip.

~~(30)~~(35) VEHICLE TRIP EMISSION CREDITS (VTEC) are the emission reductions that result from the reduction of Ppeak Commute Trips; other work-related trips; or other District approved method; expressed in pounds per year per pollutant, and determined according to the provisions of subdivision (g) of this Rule.

~~(31)~~(36) VOLATILE ORGANIC COMPOUND (VOC) is any volatile compound of carbon, excluding: methane, carbon monoxide, carbon dioxide, carbonic acid, metallic carbides or carbonates, ammonium carbonate, and exempt compounds as defined in Rule 102 – Definition of Terms.

~~(32)~~(37) VOLUNTEER means any person(s) at a Worksite who, of their own free will, provides goods or services, without any financial gain.

~~(33)~~(38) WORKSITE means a structure, building, portion of a building, or grouping of buildings that are in actual physical contact or are separated solely by a private or public roadway or other private or public right-of-way, and that are occupied by the same Employer. Employers may opt to treat more than one structure, building or grouping of buildings as a single worksite, even if they do not have the above characteristics, if they are located within a 2-mile radius and are in the same Performance Zone.

(e) Requirements

An Employer subject to this Rule shall annually register with the District to

implement an emission reduction program, in accordance with subdivisions (f) and (g), that will obtain emission reductions equivalent to a Worksite specific Emission Reduction Target (ERT) specified for the compliance year. The annual ERT shall be determined according to the following equation, for VOC, NO_x, and CO, based on Employee Emission Reduction Factors specified in paragraph (m)(1) of this Rule.

$$\left[\begin{array}{c} \text{Emission} \\ \text{Reduction} \\ \text{Target} \\ \text{(lbs/year)} \end{array} \right] = \left[\text{Employees} \right] \times \left[\begin{array}{c} \text{Employee Emission} \\ \text{Reduction Factor} \end{array} \right] - \left[\begin{array}{c} \text{Vehicle Trip} \\ \text{Emission Credit} \end{array} \right]$$

Where:

Employees = Average daily number of Employees reporting to work in the Peak Window for a typical Monday through Friday period excluding those weeks which include a national holiday.

Employee Emission Reduction Factor = Determined by year of the registration submittal and the Worksite Performance Zone in paragraph (m)(1) of this Rule.

Vehicle Trip Emission Credits = Determined according to subdivision (g) of this Rule.

(f) On-Road Vehicle Mitigation Options

To comply with subdivision (e), Employers may elect to use ~~credits issued pursuant to~~ one or more of the following emission reduction options ~~to meet their Emission Reduction Target (ERT):~~

(1) Mobile Source Emission Reduction Credits (MSERCs)

Any Employer person may elect to use Mobile Source Emission Reduction Credits that were issued in accordance with the provisions of Regulation XVI.

(2) Emission Reduction Credits (ERCs)

Any Employer person may elect to use Emission Reduction Credits (ERCs) issued in accordance with the provisions of Regulation XIII New Source Review, provided that such credits were approved for transfer into the Rule 2202 program prior to June 6, 2014. ERCs transferred into the Rule 2202 program shall be subject to annual discounting in accordance with the Rule 2202 - On-Road Motor Vehicle Mitigation Options Implementation Guidelines.

(3) Short Term Emission Reduction Credits (STERCs) from Stationary Sources

Any Employer person may elect to use Short Term Emission Reduction Credits (STERCs) in accordance with the provisions of Regulation XIII, provided such credits were generated from sources after January 1, 1996.

(4) Area Source Credits (ASCs)

Any Employer person may elect to use Area Source Credits that were issued in accordance with the provisions of Regulation XXV.

(5) Air Quality Investment Program (AQIP)

Employers may participate in the AQIP by submitting an air quality investment, to be placed in a restricted fund, in accordance with Rule 311 – Air Quality Investment Program (AQIP) Fees.

The District shall use these funds to obtain an emission reduction or air quality benefit that is equivalent to the sum of the ERTs for all participating employers in the AQIP.

(6) Other Emission Reduction Strategies

Notwithstanding the foregoing provisions, any Employer person may receive credit toward an ERT for any emission reduction strategy that the Employer or other person demonstrates to the Executive Officer achieves real, quantifiable, enforceable, and surplus emission reductions for a discrete period of time. Such strategies may include, but are not limited to, the reduction of non-work trips, other vehicle or engine accelerated turnover

programs, the provision of new vehicle purchase subsidies or discounts, and local community or development projects that reduce trip or energy demand or that expand clean fuel or high-occupancy travel options. The Executive Officer shall not approve an alternative emission reduction program unless it is consistent with other District regulations and the Rule 2202 - On-Road Motor Vehicle Mitigation Options Implementation Guidelines.

(7) Employee Commute Reduction Program (ECRP)

Any Employer may elect to implement an ECRP that demonstrates conformance with the ECRP Guidelines. Employers must annually submit a program that will meet an Average Vehicle Ridership (AVR) performance requirement of 1.75 for Performance Zone 1; 1.5 for Performance Zone 2; and 1.3 for Performance Zone 3, unless the following conditions are met:

(A) Employers surrender the difference in emission reductions between the Worksite AVR and the Performance Zone requirement through participation in the Air Quality Investment Program (AQIP) or surrendering of equivalent emission credits in accordance with the provisions of subdivisions (f) or (g); or

(B) Employers comply with the good faith effort determination elements described in the ECRP Guidelines. All approved good faith effort elements shall be maintained during the plan compliance year. Deletion or substitution of any good faith effort element is not allowed unless approved in writing by the District.

(g) Vehicle Trip Emission Credits (VTEC)

Employers may elect to implement any of the following strategies and obtain vehicle trip emission credits that can be used to comply with subdivision (e). Such actions are at the sole discretion of the Employer.

(1) Peak Commute Trip Reductions

Employers may receive VTEC from Employee commute reductions that occur during the Ppeak window in accordance with the Rule 2202 - On-Road Motor Vehicle Mitigation Options Implementation Guidelines. VTEC obtained from Ppeak Commute Trip reductions shall be determined according to the following equation:

$$\text{VTEC} = \left[\frac{\text{Creditable Commute}}{\text{Vehicle Reductions (CCVR)}} \right] \times \left[\frac{\text{Emission}}{\text{Factor (EF)}} \right]$$

Where:

CCVR = The daily average of total commute vehicle reductions that are real, surplus, and quantifiable.

EF = Annual Emission Factor (pounds/year/daily commute vehicle).

In calculating VTEC for the subsequent year, Employers may utilize data from previous years obtained by one of the following methods:

- (A) Default data based on the weighted average of the aAverage vVehicle rRidership survey data of the previous three consecutive years; or
- (B) Data obtained by conducting an Average Vehicle Ridership survey in accordance with the Rule 2202 - Employee Commute Reduction Program Guidelines; or
- (C) Data based on the default Average Vehicle Ridership of 1.10; or
- (D) Data obtained by an alternative methodology, which may include documentation of the CCVR claimed, approved by the Executive Officer or designee.

(2) Other Work-Related Trip Reductions

Employers may receive additional VTEC from Employee commute reductions that occur outside of the PPeak Window or from non-commute vehicle usage calculated as creditable trip reductions and approved by the Executive Officer or designee. VTEC obtained from other work-related trip reductions shall be determined according to the following equation:

$$VTEC = \left[\frac{\text{Creditable Trip Reductions (CTR)}}{\text{Conversion Factor (CF)}} \right] \times [\text{Emission Factor (EF)}]$$

Where:

- CTR = The daily average of one-way trip reductions that are real, surplus, and quantifiable. A round trip is considered to be two one-way trips.
- CF = 2.0 for Peak Window trips; 2.3 for other trips.
- EF = Annual Emission Factor (pounds/year/daily commute vehicle).

(3) Vehicle Miles Traveled (VMT) Reduction Programs

Subject to approval of the Executive Officer or designee, Employers may elect to implement VMT reduction programs and receive VTEC towards their ERT. Reduction of annual Employee commute VMT may result from employment center relocation, video-conference centers, Telecommuting centers or other alternative programs approved by the Executive Officer or designee. The Executive Officer shall not offer any VTEC for a VMT reduction program unless it includes baseline VMT estimates and demonstrates that VMT reductions result in real, quantifiable, enforceable,

and surplus emission reductions.

(4) Parking Cash-Out Program

Employers may elect to implement a Parking Cash-Out Program to reduce employee commutes and receive VTEC toward their ERT. Parking Cash-Out is a program where an Employer offers to provide a cash allowance to an Employee, equivalent to the parking subsidy that the employer would otherwise pay to provide the Employee with a parking space. Incorporation of the Parking Cash-Out Program as one of the options in Rule 2202, does not relieve the affected parties from complying with the provisions of the Health and Safety Code section 43845.

(h) General Emissions Credit Provisions

The following provisions shall apply to any of the strategies in subdivisions (f) and (g):

- (1) An Employer or other person seeking credit under this Rule may use actual annual mileage per vehicle, or alternative estimates of vehicle miles traveled (VMT) contained in Rule 2202 - On-Road Motor Vehicle Mitigation Options Implementation Guidelines.
- (2) Emission credit strategies that do not provide the precise amount of surplus emission reductions required for each of the three pollutants addressed by this Rule (VOC, NOx, and CO) may still qualify for equivalent credit if the Employer provides equivalent credits obtained pursuant to paragraph (h)(3).
- (3) Any person holding emission credits, other than vehicle trip emission credits (VTEC), pursuant to this Rule may trade some or all of those credits to other Employers.
- (4) Emission credits issued pursuant to paragraphs (f)(~~43~~), (f)(~~24~~), (f)(~~35~~), and (f)(~~46~~) that have been transferred into the Rule 2202 program, shall not be used to comply with or meet the requirements of any other District rule or program, with the exception of ERCs pursuant to paragraph (f)(~~24~~), for which the original ERC certificate may be transferred out of the Rule 2202 program at any time in accordance with the following conditions:
 - (A) None of the original ERC certificate has ever been used in any discrete year to comply with any requirement of this rule since the initial transfer into the Rule 2202 program;
 - (B) The applicant submits an application for transfer and applicable fees, and receives approval of the Executive Officer, based on a determination that none of the original ERC certificate has been

used. Upon approval by the Executive Office and reissuance of an ERC certificate, the ERCs may be used in any District program authorizing use of such ERCs except Rule 2202; and,

- (C) The amount of ERC certificate to be reissued in pounds per day shall be based on the amount that was transferred into Rule 2202 minus the 10% originally discounted when the ERC was initially transferred into the program.
- (5) All emission credits submitted pursuant to subdivision (f) must be valid for a minimum of six (6) months of the Employer's registration compliance year. This provision shall not apply to emission credits generated from projects approved or submitted prior to February 6, 2004.
- (6) An Employer may apply inter-pollutant crediting, using VOC or NOx emission credits issued pursuant to subdivision (f), in lieu of all or part of a Worksite's CO emission reduction target in accordance with the Rule 2202 Implementation Guidelines and the following crediting ratios:
- 1 pound of VOC = 10 pounds of CO
- 1 pound of NOx = 6 pounds of CO
- (7) Emission credits issued pursuant to paragraph (f)(6), but not used in the Rule 2202 program, shall not be used to comply with or meet the requirements of any other District source specific rule unless otherwise authorized by other District rules or programs.
- (8) Emission Reduction Credits (ERCs), as defined in paragraph (d)(5), on or after June 6, 2014, cannot be transferred into the Rule 2202 program.
- (9) Reclaim Trading Credits (RTCs), on or after June 6, 2014, cannot be transferred into the Rule 2202 program.
- (10) Upon rescission of this Rule, any unused emission credits, with the exception of ERCs, may be applied to other emission reduction programs pursuant to and consistent with District rules and regulations. ERCs assigned to, or designated for use in the Rule 2202 program shall be permanently retired and will no longer be available for use unless otherwise specified in paragraph (h)(4).
- (i) Program Administration
- Rule 2202 shall be administered according to the following:
- (1) Employers shall annually register with the District to implement ~~an Emission Reduction Program~~ one or more of the emission reduction options in subdivision (f) for each Worksite. The registration shall include the following information:

- (A) The name of the highest ranking company official, the name of the contact person, company address, telephone numbers for all participating Wworksites;
- ~~(A)~~(B) Effective ~~September 1, 2024~~January 1, 2025, Business Type/Classification as detailed in the Rule 2202 Implementation Guidelines and ECRP Guidelines;
- ~~(B)~~(C) The on-road vehicle mitigation option(s) that will be used;
- ~~(C)~~(D) The total number of ~~e~~Employees that report to work in the Ppeak Wwindow;
- (E) The total number of ~~e~~Employees at that Wworksite;~~and,~~
- (F) Effective ~~September 1, 2024~~January 1, 2025, the VMT of employees arriving at the Worksite as detailed in the Rule 2202 Implementation Guidelines or ECRP Guidelines;
- ~~(D)~~(G) Effective ~~September 1, 2024~~January 1, 2025, information on Telecommuting practice as detailed in the Rule 2202 Implementation Guidelines or ECRP Guidelines; and,
- ~~(E)~~(H) Calculations for VOC, NO_x, and CO emission reductions for any of the on-road vehicle mitigation options in subdivision (f) or the vehicle trip emission credit options in subdivision (g).
- (2) Annual registration shall include changes in employment base and any other changes that would necessitate adjustment in emission reduction targets or program implementation.
- (3) Annual registration due dates shall remain permanent unless a formal request to change the due date has been submitted by the ~~e~~Employer and approved in writing by the District.
- (4) The approved Rule 2202 Registration shall remain in effect until the next annual registration due date.
- (5) Effective ~~September 1, 2024~~January 1, 2025, Employers must designate an Employee Transportation Coordinator (ETC) if the Worksite will be conducting and submitting an AVR survey as part of their annual plan submittal. The designated ETC must successfully complete a South Coast AQMD ETC training and certification course.
- ~~(3)~~(6) Employers may request to amend their Emission Reduction Program at any time and implement the amendments with written approval of the Executive Officer subject to the criteria contained in paragraph (i)(1).
- ~~(4)~~(7) Rather than registering with the District for each individual Wworksite, an ~~e~~Employer may submit a single registration to implement an Emission

Reduction Program that meets the aggregated ERT of several sites.

- ~~(5)~~(8) Emission credits obtained pursuant to subdivision (f) or (g) shall be surrendered to the Executive Officer within the first six months of the approval of the registration forms. The Executive Officer may grant extensions not to exceed six months on a case-by-case basis upon a finding that earlier compliance would present an unreasonable hardship.
- ~~(6)~~(9) Records which document the accuracy and validity of all information submitted to the District as required by this Rule shall be kept by the eEmployer for a minimum of three years and made available upon request during normal business hours.
- ~~(7)~~(10) On a semi-annual basis the Executive Officer shall recommend to the District's Governing Board the release of monies from the AQIP restricted fund. The program shall be administered and consideration of proposals shall be subject to the following:
- (A) Proposals shall be accepted on an ongoing basis;
 - (B) Equal consideration shall be given to cost-effective proposals and those that achieve long-term advancement of mobile source technology;
 - (C) The amount of emission reductions required to demonstrate equivalent emission reductions shall be determined on a semi-annual basis, as the sum of the ERTs for all the participating eEmployers;
 - (D) Inter-pollutant crediting may be applied toward the CO emission reductions required to demonstrate equivalent emission reductions in subparagraph (i)(8)(C) in accordance with the crediting ratios specified in paragraph (h)(6);
 - (E) The allocation of funding shall be recommended for proposals that reduce equivalent emissions within each county proportional to the contribution level of eEmployers within each county to the greatest extent feasible; and,
 - (F) The emissions reductions are demonstrated to be real, quantifiable, enforceable, and surplus, in accordance with the Rule 2202 - On-Road Motor Vehicle Mitigation Options Implementation Guidelines.
 - (G) The Executive Officer is authorized to use up to 5% of the AQIP funds collected in any given year for program administration.
- ~~(8)~~(11) Registration forms submitted by eEmployers shall be subject to the fee schedule set forth in Rule 308 – On-Road Motor Vehicle Mitigation Options

Fees and Rule 311 – Air Quality Investment Program (AQIP) Fees. Employers choosing to implement the Employee Commute Reduction Program under paragraph (l)(3) shall be subject to the fee schedule set forth in Rule 308.

~~(9)~~(12) Any Employer subject to Rule 2202 or to the exemptions of paragraph (l)(3) of this Rule shall comply with the requirements of Rule 701 – Air Pollution Emergency Contingency Actions.

~~(10)~~(13) All registrations submitted pursuant to subdivision (e) and projects subject to paragraphs (f)(5) and (f)(6) shall be subject to the emission factors under which they were originally approved, funded, or implemented.

~~(11)~~(14) Any person submitting a project pursuant to paragraph (f)(6) shall submit an application as described in the Rule 2202 Implementation Guidelines and shall be subject to the fee schedule set forth in Rule 308 – On-Road Motor Vehicle Mitigation Options Fees.

~~(12)~~(15) All emission credit transfers to non-Rule 2202 Employers or any transfer of credits outside of the credit submittal cycle shall be subject to the applicable fee schedule set forth in Regulation III - Fees.

(j) Previously Delegated Programs

Any Employer that is in compliance with an ordinance adopted by a local government that has a trip reduction ordinance that was approved by the District prior to the effective date of this ~~R~~ule, and that has an existing memorandum of agreement with the District, shall be deemed in compliance with this Rule.

(k) Delegation to Local Governments

The District may delegate authority to implement all or part of Rule 2202, except for the provisions of paragraph (f)(~~5~~2), to any local government that satisfies the following criteria:

(1) The local government adopts an ordinance that is at least as stringent as Rule 2202 in the following areas:

- (A) Applicability;
- (B) Emission reductions target;
- (C) Vehicle trip emission credit calculations;
- (D) Annual registration; and
- (E) Recordkeeping.

(2) The local government demonstrates to the satisfaction of the Executive Officer that:

- (A) It has an implementation plan providing adequate resources to adopt

and enforce the ordinance; and

(B) Multiple site Employers with more than one regulated Worksite in the District have the option of complying with the District Rule instead of the local ordinance.

(3) The local government has executed a Memorandum of Understanding with the Executive Officer specifying the procedures to monitor and review performance of the local government in implementing the program, and procedures for revocation of delegation if the Executive Officer determines that performance of the local government is inadequate.

(1) Exemptions

(1) Employee Threshold

Any Employer whose Employee population at the Worksite decreases to fewer than 250 Employees for the prior consecutive six month period, calculated as a monthly average; or fewer than 33 Employees are scheduled to report to work Monday through Friday between 6:00 a.m. – 10:00 a.m. for the prior consecutive 90 days, may submit a written request to the Executive Officer or designee to be exempted from this Rule. Employers must submit a registration form not later than 90 days after they know or should have known that they no longer qualify for this exemption.

(2) Declared Bankruptcy

An Employer who has declared bankruptcy, for the official business or governmental operations of its organization or company, through a judicial court filing and confirmation process, may submit a written request to the Executive Officer to grant a temporary waiver from complying with the requirements of this Rule. Upon demonstration of the filing and confirmation of bankruptcy, the Executive Officer will grant an exemption for the duration of bankruptcy, not to exceed two years, from the date of the waiver.

~~(3) Employee Commute Reduction Program~~

~~Rather than comply with the provisions of subdivision (e) of this Rule, employers may elect to implement an employee commute reduction program that demonstrates conformance with the Employee Commute Reduction Program Guidelines. Effective January 1, 2005, employers must annually submit a program that will meet an average vehicle ridership performance requirement of 1.75 for Performance Zone 1; 1.5 for Performance Zone 2; and 1.3 for Performance Zone 3, unless the following conditions are met:~~

~~(A) Employers surrender the difference in emission reductions between the worksite average vehicle ridership and the Performance Zone requirement through participation in the Air Quality Investment Program (AQIP) or surrendering of equivalent emission credits in accordance with the provisions of subdivisions (f) or (g); or~~

~~(B) Employers comply with the good faith effort determination elements described in the Employee Commute Reduction Program Guidelines. All approved good faith effort elements shall be maintained during the plan compliance year. Deletion or substitution of any good faith effort element is not allowed unless approved in writing by the District.~~

~~(4) Renewal Date~~

~~(A) Employee Commute Reduction Program shall be submitted annually.~~

~~(B) The currently approved Rule 2202 Registration shall remain in effect until the annual renewal date.~~

~~(C) Program annual due dates shall remain permanent unless a formal written request to change the due date has been submitted by the employer and approved in writing by the District.~~

~~(5)~~(3) Primary and Secondary School Districts and Schools

Any public or private primary or secondary school district or school that buses two students for every one ~~P~~peak ~~W~~window ~~E~~employee at ~~W~~worksites subject to the Rule is exempt from Rule 2202, according to the following criteria:

(A) School districts and ~~s~~Schools shall keep records demonstrating the maintenance of this ratio on-site and make them available upon request by the Executive Officer or designee; and

(B) On a case-by-case basis, the Executive Officer or designee may approve a request by a ~~s~~School district or ~~s~~School to modify the default student-to-~~e~~Employee ratio to reflect location, trip length and other ~~s~~School district or ~~s~~School specific busing program characteristics in order to maintain equivalency with emission reductions which would occur if the district or ~~s~~School met its emission reduction goals under Rule 2202; and

(C) The Executive Officer may periodically update and publish the default student-to-~~e~~Employee ratio to reflect changes to revised emission factors published by the California Air Resources Board. School districts and ~~s~~Schools may opt not to be exempt but to

implement a Rule 2202 program and claim credit for surplus emission credits earned through a student busing program and other Rule 2202 compliance options.

~~(6)~~(4) Primary and Secondary School District Financial Hardship

Due to their financial hardship, notwithstanding the criteria of paragraph (1)(~~35~~), School districts that have received a Negative or Qualified Certification status from their County Board of Education pursuant to Chapter 6, Part 24 of Division 3 of the Education Code, deeming that based upon current projections the School district or county office of education will not or may not meet its financial obligations, may request the Executive Officer to grant a temporary exemption from the requirements of the Rule. The Executive Officer shall grant a temporary exemption for the period during which the Negative or Qualified Certification status applies.

~~(7)~~(5) Police/Sheriff/Federal Field Agents

Employers may exclude Police, Sheriff, or Federal Field Agents from the number of Employees in the Peak Window for Average Vehicle Ridership surveys provided that:

- (A) These Employees be included in the Employee count for rule applicability, and
- (B) Those Worksites electing to exclude such Employees from the Average Vehicle Ridership surveys and calculations must provide the basic support strategies including, but not limited to, ridematching and transit information for all Employees, and preferential parking and guaranteed return trips for said Employees who are ridesharing.

~~(8)~~(6) Persons subject to this rule who are unable to comply with any part of this rule may apply for a variance with the District's Hearing Board in accordance with Regulation V – Procedure Before the Hearing Board.

(m) Emission Factors

The emission factors, which shall be used in calculations pursuant to this Rule, shall be revised upon EPA's final approval for use of the California Air Resources Board (CARB) approved on-road mobile source emission factor (EMFAC) model.

- (1) The Employee emission reduction factors (pounds per year per Employee) specified in the Rule 2202 - On-Road Motor Vehicle Mitigation Options Implementation Guidelines shall be used in determining the Emission Reduction Target with respect to the Worksite Performance Zone. The Performance Zone is determined by the Worksite

location within the geographic boundaries as described in Attachment I of this rule.

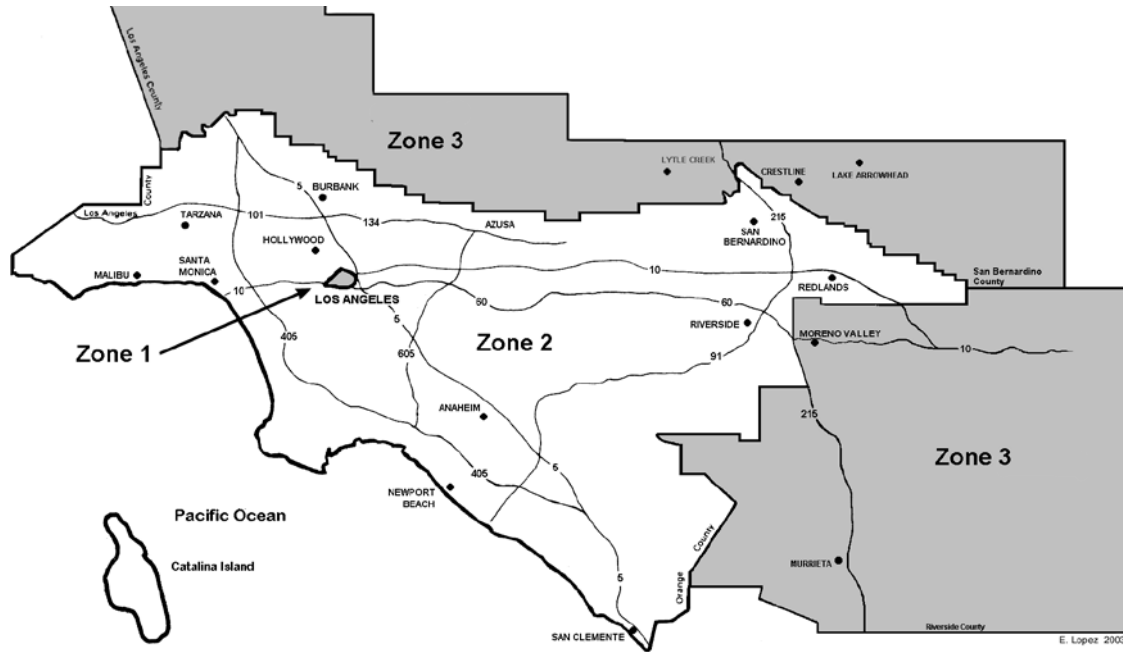
(2) The default emission factors (pounds per year per daily commute vehicle), specified in the Rule 2202 - On-Road Motor Vehicle Mitigation Options Implementation Guidelines, may be used in determining vehicle trip emission credits.

(3) The emission factors specified in paragraphs (m)(1) and (m)(2) may be modified to site specific emission factors reflecting vehicle age and trip length characteristics of the Employee vehicle fleet, in accordance with the calculation procedures included in Rule 2202 - On-Road Motor Vehicle Emissions Mitigation Options Implementation Guidelines.

(n) Guidelines

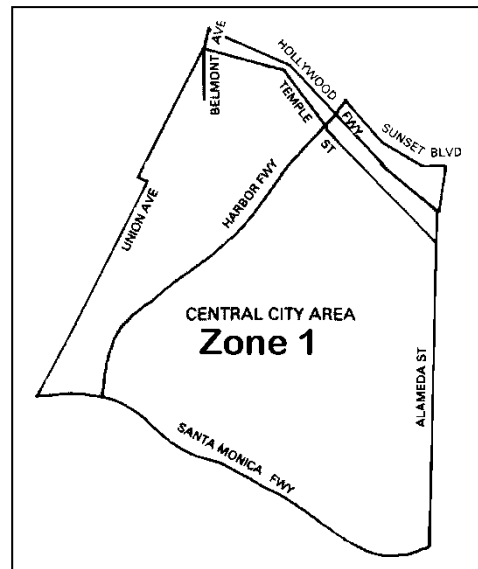
The Executive Officer shall periodically publish updates to the Rule 2202 – On-Road Motor Vehicle Mitigation Options Implementation Guidelines and the Employee Commute Reduction Program Guidelines.

ATTACHMENT I



PERFORMANCE ZONES

- A Worksite's Performance Zone depends on its location.
- District's Source/Receptor Areas are shown in Attachment 3 of Rule 701 - Air Pollution Emergency Contingency Actions.
- **Zone 1** is the Central City Area of Downtown Los Angeles within the District's Source/Receptor Area 1.
- **Zone 2** corresponds to the District's Source/Receptor Areas 1 through 12, 16 through 23, and 32 through 35, excluding the Zone 1 - Central City Area.
- **Zone 3** corresponds to the District's Source/Receptor Areas 13, 15, 24 through 31, and 36 through 38.



ATTACHMENT G

**RULE 2202 – ON-ROAD MOTOR VEHICLE MITIGATION OPTIONS
IMPLEMENTATION GUIDELINES**

~~June 6, 2014~~ Proposed August 4, 2023

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EXECUTIVE OFFICER: WAYNE NASTRI

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I. BACKGROUND

A. SUMMARY

Rule 2202 has been designed to reduce emissions from ~~mobile sources~~ motor vehicles used by employees for commute purposes. The Rule provides employers with a menu of options that they can choose from to implement and meet the emission reduction target (ERT) for their worksite.

The purpose of this document is to provide guidelines for compliance with the provisions of Rule 2202. The various emissions reduction strategies and trip reduction strategies currently contained in the Rule that employers can implement and receive credit towards their ERTs are listed below.

- | Emission Reduction Strategies
(Subdivision (f)) | Trip Reduction Strategies
(Subdivision (g)) |
|--|--|
| <ul style="list-style-type: none">• Mobile Source Emission Reduction Credits (MSERCs) (Regulation XVI)• Air Quality Investment Program• Short Term Emission Reduction Credits (STERCs) from Stationary Sources (Regulation XIII)• Emission Reduction Credits (ERCs) from Stationary Sources (Regulation XIII) approved for transfer prior to June 6, 2014.• Area Source Credits (Regulation XXV) | <ul style="list-style-type: none">• Peak Commute Trip Reductions• Other Work-Related Trip Reductions• Off-Peak Commute Trip Reductions• Vehicle Miles Traveled (VMT) Programs |

~~As an alternative to meeting the ERT at their worksite, the Rule allows the employers optional implementation of an Employee Commute Reduction Program (ECRP). Implementation details of this strictly optional program are included in the ECRP Guidelines. The Rule 2202- On-Road Motor Vehicle Mitigation Options Implementation Guidelines outlines the framework, calculation methodology, and criteria used in determining emission reductions credits and vehicle trip emission credits (VTECs) that can be applied towards meeting emission reduction targets (ERT).~~

An employer would comply with the provisions of the rule by submitting an Emission Reduction Strategy (ERS). The ERS submittal will describe the ERT calculation and how it will be implemented to meet the worksite's ERT.

As an alternative to meeting the ERT at their worksite, the Rule allows the employers to implement an optional Employee Commute Reduction Program (ECRP). Implementation details of this optional program are included in the ECRP Guidelines.

B. EMISSION REDUCTION TARGET (ERT)

(R2202, subdivision (e))

Employers subject to Rule 2202 are required to implement an emission reduction program and meet an annual ERT for Volatile Organic Compounds (VOC), Oxides of Nitrogen (NOx) and Carbon Monoxide (CO). Figure I-1 outlines the equation used to determine the ERT for each pollutant.

$$\left[\begin{array}{c} \text{Emission} \\ \text{Reduction Target} \\ \text{(lbs/year)} \end{array} \right] = \left[[\text{Employees}] \times \left[\begin{array}{c} \text{Employee Emission} \\ \text{Reduction Factor} \end{array} \right] \right] - [\text{VTEC}]$$

The employer's emission reductions can be further reduced through generation of Vehicle Trip Emission Credits (VTECs) from the implementation of optional trip reduction strategies. These VTECs, obtained through peak and off-peak commute trip reductions, other work-related trip reductions, or vehicle miles traveled (VMT), can be applied towards meeting an employer's ERT. Credit for any program must go beyond the requirements of existing state and federal programs to avoid "double counting" the emission reductions. All emission credits are valid according to the conditions, guidelines, or regulations under which they were originally issued.

C. POLLUTANTS CONSIDERED

Vehicle trips are responsible for the emissions of VOC, NOx, and CO. Most trip reduction programs reduce emissions by similar relative amounts. Emission reduction strategies, however, aimed primarily at reducing emissions rather than trips, may reduce emissions by different relative amounts. Rule 2202 is designed to reduce emissions of VOC, NOx, and CO, by an equal or greater amount to that achievable through trip reduction. Rule 2202 allows employers to select and implement a combination of emission reduction strategies and meet the site-specific ERTs for VOC, NOx, and CO.

II. EMISSION REDUCTION STRATEGIES

The emission reduction strategies considered in this document may include old-vehicle scrapping, clean on-road vehicles, clean off-road vehicles, other programs under Regulation XVI, STERCs, area source credits, and the air quality investment program. In addition, companies can meet the emission reduction requirements, in whole or in part, by obtaining sufficient VTECs.

A. Mobile Source Emission Reduction Program Credits (MSERCs)

(R2202, paragraph (f)(1))

Any person may elect to use mobile source emission reduction credits (MSERCs) issued in accordance with the provisions of Regulation XVI - Mobile Source Offset Programs. Regulation XVI sets forth the requirements that are based on voluntary programs that achieve emission reductions beyond those required by local, state and federal regulations or programs. Any person may generate MSERCs through the voluntary implementation of any Regulation XVI program and apply them toward meeting the ERT for their worksite or trade and/or sell them to other persons. Alternatively, employers that have a shortfall in meeting their ERTs can purchase surplus MSERCs from other employers or a credit vendor. Credits issued under Regulation XVI programs are subject to the quantification, issuance, and credit life restriction of the applicable rules and may be used for Rule 2202 as well as other South Coast AQMD rule compliance that authorizes such use.

B. Short Term Emission Reduction Credits (STERCs)

(R2202, paragraph (f)(3))

Employers may elect to use STERCs issued in accordance with Regulation XIII – New Source Review. In order for STERCs to be used to meet employers’ emission reductions target or as part of an Air Quality Investment Program, the following apply for purposes of use in Rule 2202:

1. Only STERCs issued in accordance with Rule 1309 - Emission Reduction Credits and Short Term Credits shall be allowed for use in Rule 2202.
2. STERCs are subject to the application, eligibility, registration, use, and transfer requirements in Rule 1309.
3. STERCs issued pursuant to Rule 1309 may be used only if the original ERC was generated on or after January 1, 1996. The credit generation date is defined as the original date the South Coast AQMD issued the official Certificate of Title, not the date when the emission reductions occurred or when the ERC or Certificate was split or transferred.
4. For the purposes of Rule 2202, STERCs will be converted into annual emissions (lbs/year). The average number of operating days used in the original ERC evaluations shall be the basis for converting the STERC to annual emissions. If the number of operating days is unspecified, the default value of 260 days will be used for the number of operating days. Such conversions shall be done at the time when the STERCs are transferred to the Rule 2202 program.
5. STERCs, issued pursuant to Rule 1309(f), shall be transferred into the Rule 2202 program as one year increments.

6. Any person transferring a STERC into Rule 2202 shall submit an application for the transfer of each certificate and pay the applicable per certificate transfer fees in accordance with Rule 301 – Permitting and Associated Fees. Upon approval and transfer into the Rule 2202 program the original Certificate of Title shall be cancelled and the cancellation recorded in the NSR Register of Title.
7. STERCs can only be used in the Rule 2202 program during the specific calendar year for which the STERC is valid.
8. STERCs in the Rule 2202 program may be divided among several worksites.
9. The permanent credit portion of the STERC, if any, issued pursuant to Rule 1309(f)(1), are subject to the requirements below governing ERCs.

C. Emission Reduction Credits (ERCs)

(R2202, paragraph (f)(2))

Employers may elect to use ERCs that were approved for transfer into the program before June 6, 2014 and were issued in accordance with Regulation XIII. In order for ERCs to be used to meet an employer’s emission reduction target or as part of an Air Quality Investment Program, the following apply for purposes of use in Rule 2202:

1. ERCs that have been transferred into the Rule 2202 program shall permanently remain in the program, unless specified pursuant to section C.2. below.
2. The original ERC certificate may be transferred out of the Rule 2202 program at any time in accordance with the following conditions:
 - a. None of the original ERC certificate has ever been used in any discrete year to comply with any requirement of this rule since the initial transfer into the Rule 2202 program;
 - b. The applicant submits an application for transfer and applicable fees, and receives approval of the Executive Officer, based on a determination that none of the original ERC certificate has been used. Upon approval by the Executive Office and reissuance of an ERC certificate, the ERCs may be used in any District program authorizing use of such ERCs except Rule 2202; and,
 - c. The amount of ERC certificate to be reissued in pounds per day shall be based on the amount that was transferred into Rule 2202 minus the 10% originally discounted when the ERC was initially transferred into the program.
3. For purposes of Rule 2202, ERCs shall be converted into an annual allocation of pounds per calendar year. The average number of operating days used in the original ERC evaluations shall be the basis for converting the ERC pounds per day (lbs/day) to the annual allocation (lbs/year). If the number of operating days is unspecified, the default value of 260 days will be used for the number of operating days. Such conversions shall be done at the time when the ERC is transferred to the Rule 2202 program.
4. Annual allocations are only available for use in the calendar year for which it was allocated. Unused portions of the annual allocation cannot be banked or rolled over for future use. The annual allocation may be divided and used by multiple employers for meeting their ERT.

5. The initial annual allocation shall be based on the date the ERC Certificate of Title was transferred into the Rule 2202 program.
6. Effective January 1, 2015, the existing broker account ERCs will be annually discounted beginning the eighth year after the initial date of transfer into Rule 2202 and shall have their initial 10% discount restored on January 1st of the eighth year. The initial 10% discount was taken in accordance with South Coast AQMD policies for the transfer of ERC into Rule 2202.
7. Each year on January 1st, the annual discount shall be determined by the percent change between the year of use and the previous year emission factors expressed as pounds per year per daily commute vehicle as determined by the most recent California Air Resources Board (CARB) and U.S. Environmental Protection Agency (U.S. EPA) approved EMFAC emission model as follows:

$$\left[\begin{array}{c} \text{Current Year} \\ \text{Annual Allocation} \end{array} \right] = \left[\begin{array}{c} \text{Previous Year} \\ \text{Annual Allocation} \end{array} \right] \times \left[\frac{ef_{\text{current year}}}{ef_{\text{previous year}}} \right]$$

Where:

ef = Emission factor in pounds/year/daily commute vehicle

$ef_{\text{current year}}$ = Emission factor for the current year of use

$ef_{\text{previous year}}$ = Emission factor for the year immediately prior to the current year of use

The annual discount percentages (i.e., $ef_{\text{current year}}/ef_{\text{previous year}}$) will be published annually.

8. If Rule 2202 is rescinded, all ERCs held in the Rule 2202 program shall be permanently retired and will no longer be available for use unless otherwise specified in section C.2. above.

D. Area Source Credits (ASCs)

(R2202, paragraph (f)(4))

Regulation XXV - Intercredit Trading provides an opportunity for employers to generate or obtain emission reductions from alternative sources and apply them towards meeting the ERT for their worksite or trade them to other employers or persons in accordance with paragraph (f)(4) of the Rule. Regulation XXV emission credits that are used in Rule 2202 are subject to the same limitations on quantification, credit issuance, credit life, and eligibility, as set forth in that regulation.

Area source credit generation is a voluntary program and provides a mechanism to convert emission reductions from non-permitted stationary sources into tangible emission credits. Area sources include a wide variety of sources, such as small combustion equipment including engines, heaters, and boilers.

E. Air Quality Investment Program (AQIP)

(R2202, paragraph (f)(5))

~~The concept of an AQIP is based on relative cost effectiveness. Employers may participate in the AQIP by submitting an air quality investment, to be placed in a restricted fund as set forth in Rule 311 - Air Quality Investment Program Fees.~~

The South Coast AQMD Executive Officer will recommend to the South Coast AQMD Governing Board the release of request for proposals (RFP) or program announcement to solicit projects that will achieve the emission reduction targets for a given compliance period. At a minimum, the release will be on an semi-annual basis.

Proposals for using monies from the Rule 2202 AQIP restricted fund will be accepted by the South Coast AQMD Executive Officer on, at a minimum, an ongoing an annual basis. The South Coast AQMD Executive Officer will determine the amount of emission reductions required to demonstrate equivalent emissions reductions and the amount that will be achieved by the proposal. The quantification protocols shall be consistent with conditions specified under Section F. Other Emission Reductions Strategies. ~~The proposals received will be rated by source category, including a category for TDM projects.~~ The Executive Officer will then recommend to the Governing Board proposals that achieve equivalent emissions reductions. The Executive Officer may use inter-pollutant crediting to achieve emissions equivalent to the level of the employers' participation. The AQIP emission reduction commitment will be based on the rule emission factors for the current year in question regardless of when the initial monies were placed into the program. In addition, the Executive Officer will recommend that the allocation of funding for proposals that reduce equivalent emissions within each county be proportional to the contribution level of employers within each county to the greatest extent feasible. ~~As part of the RFP or program announcement release, the Executive Officer will provide to the South Coast AQMD Governing Board a status report on program effectiveness and the balance of monies in the fund.~~

F. Other Emission Reduction Strategies

(R2202, paragraph (f)(6))

Any person may submit an application, pursuant to paragraph (f)(6) of the Rule, to generate VOC, NO_x, and CO emission reductions from alternative emission reduction projects for use in Rule 2202. Applications, with complete information, shall be submitted at least 30 days prior to implementing an emission reduction project. The Executive Officer shall approve or disapprove the application and any subsequent revisions in writing within 90 days of submittal.

1. The application shall be submitted on a form specified by the South Coast AQMD, and at a minimum include the following:
 - a. Project description;
 - b. Name and address of the applicant;
 - c. Name and address of the owner and/or operator of the equipment;
 - d. Identification of the geographical area(s) served by the project;

- e. Equipment description (including manufacturer specifications, certification data, etc.);
 - f. Project start date;
 - g. Project life;
 - h. Activity level (such as, hours of operation, fuel usage, odometer mileage);
 - i. Estimated emission reductions;
 - j. Emission reduction calculations, description of methodology used and references; and
 - k. Monitoring, recordkeeping and reporting methods, including methods for tracking project emission reductions.
2. The alternative emission reduction project shall be subject to the following conditions:
- a. For meeting District regulatory requirements, the credits issued under paragraph (f)(6) shall only be used for R2202, and shall be subject to all provisions of Rule 2202.
 - b. The South Coast AQMD shall approve all emission reductions prior to use.
 - c. The emission reductions shall be valid for two years from the date of South Coast AQMD approval unless otherwise specified in the approved emission reduction quantification protocols developed in paragraphs 2d. and 2e. below.
 - d. The emission reduction quantification shall be based on applicable South Coast AQMD rules and regulations, approved methodologies, Governing Board policies and guidelines, and the guidelines and methodologies established by CARB and U.S. EPA. The emission reduction quantification protocol shall be reviewed by the Governing Board Mobile Source Committee.
 - e. If there is no applicable protocol, an emission reduction quantification protocol shall be developed. The proposed emission reduction quantification protocol shall be presented to the Governing Board Mobile Source Committee for review and approval.
 - f. Emission reductions generated under this provision shall not be the result of funding from any other South Coast AQMD, state or federal program that prohibits the use of such reductions for other purposes (e.g., AB2766 subvention funding, Carl Moyer, etc.).
 - g. Emission reductions achieved by the project shall be based on the actual operation of the equipment as provided in the emission reduction quantification protocol.
 - h. Emission reductions may be issued quarterly or semi-annually, based on the actual activity level for the previous quarter or six-months.
 - i. Emission reductions may be held in a broker account, for tracking purposes, until transferred to an employer for rule compliance purposes.
 - j. The application shall be deemed a plan, and plan fees shall be assessed in accordance with Rule 308 – On-Road Motor Vehicle Mitigation Options Fees.
 - k. Emission reductions generated from projects that are in excess of those designated for Rule 2202 compliance may be used for other purposes subject to the approval of the Executive Officer.

South Coast AQMD staff is available to work with project proponents to develop emission reduction protocols and intends to compile protocols, when available, to ensure public accessibility.

G. Employee Commute Reduction Program (ECRP)

(R2202, paragraph (f)(7))

Any employer may elect to implement an ECRP. The implementation of an ECRP is expected to lead to achievement and maintenance of the employer's designated Average Vehicle Ridership (AVR) target, determined by the worksite's AVR Performance Zone pursuant to Rule 2202 (f)(7) through the reduction of employee vehicle trips. The ECRP compliance option is further detailed in the Rule 2202 ECRP Guidelines.

G.H. General Emission Credit Provisions

(R2202, subdivisions (h))

Employers that implement an emission reduction program and have surplus emission reductions with respect to some of the pollutants can use them towards their future ERT or trade or sell them to other employers in accordance with subdivision (h) of Rule 2202. Alternatively, employers that have a shortfall in meeting their ERTs may obtain surplus emission credits from other employers or other credit providers.

Once eligible emission credits have been transferred into the Rule 2202 program, the credits may be placed into a Rule 2202 program broker account or an employer's emission bank. Emission credits that have been transferred into the Rule 2202 program cannot only be transferred out of or removed from this program in accordance with subdivision (h) of Rule 2202.

H.I. Inter-Pollutant Crediting

(R2202, paragraph (h)(6))

Any employer or the AQIP may apply VOC or NOx emission credits in lieu of all or part of a worksite's CO emission reduction target. VOC or NOx emission credits that could be used may come from various sources such as ASCs, STERCs, ERCs in the Rule 2202 program, MSERCs, or credits generated pursuant to paragraphs (f)(5) or (f)(6) of the rule. Inter-pollutant crediting is to be used only by employers to facilitate meeting the worksite's CO emission reduction target. Inter-pollutant crediting shall only be used for compliance with an approved employer's Rule 2202 registration. Inter-pollutant crediting shall not be used to increase or build a CO emission bank. The inter-pollutant crediting ratios are:

1 pound VOC = 10 pounds CO

1 pound NOx = 6 pounds CO

For example: An employer calculated their worksite CO emission reduction target to be 100 pounds. Instead of generating or purchasing CO emission credits, the employer may implement inter-pollutant crediting by dividing the CO target by VOC ratio value of 10. Thus, 10 pounds of VOC could be used in lieu of the worksite's 100 pound CO emission reduction target. Alternatively, an employer may chose to apply NOx credits. Dividing 100 lbs of CO by 6 will

result in 17 pounds of NOx that may be used in lieu of the worksite's CO emission target. Note that calculation results are to be rounded to the nearest whole pound. Employers are not limited to using only VOC or NOx and may use any combination of the two pollutants to meet the calculated emission reduction target.

I.J. Emission Reduction Requirements

Any proposed emission reduction strategy should contain an emissions or trip quantification methodology which follows applicable South Coast AQMD, CARB, or U.S. EPA policies and methodologies. Any proposed program may be submitted in combination with other programs, including, but not limited to, old vehicle scrapping or work-related trip reduction programs. South Coast AQMD will evaluate programs to assure that they produce emissions or trip reductions that are real, surplus, quantifiable, and enforceable.

1. Real Reductions

"Real" reductions are those that result in actual emission reductions and do not occur as a result of accounting practices, or "paper reductions." The key test in determining whether a strategy will result in real reductions is in establishing a proper emissions or trip baseline level. If, for example, facility XYZ has reduced emissions in excess of those required by the ERT, no "real" reductions will result from the establishment of ERT as a performance standard. Therefore, all quantification methodologies will be required to establish a standardized baseline condition, or use a default condition established by the Executive Officer, from which to calculate real emissions or trip reductions.

2. Surplus Reductions

"Surplus" reductions occur when an action is taken beyond existing regional, state, and federal requirements. Obtaining surplus emission reductions means the benefit of a control strategy is not "double counted." In many cases, the proposed strategy requirements overlap completely with another rule, regulation, statute, or legislation. However, by revising the strategy to become more stringent, the action would become partially creditable, or surplus. To meet this surplus criterion, all quantification methodologies will be required to include a mechanism for subtracting any regulatory overlaps with the standardized baselines established to meet the "real" criterion described earlier.

3. Quantifiable Reductions

Although transportation control measures (TCM) involve some degree of variance and uncertainty, creditable actions can be quantified through use of assumptions that are based either on case studies or on transportation supply and demand theories. Each assumption that is used to assign effectiveness or efficiency should be matched with either a case study, or on some measurable parameter. Basic "intuition," especially for indirect actions such as general education, "goodwill," or other "good faith efforts," is not sufficient. Quantifiability is the main criterion used to determine the extent of any credit discounting. Those actions which are more easily quantified, with strong assumptions, would have limited discounting applied, while the more "intuitive" actions would need to be discounted to a much greater extent.

4. Enforceable

In addition, each proposed program should include a recordkeeping mechanism for compliance verification, as outlined in Chapter IV. The enforceability component requires that all records, sufficient to demonstrate compliance, be maintained by participating companies and be made available to the South Coast AQMD upon request.

III. TRIP REDUCTION STRATEGIES

Rule 2202 offers employers the opportunity to obtain VTECs from the implementation of the following optional trip reduction strategies. These VTECs, obtained through peak-commute trip reductions, other work-related trip reduction, VMT offsets or off-peak commute trip reductions, can be applied towards meeting an employer's ERT.

A. PEAK COMMUTE TRIP REDUCTIONS

Rule 2202 provides the option to obtain credit for reducing employee commute trips. Specifically, employers can reduce trips to work that occur for the purpose of reporting to work during the morning peak congestion period (or "Peak Window") by creating incentives for ridesharing and other alternative transportation modes. VTECs shall be calculated using the formula in Figure III-1.

$$VTEC = \left[\frac{\text{Creditable Commute}}{\text{Vehicle Reductions (CCVR)}} \right] \times \left[\frac{\text{Emission Factor (EF)}}{\text{lbs/year}} \right]$$

Where:

CCVR = The daily average of total commute vehicle reductions that are real, enforceable, surplus, and quantifiable.

EF = Annual Emission Factor (lbs/year/daily commute vehicle)

Figure III-1. Vehicle Trip Emission Credit Generation for Work-Related Trip Reduction Programs

In calculating VTEC, employers may utilize data obtained by an alternative methodology approved in writing by the Executive Officer or designee.

B. OTHER WORK-RELATED TRIP REDUCTIONS

Employers may receive additional VTECs from employee commute reductions from peak and non-peak commutes or from non-commute vehicle usage. VTECs from Other Work-Related Trip Reductions can be calculated using the formula in Figure III-2. The conversion factor is used to convert vehicle trip reductions to commute vehicles reductions and accounts for the return trip home, and includes an additional adjustment to account for other vehicle usage reduction during and outside the peak window.

Other sources of VTEC may also be calculated, on a voluntary basis, from non-regulated worksites, non-employee such as independent contractors, or employees of other entities at the worksite that participate in the employer's trip reduction program. Additional VTEC may also be determined from reduced staffing that would reduce commute trips not as a result of any rideshare program. Reduced staffing may occur from events such as school recesses/breaks, inventory, or temporary facility closures.

The use of VTEC is subject to approval by the Executive Officer.

$$\text{VTEC} = \left[\frac{\text{Creditable Trip Reductions (CTR)}}{\text{CF}} \right] \times \left[\frac{\text{Emission Factor (EF)}}{\text{lbs/year}} \right]$$

Where:

CTR = The daily average of total one-way trip reductions that are real, enforceable, surplus and quantifiable. A round trip is considered to be two one-way trips.

CF = 2.0 for A.M. Peak Window
2.3 for Other Trips

EF = Annual Emission Factor (lbs/year/daily commute vehicle)

Figure III-2. Vehicle Trip Emissions Credit Generation for Peak-Commute and Other Work Related Trip Reduction Programs

C. VEHICLE MILES TRAVELED (VMT) PROGRAMS

Vehicle Miles Traveled (VMT) is an alternative metric that can be used to calculate emissions from employee commute trips and establish VMT reduction programs pursuant to Rule 2202.

Subject to approval of the Executive Officer or designee, employers may elect to implement VMT reduction programs and receive VTECs toward their ERT. Reduction of annual employee commute VMT that may result from employment center relocation, video-conference centers, telecommuting centers or other alternative programs approved by the Executive Officer or designee. The Executive Officer shall not approve any VTEC program for VMT reduction unless it includes baseline VMT estimates and demonstrates that VMT reductions result in real, enforceable, quantifiable, and surplus emission reductions.

D. PARKING CASH-OUT PROGRAM

Employers may elect to implement a Parking Cash-Out Program to reduce employee commutes and receive VTEC toward meeting their ERT. Parking Cash-Out is a program where an employer offers to provide a cash allowance to an employee equivalent to the parking subsidy that the employer would otherwise pay to provide the employee with a parking space. VTEC calculation formula for this program is the same as the one used for Other Work-Related Trip Reductions.

E. EMPLOYEE COMMUTE REDUCTION PROGRAMS

Details of this exemption-voluntary compliance option are provided elsewhere in a companion guidance document titled “Employee Commute Reduction Program Guidelines.”

IV. PROGRAM ADMINISTRATION

A. REGISTRATION

Employers participating in the Rule 2202 On-Road Motor Vehicle Mitigation Options emissions reduction program are required to notify the South Coast AQMD which option or options are selected through registration. Employer registration serves the purpose of both notifying the South Coast AQMD of the intent to implement options provided in the program, and also serves to identify the goals of the chosen options, including any demonstrations required. Registration shall be renewed annually.

Employers with 250 or more employees upon becoming subject to Rule 2202 shall notify the South Coast AQMD in writing within 30 days. Once the employer has notified the South Coast AQMD, within 90 days, the employer must submit a Rule 2202 registration with appropriate filing fees.

An employer's registration and the conditions under which it was approved shall remain in effect until the next approval date. Employers will not be held liable for any emission reduction shortfalls incurred due to changes in emission factors or the guidelines during those years in which the factors are updated after the registration is approved or pre-approved. Employers shall have up to 180 days from the date of receipt of their registration pre-approval letter to surrender the required emission credits to meet the worksite emission reduction target. However, the use of this provision does not change the compliance period.

B. REGISTRATION FORM

Employers must identify which options will be used to attain their ERT. The registration form must include information which identifies the company and the worksites affected by the emissions reduction program, including the ~~number of employees reporting to the worksite during the morning peak congestion period and the total employee count at the worksite~~ following information:

- i. The name of the highest ranking official, the name of the contact person, company address, and telephone number for each worksite;
- ii. Effective ~~September 1, 2024~~ January 1, 2025, the business type/classification;
 - a. Worksites will designate the primary nature of work conducted at the worksite by selecting one option from the list provided by South Coast AQMD:

<u>Business Type/Classification</u>	<u>NAICS codes</u>
<u>Utilities</u>	<u>22</u>
<u>Construction</u>	<u>23</u>
<u>Manufacturing</u>	<u>31-33</u>
<u>Wholesale Trade</u>	<u>42</u>
<u>Retail Trade</u>	<u>44-45</u>
<u>Transportation and Warehousing</u>	<u>48-49</u>
<u>Information</u>	<u>51</u>

<u>Finance and Insurance</u>	<u>52</u>
<u>Real Estate and Rental and Leasing</u>	<u>53</u>
<u>Professional, Scientific, and Technical Services</u>	<u>54</u>
<u>Management of Companies and Enterprises</u>	<u>55</u>
<u>Administrative and Support and Waste Management and Remediation Services</u>	<u>56</u>
<u>Educational Services</u>	<u>61</u>
<u>Health Care and Social Assistance</u>	<u>62</u>
<u>Arts, Entertainment, and Recreation</u>	<u>71</u>
<u>Accommodation and Food Services</u>	<u>72</u>
<u>Public Administration/Government</u>	<u>92</u>
<u>Other (please specify):</u>	

- iii. The on-road vehicle mitigation option(s) that will be used;
- iv. The total number of employees that report to work in the peak window;
- v. The total number of employees assigned to the worksite;
- vi. Effective ~~September 1, 2024~~ January 1, 2025, the total VMT by employees assigned to the worksite;
 - a. If an AVR survey is conducted, the total VMT will be reported on the AVR survey summary form.
 - b. If an AVR survey is not conducted, the worksite will report employee home zip codes based on Human Resources (HR)/payroll records in a format provided by South Coast AQMD. Zip codes shall be reported using anonymized employee data such that specific employee names or other identifying information is not included.
- ~~i.vii.~~ Effective ~~September 1, 2024~~ January 1, 2025, information on telecommuting practices including, but not limited to:
 - a. The total number of employees who are eligible to telecommute, the maximum number of days per week they are allowed to telecommute, the number of employees who are currently telecommuting, the average number of days per week that your employees telecommute, if any telecommute incentives are offered, and if the employees teleworking schedules are permanent, temporary or a return to office date has been set. An employer may choose to submit this information for different categories of employees at their worksite if telecommuting practices vary among the categories.
 - b. A formalized telecommuting policy does not need to be developed for Rule 2202 compliance reporting purposes.
- viii. Calculations for VOC, NOx, and CO emission reductions or the vehicle trip emission credit options, as applicable.

C. VTEC CALCULATIONS

Employers claiming VTECs from the implementation of the optional Vehicle Trip Reduction strategy shall include as a part of their registration all VTEC calculations. All supporting

documents shall be maintained on the worksite for three years. Emission factors (i.e., pounds of pollutant per vehicle-year) to be used in the calculations are provided in this document.

D. AIR QUALITY INVESTMENT PROGRAM

South Coast AQMD's Executive Officer will determine the amount of emission reductions for air quality investment programs when proposals are submitted for approval. Individual employers seeking this safe harbor alternative are not responsible for demonstrating emissions reduction equivalency; they are only responsible for keeping records of employment, and of "in-lieu fee" submittal.

E. RECORDKEEPING

The enforceability component of the On-Road Motor Vehicle Mitigation Options program requires that all records, sufficient to demonstrate compliance, be maintained by participating companies for a period of no less than three years and made available to the South Coast AQMD upon request in order to determine compliance. Specifically, participating companies should maintain, at a minimum, a copy of the following records at all worksites:

- Registration form,
- VTEC data and calculations, and
- List of program strategies or elements used for implementation.

F. COMPLIANCE

Compliance with an alternative emission reduction program will be determined through an employer review process conducted by the South Coast AQMD. Compliance requirements for the "Employee Commute Reduction Program" exemption are included in the ECRP Guidelines.

Examples of violations of Rule 2202 would include: failure to maintain records; fabrication of records; or failure to obtain the amount of VTECs or emissions reductions identified as part of the company's registration submittal. In addition, failure to submit air quality investment "in-lieu" fees would be constituted as a violation of Rule 2202 for employers selecting this option.

G. SPECIAL PROCEDURES

1. Extensions

Any employer may request an extension to the registration due date under the following circumstances:

- If an employer needs more time to submit a registration to meet the requirements of Rule 2202, additional time may be requested from the South Coast AQMD. The request must be in writing, state the reason for the extension request, the length of time needed, and include the appropriate filing fee.
- All extension requests and fees must be received by the South Coast AQMD, no later than 15 calendar days prior to the program due date;

- Requests are considered on a case-by-case basis and are granted for reasons that are beyond the control of the employer;
- An employer may request an extension to the registration due date after the registration has been disapproved for the first time. The request must be received within 15 days of the receipt of the registration disapproval. The South Coast AQMD will inform the employer in writing within 15 calendar days of receipt of request, whether the extension has been granted;
- An employer may, upon receipt of a written objection to the terms of the proposed registration by an employee, employee representative or employee organization; request a single extension of 30 days. A copy of the written objection should be attached to the request. One such request shall be granted by the South Coast AQMD; no subsequent extension may be granted for this purpose; and
- Any change in the permanent due date that results in additional time to submit a registration will be considered an extension of time and shall be subject to an extension filing fee.

2. Change of Ownership

In the case of ownership mergers, or change of ownership, the new owner must notify South Coast AQMD of this change within 30 days of the new ownership. The new owner must comply with all provisions of Rule 2202 and Guidelines within 90 days of the change of ownership. The new owner(s) may choose to submit a letter, instead of a new registration, which states they will continue to implement the registration or program last approved by the South Coast AQMD.

3. Relocation

Any employer relocating to a new worksite must notify the South Coast AQMD within 30 days of the relocation. Relocations fall into two categories and are explained below:

- Employers relocating within two miles of the previous worksite address may elect to continue to implement the most recently approved registration. Or, the company may elect to submit a new registration or program. The employer must inform South Coast AQMD of the preference in the notification of relocation letter.
- Employers relocating more than two miles from the previous worksite are required to submit a new registration. The employer must submit the new registration or program within 90 days of the relocation.

4. Registration Disapproval Appeals

The South Coast AQMD has 90 days to review the resubmitted registration. If the employer believes that the program meets the requirements of Rule 2202 and the Guidelines, and that the registration was improperly disapproved, the employer may appeal the disapproval to the South Coast AQMD Hearing Board. A petition for appeal of disapproval must be made within 30 calendar days after the employer receives the notice of disapproval.

5. Delay Registration Review Requests

If an employer, employee, employee representative or employee organization requests a delay in action of registration review, the request must be in writing to the South Coast AQMD within 10 days of registration submittal and cannot delay the period of time to exceed the 90th day after submittal.

6. Police, Sheriff, and Federal Field Agents

Police, Sheriff, and Federal Field Agents shall be included in the employee count for rule applicability but are not required to be included in the number of employees in the peak window and may be excluded from ridership surveys. Surveying only part of this group is not acceptable.

Federal Field Agents are employees who are employed by any federal agency whose main responsibility is national security and performs field enforcement and/or investigative functions. Examples of Federal Field Agents include, but are not limited to, field employees of Federal Bureau of Investigation (FBI), Customs and Border Protection or US Coast Guard.

7. Telecommute Employees on the AVR Survey

Telecommuting occurs when an employee works from home, off site, a satellite office, or a Telecommuting center which eliminates a trip to the worksite or reduces the commute travel distance by more than 50%. Telecommute employees are included in the employee count for rule applicability and are required to be included in the number of employees within the peak window.

Telecommute employees include employees who telecommute on a full time or hybrid schedule. Additionally, telecommuting employees include remote employees who are assigned to the regulated worksite, however, primarily live and work at locations outside of the South Coast AQMD, and physically commute to the regulated worksite less than five days a year.

Employers are required to report information on telecommute practices on a compliance form as part of their annual registration submittal. This information will include the information outlined in Section (IV)(B)(vii) above. The reported information must be validated using Human Resources (HR)/Payroll records including a HR/Payroll representative/ETC signature with the annual submittal to validate telecommute activity.

For those employers reporting telecommuting employees for compliance purposes, the following procedures for each compliance option apply:

AQIP – If a worksite selects the AQIP option, they may deduct the average number of daily telecommuters from their average peak window employee count based on HR/Payroll records. The average number of daily telecommuters will be calculated using the total number of weekly telecommute trips divided by the number of work days in the week. The worksite will be required to pay the appropriate AQIP fee per average number of daily employees that physically arrive at the worksite based on HR/Payroll records.

ERS using default AVR – If a worksite selects the ERS option, they may deduct the average number of daily telecommuters from their average peak window employee count based on HR/Payroll records. The average number of daily telecommuters will be calculated using the total number of weekly telecommute trips divided by the number of work days in the week. The worksite will use the number of average daily employees that physically arrive at the worksite in the calculation to determine the amount of emission credits required.

ERS with AVR survey or ECRP – If a worksite is conducting an AVR survey, they may report total daily telecommute trips on the AVR summary form. Total daily telecommute employee trips may be reported even if not all telecommute employees respond to the AVR survey if the telecommute employees can be validated based on HR/Payroll records. For an employee on a hybrid schedule that does not respond to the AVR survey, the ETC will mark the commute mode as “no response” for the days that the employee physically reported to the worksite and telecommute for the days that they did not physically report to the office. This ensures that the worksite will receive full credit for the total number of commute trips reduced by telecommuting.

Worksites may only use the number of telecommuters in their annual plan submittal as described above if the telecommute employee number can be validated.

8. Furloughed Employees on the AVR Survey

Furloughed employees are employees that are under a temporary, unpaid leave of absence or reduction in hours.

Furloughed employees shall be included in the employee count for rule applicability but are not required to be included in the number of employees in the peak window and may be excluded from the AVR survey.

7.9. Change of Status

An employer who has submitted an ERS and becomes exempt from the rule requirements during the compliance year after having received a provisional compliance letter may seek to have the worksite ERT prorated based on the actual operating days for the compliance year, prior to surrendering the required emission credits.

1. Employers seeking to prorate the worksite ERT must submit a plan amendment pursuant to Rule 2202 (i)(4) prior to the surrender of any emission credits.
2. The plan amendment for a prorated ERT must be submitted at least 15 calendar days prior to the credit submittal deadline of 180 days as stated in the provisional approval of the worksite’s compliance plan.
3. Plan amendments for a prorated ERT may be submitted after the 15 calendar day period and prior to the 180 day deadline only if the plan amendment is accompanied by a request to extend the 180 day deadline.
4. The worksite ERT proration shall be based on the number of operating days divided by 260 days per year.

- Employers who have submitted the required emission credits are not eligible to prorate the worksite ERT and will not have any emission credits returned that have been surrendered.

10. Employee Transportation Coordinator (ETC) Training

Effective January 1, 2025, Employers must designate an employee to serve as an Employee Transportation Coordinator (ETC) for each worksite with 250 or more employees or per Multi-Site program that conducts an AVR survey. This person must successfully complete an South Coast AQMD ETC certification course.

This training provides the individual with the necessary information to conduct the survey process, prepare and implement the program, market the program and track the program results.

Employers submitting a multi-site program may designate an ETC at one worksite and designate On-Site Coordinators for all other worksites. The On-Site Coordinator is a person designated and instructed by the employer to have knowledge of the employer's ECRP and marketing methods. The On-Site Coordinator is accountable for program implementation rather than plan development. The ETC or the On-site Coordinator must be at the worksite and available during normal business hours when the majority of employees are at the worksite.

In the event of an absence of a trained ETC, Consultant ETC, or On-site Coordinator, exceeding eight consecutive weeks, a replacement must be designated and trained. The South Coast AQMD must be notified of this change in writing by the employer within 12 weeks after the beginning of the absence.

a. Consultant Employee Transportation Coordinator

An employer may use a Consultant ETC in lieu of an ETC, provided the Consultant ETC meets the definition of an ETC and the same minimum certification requirements as the ETC. A Transportation Management Association/Transportation Management Organization (TMA/TMO) may be considered a Consultant ETC provided its staff, acting in this capacity, meets the same certification requirements as the ETC. As an alternative to having a Consultant ETC available during normal business hours, the employer shall designate an On-Site Coordinator for each worksite.

H. EMISSION CREDIT TRANSFERS

Emission credits transferred into the Rule 2202 program shall not be transferred out of these programs unless otherwise specified in section II.C.2. of these guidelines. Transfer of emission credits into the program shall be subject to the applicable Regulation III transfer fee. This fee is not required if the buyer/transferee is a Rule 2202 regulated worksite and the emission credits are intended to be used for Rule 2202 compliance within the credit submittal cycle. The credit submittal cycle is within the 180 days from the date of receipt of a registration pre-approval letter for which employers must surrender the required emission credits.

Transfers outside of the credit submittal cycle of the buyer/transferee, between employers, non-Rule 2202 South Coast AQMD emission credit accounts, or Rule 2202 broker accounts shall be

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subject to a transfer fee. One transaction request shall count as one transfer for fee purposes. The transfer fee is intended to cover administrative costs in processing the request and to ensure the account balance is properly tracked. No additional cost is assessed when credits are transferred during the credit submittal cycle, because the annual registration fee has already accounted for such activities.

V. AVERAGE VEHICLE RIDERSHIP SURVEY

A. CALCULATING AVR

1. Employee categories

Employees that do not begin work at least one day during the 6:00 a.m. - 10:00 a.m. peak commute window are not included in the peak AVR calculation. Employees that are classified in the “Other Days Off” category are included in the AVR calculation if they begin work in the window at least one day during the survey week. The net effect of “Other Days Off” on the AVR calculation will be neutral. Employees in this category include, but are not limited to, the following:

- employees on vacation, sick, or furlough;
- employees on per-diem or on-call that do not meet the definition of field personnel;
- employees on jury duty, military duty;
- employees who begin work outside the window provided they begin in the window at least one other day during the week;
- employees not scheduled to work that day;
- employees that are home dispatched;
- employees on maternity leave;
- employees on bereavement leave; and/or,
- employees on medical /disability leave.

The following employee categories, as defined in the Glossary, are not considered for rule applicability or in calculating AVR:

- temporary employees;
- seasonal employees;
- volunteers;
- field personnel;
- field construction workers; and/or,
- independent contractors.

2. Police, Sheriff, and Federal Field Agents

Police, Sheriff, and Federal Field Agents, as defined in the Glossary, are included for rule applicability but are not required to be included in the 6:00 a.m. - 10:00 a.m. peak window survey or included in the AVR calculation. It is the discretion of the employer whether to include them in the window count. Surveying only part of this group is not acceptable. Those worksites electing to exclude such employees from the AVR survey and calculation must provide the basic ridesharing support strategies including, but not limited to, ride matching and transit information for all employees as well as preferential parking and guaranteed return trips for employees who are ridesharing. Employees who perform non-field work or non- investigative functions are required to be included in the peak window survey and included in the AVR calculation. Examples of Federal Field Agents include, but are not limited to, field employees of the Federal Bureau of Investigation (FBI), Customs and Border Protection or US Coast Guard.

3. Telecommute Employees

If a worksite is conducting an AVR survey, they may report total daily telecommute trips on the AVR summary form. Total daily telecommute employee trips may be reported even if not all telecommute employees respond to the AVR survey if the telecommute employees can be validated based on HR/Payroll records. For an employee on a hybrid schedule, the ETC will mark the commute mode as “no response” for the days that the employee physically reported to the office and telecommute for the days that they did not physically report to the office. This ensures that the worksite will receive full credit for the total number of commute trips reduced by telecommuting.

Worksites may only use the number of telecommuters in their annual plan submittal as described above if the telecommute employee number can be validated.

4. Furloughed Employees

Furloughed employees are employees that are under a temporary, unpaid leave of absence or reduction in hours.

Furloughed employees shall be included in the employee count for rule applicability but are not required to be included in the number of employees in the peak window and may be excluded from the AVR survey.

5. AVR Adjustments

- a. Carpools are counted as 2-6 people traveling together for 51% of the total trip distance. The credit is given by dividing the total weekly number of occupants in the vehicle by the maximum occupancy in the vehicle.
- b. Vanpools are counted as 7-15 people traveling together for 51% of the total trip distance. The credit is given by dividing the total weekly number of occupants in the vehicle by the maximum occupancy in the vehicle.
- c. Employees walking, bicycling, telecommuting, using public transit, using a zero emissions vehicle (ZEV) or other vehicles as approved by the Executive Officer or designee, or on their day off under a compressed work week, should be counted as employees arriving at the worksite with no vehicle.
 - i. Carpool occupants of a ZEV may be counted as arriving at the worksite with no vehicle by marking the zero emission option on the AVR survey.
 - ii. Employees arriving to work in a plug-in hybrid electric vehicle (PHEV) can be considered to be using a ZEV provided that the entire home-to-work trip is made exclusively under electric power without use of the gasoline engine or cogeneration system.
 - iii. None of the employee ZEVs can be included in the AVR calculation if the employer has implemented a ZEV charging program that will result in the generation of emission reduction credits pursuant to Rule 2202 (f)(6) or other approved South Coast AQMD emission credit programs.
- d. Compressed Work Week (CWW) credit will only be granted when all days worked and all CWW days off fall within the established AVR survey period. Employers may

develop alternatives to the recognized compressed work week schedules of 3/36, 4/40, and 9/80 upon written approval by the South Coast AQMD. The proposed alternative must ensure that the resulting trip reductions are real, surplus, quantifiable, and enforceable. The types of CWW day(s) off must be clearly indicated on the AVR survey as follows:

- i. 3/36 - 3 days work, 12 hours per day, 2 days off during the survey week;
- ii. 4/40 - 4 days work, 10 hours per day, 1 day off during the survey week; or
- iii. 9/80 - 9 days work, 80 hours per two weeks, 1 day off in a 2 week period during the survey.

If a person on a 3/36 scheduled work week works a 4th day during the surveyed work week, an employer may only take credit for one (1) CWW day off since an additional commute trip occurred during the survey period.

- e. Non-commuting AVR credit is allowed for employees who remain at the worksite (if in the South Coast AQMD’s jurisdiction), or entirely out of the South Coast AQMD’s jurisdiction, for at least a full 24-hour period, to complete work assignments, and who generate no vehicle trips during the AVR window associated with arriving at the worksite. Non-commuting AVR credit is calculated as arriving at the worksite with no vehicle. Examples of employees who may be considered to be in this category are firemen, airline pilots, or flight attendants.
- f. AVR credit for all employees leaving the worksite, during the window, may be calculated and averaged with employees arriving at the worksite during the window to obtain an aggregate AVR. However, if off-peak credits are used in the AVR calculation this credit cannot be used.
- g. Off-Peak Credits - Employers may receive additional credits from employee trip reductions that occur outside of the peak window. An AVR survey or an alternative approved data collection method is required to obtain this data. This AVR survey cannot be older than 6 months at the time of program submittal. This credit may be calculated as follows:

$$AVR = \frac{E}{V - [CCVR \div 2.3]}$$

Where:

- E = Total number of weekly window employees in the peak window.
- V = Total number of weekly window vehicle trips in the peak window.
- CCVR = Creditable commute vehicle reductions that occur outside of the peak window.
- 2.3 = Discount factor.

- h. Non-Regulated Worksite Credits - Employers may voluntarily include worksites with less than 250 employees as described in section II.D. Aggregating AVR for Multi-site Employers and/or employees of other businesses located at the worksite not subject to the Rule.
- i. Reduced Staffing - Employers may receive additional trip reduction credits, that have been discounted, from reduced staffing that occurs during events that are longer than five consecutive work days, such as school recesses/breaks, inventory, or temporary facility

closures, as approved by South Coast AQMD. A separate AVR survey is required to obtain this data. This AVR survey cannot be older than 12 months old at the time of program submittal. This credit is not allowed for staff reductions resulting from actions such as layoffs, relocations, transfers, facility closures or temporary closures that are part of regularly schedule facility vacations. This credit may be calculated as follows:

$$AVR = \frac{E \times T}{[Vn \times Tn] + [Vr \times Tr \times 1.15]}$$

Where:

E = Total number of weekly window employees during the regular operating schedule

T= Total number of annual operating workdays for the worksite, which is the sum of Tn and Tr. For example, the default value is 260 days for employers with a 5 day work schedule, and a default value of 365 days for a 7 day work schedule.

Vn= Total number of weekly window vehicle trips during the regular operating schedule.

Tn= Total number of regularly scheduled operating days for the worksite.

Vr= Total number of weekly window vehicle trips that occur during the reduced staffing schedule.

Tr= Total number of reduced staffing schedule days.

1.15= Discount factor.

- j. Employees that begin work during the window and do not respond to the survey must be calculated as one employee per vehicle arriving at the worksite.
- k. Drive alones count as one person per vehicle arriving at the worksite.
- l. Reporting errors resulting from missing or incorrect information must be calculated as one employee per vehicle arriving at the worksite. Reporting errors that do not indicate the time when the employee begins work must be assumed to occur in the peak window.

6. Electric Vehicle (EV) or Other Alternative-Fueled Vehicles

EV and other alternative vehicles, including hydrogen fuel cell vehicles, play an important role in reducing greenhouse gas and criteria pollutant emissions from employee commutes in comparison to conventional vehicles trips.

Employers that use EV's or other alternative vehicles in reference to the AVR survey and survey responses or for ECRP strategies can refer to the descriptions below. The following vehicle categories qualify as "zero emission vehicles" when conducting and AVR survey. The South Coast AQMD retains the authority to alter or update any approved electric vehicles or alternative vehicles for use in any Rule 2202 AVR survey or ECRP strategies.

- a. Zero emission vehicle (ZEV) is a vehicle that produces zero exhaust emissions of any criteria pollutant (or precursor pollutant) or greenhouse gas under any possible operational modes or conditions.

b. Fuel Cell Electric Vehicle (FCEV) is a vehicle that uses a hydrogen powered fuel cell instead of an engine to generate electricity for the batteries and electric motor. These vehicles generally utilize the same components as a battery electric vehicle, but with the addition of a hydrogen fuel cell and hydrogen storage tank.

Employees arriving to work in a Plug-In Hybrid Electric Vehicle (PHEV) meet the definition of a zero emission vehicle provided that the entire trip to work is made exclusively under electric power. This applies to plug-in vehicles with all electric range that can travel exclusively under electric power without use of the gasoline engine or cogeneration system.

Employees using electric bicycles for the commute trip to the worksite should be accounted for in the bicycle mode on the AVR survey form. Employees using electric scooters for the commute trip to the worksite should be accounted for in the Zero Emission Vehicle (ZEV) mode on the AVR survey form. Employees utilizing electric bicycles and scooters for commute trips to the worksite will be counted as employees arriving at the worksite with no vehicle for purposes of the AVR calculation.

B. AVR DATA COLLECTION METHODS

Each employer must collect AVR data by one of the following applicable methods:

1. AVR Survey

Employers must conduct an AVR survey approved by the South Coast AQMD. The survey should be taken over five consecutive workdays, Monday through Friday, and identify the transportation modes that employees used to travel to the worksite and begin work during the 6:00 a.m. - 10:00 a.m. window, each day during the survey week. The AVR survey data must be available and traceable to an individual employee. This may be through employee identification numbers, employee signature, or a pre-approved electronic identifier specific to each employee. The surveys shall be distributed at the end of or following the planned survey week so that the survey responses will represent actual commute activity. A South Coast AQMD approved employee survey form can be found in the ECRP forms.

a. AVR Survey Parameters

The AVR survey data cannot be more than six months old at the time of program submittal. The six month period begins on the final day of the survey period. The response rate to the survey must be at least 60 percent of those employees who begin work during the window. The remaining non-responses over 60 percent to 100 percent shall be treated as single occupant vehicle commuters, however, if an employer achieves a 90 percent response rate or higher, the remaining non-response percentage can be reported in the "Other Days Off" category. The net effect on the AVR calculation will be neutral. The AVR survey must be conducted during a typical work week. The weeks to be specifically excluded from the AVR survey week are the weeks including the following dates:

<u>New Year's Day</u>	<u>January</u>	<u>1</u>
<u>Martin Luther King Jr. Birthday</u>	<u>January</u>	<u>(Third Monday)</u>

<u>Presidents Day</u>	<u>February</u>	<u>(Third Monday)</u>
<u>Memorial Day</u>	<u>May</u>	<u>(Last Monday)</u>
<u>Juneteenth</u>	<u>June</u>	<u>19</u>
<u>Independence Day</u>	<u>July</u>	<u>4</u>
<u>Labor Day</u>	<u>September</u>	<u>(First Monday)</u>
<u>California Rideshare Week</u>	<u>October</u>	<u>(First Week)</u>
<u>Veteran's Day</u>	<u>November</u>	<u>11</u>
<u>Thanksgiving Day</u>	<u>November</u>	<u>(Fourth Thursday)</u>
<u>Christmas Day</u>	<u>December</u>	<u>25</u>

AVR surveys shall not be conducted during these weeks even if the employer does not observe these holidays or is open for business. Nor shall employers conduct an AVR survey during a week in which they observe a holiday not listed above.

The days these holidays are observed may vary from year to year; therefore, it will be the responsibility of the employer to obtain these specific holiday dates to ensure exclusion of these weeks from their AVR survey week.

b. Window Period for AVR Calculation

The employer must calculate the AVR based on the 6:00 a.m. - 10:00 a.m., Monday through Friday window except for businesses operating seven days a week. The AVR window for businesses operating seven days a week is 6:00 a.m. - 10:00 a.m. and the AVR reporting period is the five consecutive days, of the seven operating days, when the majority of the employees are scheduled to begin work. Businesses operating seven days a week may survey over a seven-day period so that for purposes of AVR reporting, they will account for individual employees over that portion of their five-day work week that falls within the five consecutive days.

The employer may use an alternative window or week upon writing the South Coast AQMD and receiving written approval. The alternative window must be a consecutive four-hour period between 4:00 a.m. and 11:00 a.m. and a consecutive five-day period of the seven-day week when the majority of their employees are scheduled to report to the worksite in the peak window. Consequently, the reporting period must be the same five consecutive days for all employees included in the AVR calculation.

c. AVR Calculation

The AVR calculation is based on data obtained from an approved South Coast AQMD survey method, random sampling, or recordkeeping, and shall include all employees who begin work in the 6:00 a.m. - 10:00 a.m. window.

The AVR is calculated by dividing the number of employees who report to the worksite, by the number of vehicles that arrive at the worksite, during the five-day window period. The AVR figure should be rounded off to the second decimal place. For example: 1.4576 becomes 1.46 AVR.

2. Random Sampling

Employers with a minimum of 400 employees reporting to the worksite during the peak window, have the option of determining AVR by a random sample method. The random sample method and sample size must receive written approval from the South Coast AQMD prior to administration of the survey. The random sample method shall comply with all of the following criteria:

- a. Members of the sample must be selected on a probability basis (random selection) that assures that each population member is given an equal chance of selection;
- b. All employees reporting in the window for calculating AVR must be considered as the relevant population from which the sample is drawn;
- c. The sample must measure all potential commute modes for employees arriving at the worksite during the window and shall account for all employees not arriving at the worksite during the window due to compressed workweek day off, vacation, sick leave, furlough day, or other (e.g., maternity leave, bereavement leave, etc.);
- d. Any employees designated for the random sample that do not respond to the survey are counted as solo drivers;
- e. At least 60 percent survey response rate must be achieved;
- f. Data from the last three compliance years shall be kept at the worksite and available for inspection;
- g. Any data submitted via electronic media must be compatible with South Coast AQMD's software;
- h. The random sample survey must be taken not more than six months prior to submittal of the Annual Program, with the six-month period beginning on the last day of the survey week; and,

The random sample method must be re-certified 60 calendar days prior to the program due date, only when the employer proposes to modify its approved certification method or upon amendments to Rule 2202 or guidelines that changes AVR data collection, calculations or methodologies.

3. Alternate AVR Data Collection

Employers have the option of selecting an alternative AVR data collection method for calculating the worksite AVR. Alternative AVR data collection methods must be certified by the South Coast AQMD prior to use, in accordance with the ECRP guidelines and the following criteria:

- a. Employers, vendors, consultants, or other entities requesting certification for alternative AVR data collection methods must request certification at least 60 calendar days prior to the annual ECRP due date;
- b. Data must be gathered from all employees who begin work during the window;
- c. The response rate to the data collection method must be at least 60 percent of those employees who begin work during the peak window. The remaining non-responses over 60 percent to 89 percent shall be treated as single occupant vehicle commuters. However,

- if an employer achieves a 90 percent response rate or higher, the remaining non-response percentage can be reported in the “Other Days Off” category in the AVR calculation;
- d. The data collected must reflect the daily commuting activity of employees and their modes of travel that occur during each month or quarter of the program cycle;
 - e. Quarterly or monthly AVR must be calculated separately, and must be aggregated to determine the yearly AVR calculation;
 - f. Data from the last three compliance years shall be kept at the worksite and be made available upon request;
 - g. The following data must be available, and traceable to individual employee records: travel mode for each day data is collected; any data that is specified in section II.C. AVR Data Collection Methods; and, employee ID number or other individual identification;
 - h. Any data submitted via electronic media must be compatible with the South Coast AQMD’s software;
 - i. The data used for the AVR calculations cannot be more than six months old, with the six month period beginning on the last day of the survey week; and,
 - j. The alternative AVR data collection method shall be re-certified 60 calendar days prior to each program due date, when the employer proposes to modify its approved method or upon amendments to Rule 2202 or guidelines that changes AVR data collection, calculations or methodologies.

4. Vehicle Miles Traveled (VMT) Reporting

Vehicle Miles Traveled (VMT) is the number of miles traveled one-way by an employee during their commute trip to the worksite. VMT for an employee is determined based on the distance (in miles) from the employee’s home to the worksite. Total VMT is the total number of miles traveled by all employees based on their commute distance to the worksite and is required to be reported on the annual compliance submittal.

Worksites will collect VMT data through the AVR survey. All survey participants will report miles traveled one-way from home to the worksite. The number of miles traveled will be reported once per survey taker and will apply to all five days of the survey period. For each individual employee, the number of miles from home to worksite will be used to calculate the miles traveled per commute mode. Individual employee survey VMT information will be combined and summarized on the AVR survey summary.

Employers will report VMT data per commute mode by summing the miles traveled of daily employee trips for each commute mode type. Employers will submit the AVR summary with VMT data. Total VMT will not impact AVR or the measured success of the program.

C. AGGREGATING AVR FOR MULTI-SITE EMPLOYERS (OPTIONAL)

Employers that submit a multi-site plan may choose to aggregate the AVR data for all of the regulated worksites in that ECRP. For worksites that belong to the multi-site employer, the aggregate AVR is the total number of window employees divided by the total number of vehicle

trips for all the worksites in the multi-site plan. All worksites that are to be included in the aggregate AVR calculation must be within the same AVR Performance Zone.

Aggregate AVR can be obtained in three steps. First, the number of peak window employees used in calculating each worksite AVR must be added. This sum will yield the total number of window employees for all worksites. Second, the number of vehicle trips used in calculating each worksite AVR must be added. This total will yield the total number of vehicle trips for all worksites. Finally, the total number of employees must be divided by the total number of vehicle trips to obtain the combined AVR for all worksites. This calculation will then yield the aggregate AVR for the multi-site employer.

Example:

$$\text{AVR} = \frac{\text{Window employees for site 1} + \text{window employees for site 2} \dots}{\text{Vehicle trips for site 1} + \text{vehicle trips for site 2} \dots}$$

Employers submitting multi-site programs may also voluntarily include worksites with fewer than 250 worksite employees in the aggregated AVR and/or employees of other businesses located at the worksite not subject to the Rule. In order to do so, all provisions of the AVR Data Collection section must be met, and the employer must demonstrate that an AVR baseline calculation has been established. Employers at non-regulated worksites are not required to implement other ECRP elements, such as having an on-site ETC or offering employer incentives and good faith effort determination elements. Employers voluntarily including worksites that have less than 250 worksite employees, must provide a letter of declaration signed by an official authorized to contract on behalf of and/or legally bind the employer which declares the following:

- a. The employer is voluntarily agreeing to subject itself to the authority and requirements of Rule 2202 for the worksites which currently have fewer than 250 employees, and that they are doing so freely and wholly voluntarily without any duress on behalf of the South Coast AQMD;
- b. The employer waives its right to challenge the applicability of Rule 2202 to any and all included sites within the South Coast AQMD should enforcement action be taken against the employer; and,

The employer is receiving a benefit from agreeing in that they are being allowed to claim vehicle trip credit toward their aggregate AVR.

V.VI. EMISSION FACTORS

(R2202, subdivisions (e), (g) and (~~m~~))

Emission Reduction Target (ERT) is the annual VOC, NOx, and CO emissions required to be reduced by each worksite based on the number of employees reporting to work during the peak window and the appropriate Performance Zone in accordance with Rule 2202. The ERT for each pollutant, for each worksite may be calculated by using the appropriate emission factors based on CARB approved on-road mobile source emission factors (EMFAC) model.

The emission factors will be revised upon U.S. EPA's final approval for use of the California Air Resources Board (CARB) approved EMFAC model in accordance with subdivision (m) of the Rule. The Executive Office or designee will publish, on the South Coast AQMD web site, the updated emission factors within 30 days of U.S. EPA approval.

The emission factors may be modified to worksite specific emission factors reflecting vehicle age and trip length characteristics of the employee vehicle fleet.

In calculating VTECs for Commute Trip Reductions, employers may also utilize data obtained by one of the following methods:

- a. Default data based on the weighted average of the average vehicle ridership survey data of the previous three years;
- b. Data obtained by conducting an average vehicle ridership survey in accordance with Rule 2202 - Employee Commute Reduction Program Guidelines;
- c. Data based on the default average vehicle ridership of 1.10; or
- d. Data obtained by an alternative methodology, which may include documentation of the CCVR claimed, approved by the Executive Officer or designee.

VI.VII. GLOSSARY

1. ANNUAL REGISTRATION means an annual form submitted by an employer to the South Coast AQMD per paragraph (j)(1) of the Rule.
2. AREA SOURCE CREDITS (ASCs) are emission credits, issued pursuant to Regulation XXV - Intercredit Trading.
3. AVR DATA COLLECTION METHOD is a method for gathering employee commute mode data needed to calculate an employer's average vehicle ridership.
4. BROKER ACCOUNT is an account held by the South Coast AQMD, opened by any person or other entity within the Rule 2202 program that may be used to bank emission credits from emission reduction strategies as described in section II. Emission Reduction Strategies, prior to transfer or assignment for use in satisfying an employer's Emission Reduction Target.
45. BUSINESS TYPE/CLASSIFICATION is the activity type that classifies the primary nature of work conducted at the worksite.
56. COMPRESSED WORK WEEK (CWW) applies to employees who as an alternative to completing basic work requirement in five eight-hour workdays in one week, or 10 eight-hour workdays in two weeks, are scheduled in a manner which reduces vehicle trips to the worksite. The recognized compressed work week schedules for this Rule are, but not limited to, 36 hours in three days (3/36), 40 hours in four days (4/40), or 80 hours in nine days (9/80).
67. DISABLED EMPLOYEE means an individual with a physical impairment which prevents the employee from traveling to the worksite by means other than a single-occupant vehicle.
78. EMISSION REDUCTION CREDITS (ERCs) are credits as defined in subdivision (1) of Rule 1302 Definitions and includes the permanent credit issued under Rule 1309(f)(1).
89. ~~EMPLOYEE COMMUTE REDUCTION PROGRAM means an annual program under the Employee Commute Reduction Program option, submitted to the SCAQMD, in accordance with the companion guidelines.~~
10. EMPLOYEE is any person employed by a person(s), firm, business, educational institution, non-profit agency, or corporation, government or other entity. The term excludes seasonal employees; temporary employees; volunteers; field personnel; field construction workers; and independent contractors.
11. EMPLOYEE COMMUTE REDUCTION PROGRAM is a compliance option that allows employers the ability to choose and implement various rideshare strategies included in the ECRP Guidelines at the worksite.
- 9.12. EMPLOYEE TRANSPORTATION COORDINATOR (ETC) is an individual who has completed a South Coast AQMD certified training course and has been appointed to develop, market, administer, and monitor the worksite's chosen Rule 2202 compliance option.
- 40.13. FEDERAL FIELD AGENT means any employee who is employed by any federal entity whose main responsibility is National Security and performs field enforcement

- and/or investigative functions. This does not include employees in non-field or non-investigative functions.
- ~~14.14.~~ FIELD CONSTRUCTION WORKER means an employee who reports directly to work at a construction site.
15. FIELD PERSONNEL means employees who spend 20% or less of their work time, per week, at the worksite and who do not report to the worksite during the peak period for pick-up and dispatch of an employer-provided vehicle.
- ~~12.16.~~ FURLOUGH means a temporary, unpaid leave of absence or reduction in hours. Furloughed employees should be assigned as furloughed and continue to be employed by the worksite.
- ~~13.17.~~ HOLIDAYS are those days designated as National and State Holidays that shall not be included in the survey period.
- ~~14.18.~~ INDEPENDENT CONTRACTOR means an individual who enters into a direct written contract or agreement with an employer to perform certain services and is not on the employer's payroll.
- ~~15.19.~~ INTER-POLLUTANT CREDITING means the use of emission reduction credits of one type of pollutant that may be used in lieu of another type of pollutant.
- ~~16.20.~~ LOW-INCOME EMPLOYEE means an individual whose salary is equal to, or less than, the current individual income level set in the California Code of Regulations, Title 25, Section 6932, as lower income for the county in which the employer is based. Higher income employees may be considered to be "low-income" if the employees demonstrate that the program strategy would create a substantial economic burden.
- ~~17.21.~~ MOBILE SOURCE EMISSION REDUCTION CREDITS (MSERCs) are emission reduction credits issued pursuant to Regulation XVI - Mobile Source Offset Programs.
22. MOTOR VEHICLE means a self-propelled vehicle, consistent with California Vehicle Code 415.
- ~~18.23.~~ PART-TIME EMPLOYEE means any employee who reports to a worksite on a part-time basis fewer than 32 hours per week, but more than four hours per week. These employees shall be included in the employee count for purposes of Rule applicability; and for emission reduction calculations of the employer provided the employees report to the worksite during the Peak Commute Window.
- ~~19.24.~~ PEAK COMMUTE WINDOW is the period of time, Monday through Friday between the hours of 6:00 a.m. and 10:00 a.m.
- ~~20.25.~~ PERFORMANCE ZONE for each worksite is determined by its geographic location within the geographic boundaries as described in Attachment I of Rule 2202.
26. POLICE/SHERIFF means any employee who is certified as a law enforcement officer and is employed by any state, county or city entity. Such employees are only police officers and sheriffs who perform field enforcement and/or any investigative functions. This would not include employees in non-field or noninvestigative functions.

- ~~24~~27. REMOTE EMPLOYEES are telecommuting employees who are assigned to a regulated worksite, however, primarily live and work at locations outside of the South Coast AQMD, and physically commute to the regulated worksite less than five days a year
28. SCHOOL means any public or private School, including juvenile detention facilities with classrooms, used for the education of more than 12 children at the School in kindergarten through grade 12. School also means an Early Learning and Developmental Program by the U.S. Department of Education or any state or local early learning and development programs such as preschools, Early Head Start, Head Start, First Five, and Child Development Centers. A School does not include any private School in which education is primarily conducted in private homes. The term includes any building or structure, playground, athletic field, or other area of School property
- ~~22~~29. SEASONAL EMPLOYEE means a person who is employed for less than a continuous 90-day period or an agricultural employee who is employed for up to a continuous 16-week period.
- ~~23~~30. SHORT TERM EMISSION REDUCTION CREDITS (STERCs) are credits as defined in subdivision (am) of Rule 1302 - Definitions.
- ~~24~~31. STUDENT WORKERS are students who are enrolled and gainfully employed (on the payroll) by an educational institution. Student workers who work more than four hours per week are counted for Rule applicability and if they report to work during the 6:00 a.m. - 10:00 a.m. window are counted for emission reduction calculations.
- ~~25~~32. TELECOMMUTING ~~means working at home, off-site, or at a telecommuting center, for a full workday that eliminates the trip to work or reduces travel distance by more than 50%.~~ occurs when an employee works from home, off site, a satellite office, or a Telecommuting center which eliminates a commute trip to the worksite or reduces the commute travel distance by more than 50%.
- ~~26~~33. TEMPORARY EMPLOYEE means any person employed by an employment service or agency that reports to a worksite other than the employment agency's worksite, under a contractual arrangement with a temporary employer. Temporary employees are only counted as employees of the temporary agency for purposes of Rule applicability.
34. TRANSPORTATION MANAGEMENT ASSOCIATION OR TRANSPORTATION MANAGEMENT ORGANIZATION (TMA/TMO) means a private/non-profit association that has a financial dues structure joined together in a legal agreement for the purpose of achieving mobility and air quality goals and objectives within a designated area.
- ~~27~~35. VEHICLE MILES TRAVELED (VMT) means the number of miles traveled one-way by a motor vehicle for a worksite commute trip.
- ~~28~~36. VOLUNTEER means any person(s) at a worksite who, of their own free will, provides goods or services, without any financial gain.
- ~~29~~37. WORKSITE EMPLOYEE THRESHOLD means 250 employees employed at a single worksite for the prior consecutive six-month period calculated as a monthly

Rule 2202 Implementation Guidelines

average and 33 or more employees scheduled to report to work during the Peak Commute Window any one day during the prior consecutive 90 days

ATTACHMENT H

**RULE 2202 – ON-ROAD MOTOR VEHICLE MITIGATION OPTIONS
EMPLOYEE COMMUTE REDUCTION PROGRAM GUIDELINES**

~~February 5, 2016~~ Proposed August 4, 2023s

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PREFACE

Implementation of an Employee Commute Reduction Program (ECRP) is strictly optional under Rule 2202 On-Road Motor Vehicle Mitigation Options (Rule 2202). This program is designed to reduce emissions from motor vehicles as a strategy to meet ambient air quality standards mandated by the Federal Clean Air Act. ~~As an indirect mobile source emission control strategy it~~ Rule 2202 is intended to reduce vehicle miles traveled and increase the ~~a~~Average ~~v~~Vehicle ~~Ridership~~ (AVR) of work-~~related~~ trips at subject-regulated worksites.

Rule 2202 and the guidelines for the ECRP are consistent with the Health and Safety Code §40717 which establishes compliance requirements for California transportation performance standards.

This document has been prepared to assist employers in understanding the development and implementation requirements of the ECRP at their worksites. The ECRP focuses on reducing work related vehicle trips and vehicle miles traveled to a worksite with the purpose of achieving and maintaining the employers' designated AVR targets.

South Coast AQMD staff is available to answer questions and to provide assistance to employers who are developing and implementing ~~programs an~~ ECRP. It is recommended that ~~the~~ entire guidance document ~~should~~ be read in order to fully understand the program requirements. Direct any questions concerning these guidelines to the Transportation Programs Hotline at (909) 396-3271 or transportation@aqmd.gov.

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I. PROGRAM OVERVIEW

A. Introduction

Rule 2202 is designed to reduce mobile source emissions from employee commutes. The Rule provides employers with a menu of emission reduction strategies that can be implemented to meet the designated emission reduction target (ERT) for their worksite. As an alternative to meeting an ERT, Rule 2202 also allows employers the option to implement an Employee Commute Reduction Program (ECRP) ~~that meets the rule exemption requirements~~. The implementation of an ECRP is expected to lead to achievement and maintenance of the employer's designated average vehicle ridership (AVR) target, determined by the worksite's AVR Performance Zone pursuant to Rule 2202 (1)(3), through the reduction of work related vehicle trips.

B. Applicability

This program can be implemented by any employer that employs 250 or more employees at a worksite, on a full or part-time basis, calculated as a monthly average over the prior six consecutive months. Each monthly employee population for the prior consecutive six months is added and then divided by six to determine whether the employer's average employee population figure is 250 or more.

1. Program Notification

Employers with 250 or more employees upon becoming subject to Rule 2202 shall notify the South Coast AQMD in writing within 30 days and include the following information:

- a. Employer's name;
- b. Worksite and mailing address of the business;
- c. Name, title, phone number, and email address of the highest ranking official at the worksite;
- d. Name, title, phone number, and email address for a contact person at the worksite; and
- e. Number of employees at the worksite; and,
- e.f. Business type/-classification

Once the employer has notified the South Coast AQMD, within 90 calendar days from that notification, the employer must submit an initial ECRP, if that compliance option is chosen.

Any employer that is subject to Rule 2202 but fails to notify the South Coast AQMD within 30 calendar days of becoming subject to the rule will be subject to the Failure to Notify Surcharge as set forth in Rule 308 – On-Road Motor Vehicle Mitigation Options Fees and may be subject to civil or criminal enforcement action (see Figure 1).

C. Types Of Employee Commute Reduction Programs

On the program due date, or within 90 calendar days of becoming subject to the Rule, an employer choosing to comply through this option must submit one of the following ECRP annual programs:

- a. A single-site employer must submit a single site ECRP.
- b. A multi-site employer may submit either a Multi-Site ECRP, separate single site programs, or a combination of multi-site and single site programs.

Rule 308 – Notification Requirements

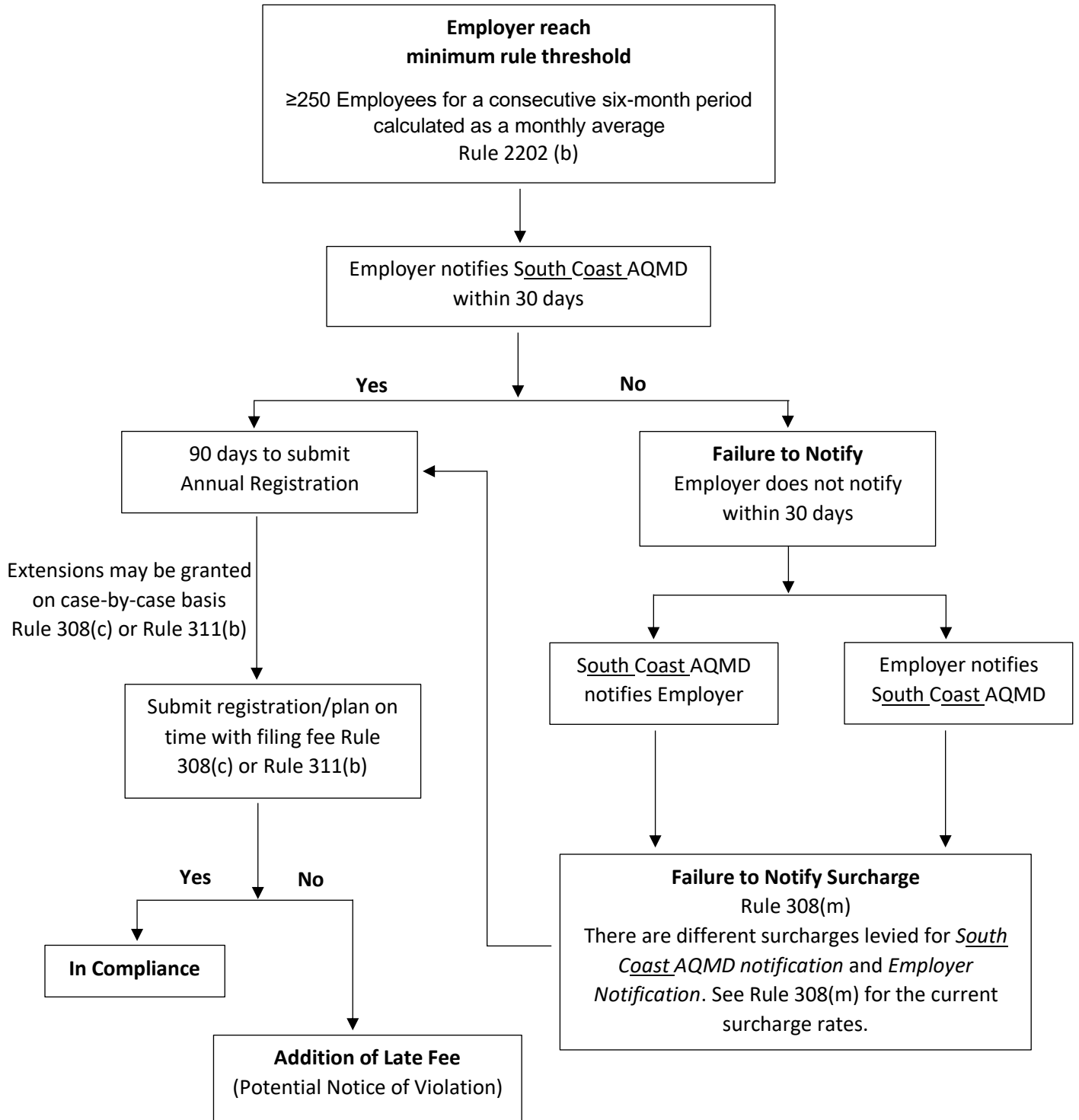


Figure 1. Rule 308 – Notification Flow Chart

D. Program Submittal Schedule

Employers must submit an annual ECRP by the established due date. The ECRP reports the AVR status for the current year and, when not achieving the target AVR, an implementation plan that will achieve or make progress toward the AVR target for the worksite. Worksites included in a Multi-Site program submittal must all have the same annual due date and be located within the same AVR Performance Zone. Annual due dates shall remain permanent unless modified by the Executive Officer or designee or a written request to change the due date is submitted by the employer and approved in writing by the South Coast AQMD.

E. Program Types

An ECRP that reports the results of an AVR data collection method and calculation, and/or a plan that the employer will implement to meet the AVR target, must be submitted to the South Coast AQMD by the program due date. ECRPs must be submitted in the format approved by South Coast AQMD and include the following elements:

1. Single Site Program

- a. A management commitment endorsed by the highest-ranking official at the worksite or the person responsible for allocating the resources necessary to implement the program. This endorsement shall include a commitment to fully implement the program and that all data in the program is accurate to the best of the employer's knowledge. The endorsement, commitment, and signature line can be found in the ECRP compliance forms;
- b. ~~The n~~Name of the Employee Transportation Coordinator (ETC), On-site Coordinator, and/or Consultant ETC;
- c. ~~The n~~Name of the worksite contact person, if different from the ETC;
- d. Effective September 1, 2024/January 1, 2025, business type/classification:
 - Worksite must designate the primary nature of work conducted at the worksite by selecting one option from the list provided by South Coast AQMD. The business type/classification options are:

<u>Business Type/Classification</u>	<u>NAICS codes</u>
<u>Utilities</u>	<u>22</u>
<u>Construction</u>	<u>23</u>
<u>Manufacturing</u>	<u>31-33</u>
<u>Wholesale Trade</u>	<u>42</u>
<u>Retail Trade</u>	<u>44-45</u>
<u>Transportation and Warehousing</u>	<u>48-49</u>
<u>Information</u>	<u>51</u>
<u>Finance and Insurance</u>	<u>52</u>
<u>Real Estate and Rental and Leasing</u>	<u>53</u>
<u>Professional, Scientific, and Technical Services</u>	<u>54</u>
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<u>Accommodation and Food Services</u>	<u>72</u>
<u>Public Administration/Government</u>	<u>92</u>
<u>Other (please specify):</u>	

~~d.~~e. The number of employees that begin work during a typical work week within the peak commute window;

~~f.~~ Effective ~~September 1, 2024~~January 1, 2025, information on telecommuting practices including, but not limited to:

- The total number of employees who are eligible to telecommute, the maximum number of days per week they are allowed to telecommute, the number of employees who are currently telecommuting, the average number of days per week that employees telecommute, if any telecommute incentives are offered, and if the employees teleworking schedules are permanent, temporary or a return to office date has been set. An employer may choose to submit this information for different categories of employees at their worksite if telecommuting practices vary among the categories.
- A formalized telecommuting policy does not need to be developed for Rule 2202 compliance reporting purposes.

~~g.~~ The AVR calculation and AVR data collection method;

~~h.~~ Effective ~~September 1, 2024~~January 1, 2025, the total VMT by employees assigned to the worksite;

- If an AVR survey is conducted, the total VMT will be reported on the employee AVR summary form
- If an AVR survey is not conducted, the worksite will report employee home zip codes in a format provided by South Coast AQMD. Zip codes shall be reported using anonymized employee data such that specific employee names or other identifying information is not included

~~f.~~i. Specific strategies as defined in ~~s~~Section II.F. Good Faith Effort Determination Elements, the employer will implement;

~~g.~~j. Emission credit offset calculations and the emission reduction credit amounts or the Air Quality Investment Program (AQIP) fee amount required to meet the worksite AVR target if the option in Rule 2202 (1)(3)(A) is selected; and,

~~h.~~k. Any applicable supporting documentation.

2 Multi-Site Program

In addition to submitting the elements described above for each worksite, employers submitting Multi-Site ECRPs shall submit a matrix that identifies specific strategies offered at each

individual worksite. Worksites can only be added to or removed from a multi-site program during the annual submittal or a program amendment submittal. New worksites may be added to a multi-site program provided the multi-site submittal is within the 90 calendar days specified for new worksites in section I.B. Applicability; otherwise new worksites shall remain as a single site program until the appropriate time to become part of the multi-site program.

Employers submitting Multi-Site ECRPs should consider the following:

- a. The option of aggregating AVR for worksite submittals located within the same AVR Performance Zone, as described in section II.D. Aggregating AVR for Multi-site Employers;
- b. In lieu of attaining the designated AVR at each employer worksite, surplus vehicle reductions from sites in the multi-site plan that exceed their designated AVR may be credited towards an employer's worksite that has not met the target AVR for those worksites located within the same AVR Performance Zone;
- c. Implementation of a Centralized Rideshare Service Center (CRSC) in lieu of having a trained ETC at each worksite in the multi-site plan;
- d. Designation of On-Site Coordinators for each worksite; and/or,
- e. The option of voluntarily including worksites with fewer than 250 worksite employees in the aggregated AVR and/or employees of other businesses located at the worksite not subject to the Rule.

3 High AVR Program

Any worksite submitting a High AVR Program, one that meets or exceeds the target AVR, is eligible for the reduced annual filing fees established in Rule 308 (c)(1)(A) and (c)(1)(B). To qualify, the following conditions must be met:

- a. The annual employee survey must be conducted and the resulting AVR calculation must meet or exceed the target AVR;
- b. It cannot be a first-time submittal resulting from a change of ownership as described in section IV.C. Change of Ownership unless the new owners submit a commitment letter which states they will continue to implement the previous owner's ECRP;
- c. The target AVR must be met only through the implementation of an ECRP and cannot be met using emission credits or AQIP fees; and,
- d. The employer submits an ECRP in the format approved by South Coast AQMD and includes the elements describe in section I.E. Program Types and Features, excluding the Good Faith Effort Determination Elements.

4 AVR Improvement Program

Any worksite submitting an ECRP that has an improvement of 0.05 or greater in the worksite AVR compared to the previous compliance year submittal, or demonstrates a minimum AVR increase of 0.01 per year when compared to the previous two compliance years is eligible for a 20% reduction of the annual filing fees established in Rule 308 (c)(2) and a reduced program submittal as described in paragraph f. below. To qualify, the following conditions must be met:

- a. The annual employee survey must be conducted and the resulting AVR calculation must have an AVR increase of 0.05 or greater when compared to the previous compliance year submittal or has an AVR increase of 0.01 per year when compared to the previous two compliance years;
- b. The worksite must have an approved ECRP for the compliance years that are used for the AVR comparison as described above;
- c. The program cannot be a first-time submittal resulting from a change of ownership as described in section IV.C. Change of Ownership unless the new owners submit a commitment letter which states they will continue to implement the previous owners ECRP;
- d. For multi-site programs, the aggregate AVR may be used to qualify for this reduction provided that a multi-site program with an aggregated AVR that is improved in comparison to the previous compliance year or previous two years;
- e. The AVR improvement must be only through the implementation of an ECRP and cannot be met by using emission credits or AQIP fees;
- f. The employer submits an ECRP in the format approved by South Coast AQMD and includes the elements described in section I.E. Program Types and Features, excluding the Good Faith Effort Determination Elements; and,
- g. The employer shall continue to implement the approved program strategies until the next program submittal that requires inclusion of strategies or submittal of a program amendment.

Examples of Qualifying and Non-Qualifying Submittals

If Employer A is submitting its ECRP in 2015 and has an AVR improvement of 0.01 every year when compared to the previous two years then it could submit an AVR Improvement Program. Employer B has an improvement of 0 .01 when compared to the previous year, but there was a decline in AVR when compared to the submittal two years ago, it would not be eligible. If employer C has an increase of 0.05 over the previous year submittal it would be eligible. When an employer has a different program submittal option, they cannot use any prior year for the AVR Improvement, as shown by Employer D. The AVR Improvement Program examples are summarized in Table 1 below.

Table 1. AVR Improvement Program Submittal Examples

Submittal Year AVR	2012	2013	2014	2015	AVR Improvement
Employer A	1.30	1.31	1.32	1.33	Yes
Employer B	1.30	1.31	1.30	1.31	No
Employer C	1.30	1.30	1.30	1.35	Yes
Employer D	1.29	1.30	AQIP submit	1.35	No

F. Program Administration

1. Program Submittal and Compliance

All employers who choose to implement an ECRP shall submit an annual program plan that will lead to the achievement and maintenance of the annual AVR target. Employers unable to increase their AVR or meet the annual AVR target must submit one of the options listed in section II.E. Annual AVR Performance Requirement.

2. Program Implementation

Employers shall implement their ECRP within 30 days of receipt of their written program approval. An alternative program implementation date may be used if included in the Program submittal that has been approved or if otherwise stated in the written program approval. Any ECRP previously approved by the South Coast AQMD will remain in effect until:

- a. A new program is approved;
- b. An approved alternative is used to comply with Rule 2202;
- c. The employer receives notification from South Coast AQMD that they are no longer subject to the Rule; or
- d. Rule 2202 is rescinded.

G. Record Retention Requirements

Employers must maintain records using the following criteria:

- a. The employer must keep detailed records of the documents which verify the AVR calculation for a minimum of three compliance years.
- b. Records which verify that all strategies in the ECRP have been marketed and offered shall be kept at the worksite for a minimum of three compliance years. Examples of records include but are not limited to: AVR calculation data; employee surveys; marketing materials; meeting agendas; proof of incentive purchases and distributions; and/or, plug-in hybrid electric vehicle (PHEV) type and home to work trip distances for the zero emission AVR credit.
- c. Employers who have a qualifying AVR Improvement Program shall keep all records at the worksite, records as specified in paragraph b above, of the most recently approved ECRP which describes the good faith effort determination elements. This may require maintaining records longer than the minimum three compliance years as specified in paragraphs a and b above.
- d. Employers who implement their programs using a Centralized Rideshare Service Center (CRSC) as described in section III.C., shall maintain records and documents at the CRSC, unless, upon written approval by the Executive Officer or designee, other record retention arrangements have been made.
- e. Records may be maintained electronically provided that the materials can be viewed by commonly available software.

H. Compliance

Failure to comply with any provisions of this Rule or this ECRP Guideline document is a violation of Rule 2202 and is subject to the penalties outlined in the Health and Safety Code §42400 et seq. Examples of violations include, but are not limited to:

- a. Failure to maintain records as described in section G. Record Retention Requirements;
- b. Falsification of records;
- c. Failure to submit an annual program;
- d. Failure to submit proper fees in accordance with the provisions of Rule 308 - On-Road Motor Vehicle Mitigation Options Fees, Rule 311 - Air Quality Investment Program (AQIP) Fees, and Rule 313 - Authority to Adjust Fees and Due Dates;
- e. Failure to submit a management commitment verifying implementation of the program as approved by the South Coast AQMD, and/or;
- f. Failure to implement components of an approved annual program.

The South Coast AQMD will not impose any ECRP requirements that are not a part of Rule 2202, the ECRP Guidelines, Rule 308, Rule 311, or Rule 313, and will only request information to determine compliance with these rules.

If a final determination that an element of an approved ECRP violates any provision of law is issued by any agency or court with jurisdiction to make such determination, then the employer shall, within 45 calendar days, submit a proposed program revision to the South Coast AQMD which shall be designed to achieve an AVR equivalent to the previously approved program.

II. PROGRAM IMPLEMENTATION

A. Program Review

The South Coast AQMD staff will review ECRPs using the following criteria:

- a. ECRPs will be approved provided the program complies with all requirements of Rule 2202, the ECRP Guidelines, Rule 308 - On-Road Motor Vehicle Mitigation Options Fees, Rule 311 - Air Quality Investment Program (AQIP) Fees, and Rule 313 - Authority to Adjust Fees and Due Dates;
- b. Employer continues to demonstrate a good faith effort towards achieving the target AVR or has made appropriate changes/additions to the strategies when AVRs have declined or remained consistently low. Program submittals which fail to show an overall improvement in AVR from the previously submitted ECRP and do not provide revisions or additions to the strategy section are not considered to be a good faith effort on the part of the employer and may not be approved as submitted;
- c. Within 90 calendar days of receipt of the program submittal, the South Coast AQMD will in writing, approve, preliminarily disapprove the program, or request up to 30 additional days to review the program, indicating to the employer the reasons for requiring additional review time;
- d. If a program is not approved or disapproved within 90 calendar days, or if the South Coast AQMD has not requested additional review time, the program shall be deemed approved;
- e. After the employer submits an ECRP, the South Coast AQMD will contact the employer to provide an opportunity to discuss any program inadequacies; and,
- f. If these inadequacies are not addressed, the South Coast AQMD will preliminarily disapprove the ECRP and provide in writing the reasons for the preliminary disapproval;
 1. Any ECRP preliminarily disapproval by the South Coast AQMD must be revised by the employer and resubmitted within 30 calendar days of receipt of the notice of the preliminary disapproval;
 2. The South Coast AQMD has 90 calendar days to approve or issue a final disapproval of the resubmitted ECRP;
 3. If a notice of final disapproval is given, the employer will be in violation of Rule 2202 until a revised ECRP is submitted and approved by the South Coast AQMD or a successful appeal is taken, in accordance with Rule 216 – Appeals, to the Hearing Board.

B. Calculating AVR

1. Employee Categories

Employees that do not begin work at least one day during the 6:00 a.m. - 10:00 a.m. peak commute window are not included in the peak AVR calculation. Employees that are classified in the “Other Days Off” category are included in the AVR calculation if they begin work in the

window at least one day during the survey week. The net effect of “Other Days Off” on the AVR calculation will be neutral. Employees in this category include, but are not limited to, the following:

- employees on vacation, sick, or furlough;
- employees on per-diem or on-call that do not meet the definition of field personnel;
- employees on jury duty, military duty;
- employees who begin work outside the window provided they begin in the window at least one other day during the week;
- employees not scheduled to work that day;
- employees that are home dispatched;
- employees on maternity leave;
- employees on bereavement leave; and/or,
- employees on medical /disability leave.

The following employee categories, as defined in the Glossary, are not considered for rule applicability or in calculating AVR:

- temporary employees;
- seasonal employees; • volunteers;
- field personnel;
- field construction workers; and/or,
- independent contractors.

2 Police, Sheriff, and Federal Field Agents

Police, Sheriff, and Federal Field Agents, as defined in the Glossary, are included for rule applicability but are not required to be included in the 6:00 a.m. - 10:00 a.m. peak window survey or included in the AVR calculation. It is the discretion of the employer whether to include them in the window count. Surveying only part of this group is not acceptable. Those worksites electing to exclude such employees from the AVR survey and calculation must provide the basic ridesharing support strategies including, but not limited to, ride matching and transit information for all employees as well as preferential parking and guaranteed return trips for employees who are ridesharing. Employees who perform non-field work or non- investigative functions are required to be included in the peak window survey and included in the AVR calculation. Examples of Federal Field Agents include, but are not limited to, field employees of the Federal Bureau of Investigation (FBI), Customs and Border Protection or US Coast Guard.

3 Telecommute Employees

Telecommuting occurs when an employee works from home, off site, a satellite office, or a Telecommuting center which eliminates a trip to the worksite or reduces the commute travel distance by more than 50%. Telecommute employees are included in the employee count for rule applicability and are required to be included in the number of employees within the peak window.

Telecommute employees include employees who telecommute on a full time or hybrid schedule. Additionally, telecommuting employees include remote employees who are assigned to the regulated worksite, however, primarily live and work at locations outside of the South Coast AQMD, and physically commute to the regulated worksite less than five days a year.

Employers are required to report information on telecommute practices on a compliance form as part of their annual registration submittal. This information will include the information outlined in Section (IV)(B)(vii) above. The reported information must be validated using Human Resources (HR)/Payroll records including a HR/Payroll representative/ETC signature with the annual submittal to validate telecommute activity.

If a worksite is conducting an AVR survey, they may report total daily telecommute trips on the AVR summary form. Total daily telecommute employee trips may be reported even if not all telecommute employees respond to the AVR survey if the telecommute employees can be validated based on HR/Payroll records. For an employee on a hybrid schedule that does not respond to the AVR survey, the ETC will mark the commute mode as “no response” for the days that the employee physically reported to the worksite and telecommute for the days that they did not physically report to the office. This ensures that the worksite will receive full credit for the total number of commute trips reduced by telecommuting.

Worksites may only use the number of telecommuters in their annual plan submittal as described above if the telecommute employee number can be validated.

4 Furloughed Employees

Furloughed employees are employees that are under a temporary, unpaid leave of absence or reduction in hours.

Furloughed employees shall be included in the employee count for rule applicability but are not required to be included in the number of employees in the peak window and may be excluded from the AVR survey.

35 AVR Adjustments

- a. Carpools are counted as 2-6 people traveling together for 51% of the total trip distance. The credit is given by dividing the total weekly number of occupants in the vehicle by the maximum occupancy in the vehicle.
- b. Vanpools are counted as 7-15 people traveling together for 51% of the total trip distance. The credit is given by dividing the total weekly number of occupants in the vehicle by the maximum occupancy in the vehicle.
- c. Employees walking, bicycling, telecommuting, using public transit, using a zero emissions vehicle (ZEV) or other vehicles as approved by the Executive Officer or designee, or on their day off under a compressed work week, should be counted as employees arriving at the worksite with no vehicle.
 - i. Carpool occupants of a ZEV may be counted as arriving at the worksite with no vehicle by marking the zero emission option on the AVR survey.

- ii. Employees arriving to work in a plug-in hybrid electric vehicle (PHEV) can be considered to be using a ZEV provided that the entire home-to-work trip is made exclusively under electric power without use of the gasoline engine or cogeneration system.
 - iii. None of the employee ZEVs can be included in the AVR calculation if the employer has implemented a ZEV charging program that will result in the generation of emission reduction credits pursuant to Rule 2202 (f)(6) or other approved South Coast AQMD emission credit programs.
- d. Compressed Work Week (CWW) credit will only be granted when all days worked and all CWW days off fall within the established AVR survey period. Employers may develop alternatives to the recognized compressed work week schedules of 3/36, 4/40, and 9/80 upon written approval by the South Coast AQMD. The proposed alternative must ensure that the resulting trip reductions are real, surplus, quantifiable, and enforceable. The types of CWW day(s) off must be clearly indicated on the AVR survey as follows:
- i. 3/36 - 3 days work, 12 hours per day, 2 days off during the survey week;
 - ii. 4/40 - 4 days work, 10 hours per day, 1 day off during the survey week; or
 - iii. 9/80 - 9 days work, 80 hours per two weeks, 1 day off in a 2 week period during the survey.

If a person on a 3/36 scheduled work week works a 4-th day during the established surveyed work week, an employer may only take credit for one (1) CWW day off since an additional commute trip occurred during the survey period.

- e. Non-commuting AVR credit is allowed for employees who remain at the worksite (if in the South Coast AQMD's jurisdiction), or entirely out of the South Coast AQMD's jurisdiction, for at least a full 24-hour period, to complete work assignments, and who generate no vehicle trips during the AVR window associated with arriving at the worksite. Non-commuting AVR credit is calculated as arriving at the worksite with no vehicle. Examples of employees who may be considered to be in this category are firemen, airline pilots, or flight attendants.
- f. AVR credit for all employees leaving the worksite, during the window, may be calculated and averaged with employees arriving at the worksite during the window to obtain an aggregate AVR. However, if off-peak credits are used in the AVR calculation this credit cannot be used.
- g. Off-Peak Credits - Employers may receive additional credits from employee trip reductions that occur outside of the peak window. An AVR survey or an alternative approved data collection method is required to obtain this data. This AVR survey cannot be older than 6 months at the time of program submittal. This credit may be calculated as follows:

$$AVR = \frac{E}{V - [CCVR \div 2.3]}$$

Where:

E = Total number of weekly window employees in the peak window.

- V = Total number of weekly window vehicle trips in the peak window.
- CCVR = Creditable commute vehicle reductions that occur outside of the peak window.
- 2.3 = Discount factor.

- h. Non-Regulated Worksite Credits - Employers may voluntarily include worksites with less than 250 employees as described in section II.D. Aggregating AVR for Multi-site Employers and/or employees of other businesses located at the worksite not subject to the Rule.
- i. Reduced Staffing - Employers may receive additional trip reduction credits, that have been discounted, from reduced staffing that occurs during events that are longer than five consecutive work days, such as school recesses/breaks, inventory, or temporary facility closures, as approved by South Coast AQMD. A separate AVR survey is required to obtain this data. This AVR survey cannot be older than 12 months old at the time of program submittal. This credit is not allowed for staff reductions resulting from actions such as layoffs, relocations, transfers, facility closures or temporary closures that are part of regularly schedule facility vacations. This credit may be calculated as follows:

$$AVR = \frac{E \times T}{[Vn \times Tn] + [Vr \times Tr \times 1.15]}$$

Where:

- E = Total number of weekly window employees during the regular operating schedule
- T= Total number of annual operating workdays for the worksite, which is the sum of Tn and Tr. For example, the default value is 260 days for employers with a 5 day work schedule, and a default value of 365 days for a 7 day work schedule.
- Vn= Total number of weekly window vehicle trips during the regular operating schedule.
- Tn= Total number of regularly scheduled operating days for the worksite.
- Vr= Total number of weekly window vehicle trips that occur during the reduced staffing schedule.
- Tr= Total number of reduced staffing schedule days.
- 1.15= Discount factor.

- j. Employees that begin work during the window and do not respond to the survey must be calculated as one employee per vehicle arriving at the worksite.
- k. Drive alones count as one person per vehicle arriving at the worksite.
- l. Reporting errors resulting from missing or incorrect information must be calculated as one employee per vehicle arriving at the worksite. Reporting errors that do not indicate the time when the employee begins work must be assumed to occur in the peak window.

C. AVR Data Collection Methods

Each employer must collect AVR data by one of the following applicable methods:

1. AVR Survey

Employers must conduct an AVR survey approved by the South Coast AQMD. The survey should be taken over five consecutive workdays, Monday through Friday, and identify the transportation modes that employees used to travel to the worksite and begin work during the 6:00 a.m. - 10:00 a.m. window, each day during the survey week. The AVR survey data must be available and traceable to an individual employee. This may be through employee identification numbers, employee signature, or a pre-approved electronic identifier specific to each employee. The surveys shall be distributed at the end of or following the planned survey week so that the survey responses will represent actual commute activity. A South Coast AQMD approved employee survey form can be found in the ECRP forms.

a. AVR Survey Parameters

The AVR survey data cannot be more than six months old at the time of program submittal. The six month period begins on the final day of the survey period. The response rate to the survey must be at least 60 percent of those employees who begin work during the window. The remaining non-responses over 60 percent to 100 percent shall be treated as single occupant vehicle commuters, however, if an employer achieves a 90 percent response rate or higher, the remaining non-response percentage can be reported in the “Other Days Off” category. The net effect on the AVR calculation will be neutral. The AVR survey must be conducted during a typical work week. The weeks to be specifically excluded from the AVR survey week are the weeks including the following dates:

New Year’s Day	January	1
Martin Luther King Jr. Birthday	January	(Third Monday)
Presidents Day	February	(Third Monday)
Memorial Day	May	(Last Monday)
<u>Juneteenth</u>	<u>June</u>	<u>19</u>
Independence Day	July	4
Labor Day	September	(First Monday)
California Rideshare Week	October	(First Week)
Veteran's Day	November	11
Thanksgiving Day	November	(Fourth Thursday)
Christmas Day	December	25

AVR surveys shall not be conducted during these weeks even if the employer does not observe these holidays or is open for business. Nor shall employers conduct an AVR survey during a week in which they observe a holiday not listed above.

The days these holidays are observed may vary from year to year; therefore, it will be the responsibility of the employer to obtain these specific holiday dates to ensure exclusion of these weeks from their AVR survey week.

b. Window Period for AVR Calculation

The employer must calculate the AVR based on the 6:00 a.m. - 10:00 a.m., Monday through Friday window except for businesses operating seven days a week. The AVR window for

businesses operating seven days a week is 6:00 a.m. - 10:00 a.m. and the AVR reporting period is the five consecutive days, of the seven operating days, when the majority of the employees are scheduled to begin work. Businesses operating seven days a week may survey over a seven-day period so that for purposes of AVR reporting, they will account for individual employees over that portion of their five-day work week that falls within the five consecutive days.

The employer may use an alternative window or week upon writing the South Coast AQMD and receiving written approval. The alternative window must be a consecutive four-hour period between 4:00 a.m. and 11:00 a.m. and a consecutive five-day period of the seven-day week when the majority of their employees are scheduled to report to the worksite in the peak window. Consequently, the reporting period must be the same five consecutive days for all employees included in the AVR calculation.

c. AVR Calculation

The AVR calculation is based on data obtained from an approved South Coast AQMD survey method, random sampling, or recordkeeping, and shall include all employees who begin work in the 6:00 a.m. - 10:00 a.m. window.

The AVR is calculated by dividing the number of employees who report to the worksite, by the number of vehicles that arrive at the worksite, during the five-day window period. The AVR figure should be rounded off to the second decimal place. For example: 1.4576 becomes 1.46 AVR.

2 Random Sampling

Employers with a minimum of 400 employees reporting to the worksite during the peak window, have the option of determining AVR by a random sample method. The random sample method and sample size must receive written approval from the South Coast AQMD prior to administration of the survey. The random sample method shall comply with all of the following criteria:

- a. Members of the sample must be selected on a probability basis (random selection) that assures that each population member is given an equal chance of selection;
- b. All employees reporting in the window for calculating AVR must be considered as the relevant population from which the sample is drawn;
- c. The sample must measure all potential commute modes for employees arriving at the worksite during the window and shall account for all employees not arriving at the worksite during the window due to compressed workweek day off, vacation, sick leave, furlough day, or other (e.g., maternity leave, bereavement leave, etc.);
- d. Any employees designated for the random sample that do not respond to the survey are counted as solo drivers;
- e. At least 60 percent survey response rate must be achieved;
- f. Data from the last three compliance years shall be kept at the worksite and available for inspection;

- g. Any data submitted via electronic media must be compatible with South Coast AQMD's software;
- h. The random sample survey must be taken not more than six months prior to submittal of the Annual Program, with the six-month period beginning on the last day of the survey week; and,
- i. The random sample method must be re-certified 60 calendar days prior to the program due date, only when the employer proposes to modify its approved certification method or upon amendments to Rule 2202 or guidelines that changes AVR data collection, calculations or methodologies.

3 Alternative AVR Data Collection

Employers have the option of selecting an alternative AVR data collection method for calculating the worksite AVR. Alternative AVR data collection methods must be certified by the South Coast AQMD prior to use, in accordance with the ECRP guidelines and the following criteria:

- a. Employers, vendors, consultants, or other entities requesting certification for alternative AVR data collection methods must request certification at least 60 calendar days prior to the annual ECRP due date;
- b. Data must be gathered from all employees who begin work during the window;
- c. The response rate to the data collection method must be at least 60 percent of those employees who begin work during the peak window. The remaining non-responses over 60 percent to 89 percent shall be treated as single occupant vehicle commuters. However, if an employer achieves a 90 percent response rate or higher, the remaining non-response percentage can be reported in the "Other Days Off" category in the AVR calculation;
- d. The data collected must reflect the daily commuting activity of employees and their modes of travel that occur during each month or quarter of the program cycle;
- e. Quarterly or monthly AVR must be calculated separately, and must be aggregated to determine the yearly AVR calculation;
- f. Data from the last three compliance years shall be kept at the worksite and be made available upon request;
- g. The following data must be available, and traceable to individual employee records: travel mode for each day data is collected; any data that is specified in section II.C. AVR Data Collection Methods; and, employee ID number or other individual identification;
- h. Any data submitted via electronic media must be compatible with the South Coast AQMD's software;
- i. The data used for the AVR calculations cannot be more than six months old, with the six month period beginning on the last day of the survey week; and,
- j. The alternative AVR data collection method shall be re-certified 60 calendar days prior to each program due date, when the employer proposes to modify its approved method or upon amendments to Rule 2202 or guidelines that changes AVR data collection, calculations or methodologies.

D. Aggregating AVR for Multi-site Employers (Optional)

Employers that submit a multi-site plan may choose to aggregate the AVR data for all of the regulated worksites in that ECRP. For worksites that belong to the multi-site employer, the aggregate AVR is the total number of window employees divided by the total number of vehicle trips for all the worksites in the multi-site plan. All worksites that are to be included in the aggregate AVR calculation must be within the same AVR Performance Zone.

Aggregate AVR can be obtained in three steps. First, the number of peak window employees used in calculating each worksite AVR must be added. This sum will yield the total number of window employees for all worksites. Second, the number of vehicle trips used in calculating each worksite AVR must be added. This total will yield the total number of vehicle trips for all worksites. Finally, the total number of employees must be divided by the total number of vehicle trips to obtain the combined AVR for all worksites. This calculation will then yield the aggregate AVR for the multi-site employer.

Example:

$$\text{AVR} = \frac{\text{Window employees for site 1} + \text{window employees for site 2} \dots}{\text{Vehicle trips for site 1} + \text{vehicle trips for site 2} \dots}$$

Employers submitting multi-site programs may also voluntarily include worksites with fewer than 250 worksite employees in the aggregated AVR and/or employees of other businesses located at the worksite not subject to the Rule. In order to do so, all provisions of the AVR Data Collection section must be met, and the employer must demonstrate that an AVR baseline calculation has been established. Employers at non-regulated worksites are not required to implement other ECRP elements, such as having an on-site ETC or offering employer incentives and good faith effort determination elements. Employers voluntarily including worksites that have less than 250 worksite employees, must provide a letter of declaration signed by an official authorized to contract on behalf of and/or legally bind the employer which declares the following:

- a. The employer is voluntarily agreeing to subject itself to the authority and requirements of Rule 2202 for the worksites which currently have fewer than 250 employees, and that they are doing so freely and wholly voluntarily without any duress on behalf of the South Coast AQMD;
- b. The employer waives its right to challenge the applicability of Rule 2202 to any and all included sites within the South Coast AQMD should enforcement action be taken against the employer; and,
- c. The employer is receiving a benefit from agreeing in that they are being allowed to claim vehicle trip credit toward their aggregate AVR.

E. Annual AVR Performance Requirement

Employers shall submit an ECRP and demonstrate that they have met the annual average vehicle ridership target for the AVR Performance Zone in which the worksite is located. Employers

unable to meet the annual AVR target and are not submitting a High AVR or AVR Improvement plan must submit:

- a. An ECRP Offset annual plan where the difference between the worksite AVR and the target AVR Performance Zone is offset through participation in the Air Quality Investment Program (AQIP) or implementation of Emission Reduction Strategies (ERS) in accordance with the provisions of Rule 2202; or
- b. An ECRP annual plan that includes the requirements described in section II.F. Good Faith Effort Determination Elements subject to the following conditions:
 - i. Unless otherwise stated, the good faith determination elements must be implemented such that they are reasonably likely to improve a worksite AVR by at least 0.01 annually. Employers must continue to demonstrate a good faith effort toward achieving the AVR target.
 - ii. If a worksite AVR decreases, remains the same, or does not improve from the previously submitted ECRP, the selection of strategies must be modified, the number of strategies increased, or an ECRP offset, AQIP, or ERS be implemented.
 - iii. Employers shall implement all currently approved good faith effort plan strategies until a new ECRP is approved.
 - iv. Employers may choose to implement programs or strategies offered by third party service providers (e.g., County Transportation Commissions, TMA/TMO, contracted services). If any plan strategy offered by a third party service provider is discontinued, the employer shall continue to implement the discontinued strategy or amend the plan.
 - v. Deletion or substitution of any plan strategies is not allowed unless approved by the Executive Officer or designee in writing.

A flow chart that identifies the good faith effort determination elements and the various rule options that employers may use to comply with the Rule requirements is shown in Figure 2.

F. Vehicle Miles Traveled (VMT) Reporting

Vehicle Miles Traveled (VMT) is the number of miles traveled one-way by an employee during their commute trip to the worksite. VMT for an employee is determined based on the distance (in miles) from the employee's home to the worksite. Total VMT is the total number of miles traveled by all employees based on their commute distance to the worksite and is required to be reported on the annual compliance submittal.

Worksites will collect VMT data through the AVR survey. All survey participants will report miles traveled one-way from home to the worksite. The number of miles traveled will be reported once per survey taker and will apply to all five days of the survey period. For each individual employee, the number of miles from home to worksite will be used to calculate the miles traveled per commute mode. Individual employee survey VMT information will be combined and summarized on the AVR survey summary.

Employers will report VMT data per commute mode by summing the miles traveled of daily employee trips for each commute mode type. Employers will submit the AVR summary with VMT data. Total VMT will not impact AVR or the measured success of the program.

F.G. Good Faith Effort Determination Elements

Employers submitting an ECRP who have not attained their target AVR, and are not submitting a High AVR or AVR Improvement Program plan, shall demonstrate that the elements for the required strategies in each of the three (3) listed categories are implemented. Descriptions of each element can be found in section V. Employee Commute Reduction Strategies.

1. Marketing Strategies. Must include at least five (5) of the following strategies:
 - a. Attendance at a marketing class,
 - b. Direct communication by the highest ranking official,
 - c. Employer newsletter, flyer, announcements, memos or letters
 - d. Employer rideshare events, New hire orientation,
 - e. Rideshare bulletin boards, Rideshare website,
 - f. Rideshare meetings or focus group(s), or
 - g. Other marketing strategies that have been approved by the South Coast AQMD.
2. Basic Support Strategies. Must include at least five (5) of the following strategies:
 - a. Car Sharing Services,
 - ~~a.~~b. Commuter Choice Programs,
 - ~~b.~~c. Flex time schedules,
 - d. Guaranteed return trip,
 - ~~c.~~e. Mobility Hub Services,
 - ~~d.~~f. Personalized commute assistance,
 - ~~e.~~g. Preferential parking for ridesharers,
 - ~~f.~~h. Ride matching services,
 - i. Transit information center, or
 - j. Transportation Management Association (TMA)/Transportation Management Organization (TMO) Services,
 - k. Voluntary Worksite Transfer,
 - ~~g.~~l. Zero Emissions Vehicle (ZEV) charging and fueling infrastructure, or
 - ~~h.~~m. Other basic support strategies that have been approved by the South Coast AQMD.
3. Direct Strategies. Must include at least five (5) of the following strategies:
 - ~~a. Auto Services~~
 - ~~b.~~a. Bicycle/scooter program,
 - ~~c.~~b. Compressed work week schedules,
 - ~~d.~~c. Direct financial awards,
 - ~~e.~~d. Discounted or free meals,
 - ~~f.~~e. Employee clean vehicle purchase program,
 - ~~g.~~f. Gift certificates,
 - ~~h.~~g. Off-peak rideshare program,

- ~~i~~.h. Parking charge or subsidy program,
- ~~j~~.i. Parking cash-out/parking management (voluntary)
- ~~k~~.j. Points program,
- ~~l~~.k. Prize drawings,
- ~~m~~.l. _____ Startup incentive,
- ~~n~~.m. _____ Telecommuting,
- ~~o~~.n. Time off with pay,
- ~~p~~.o. Transit subsidy,
- ~~q~~.p. Vanpool program, or
- ~~r~~.q. Other direct strategies that have been approved by the South Coast AQMD.

Rule 2202 Requirements

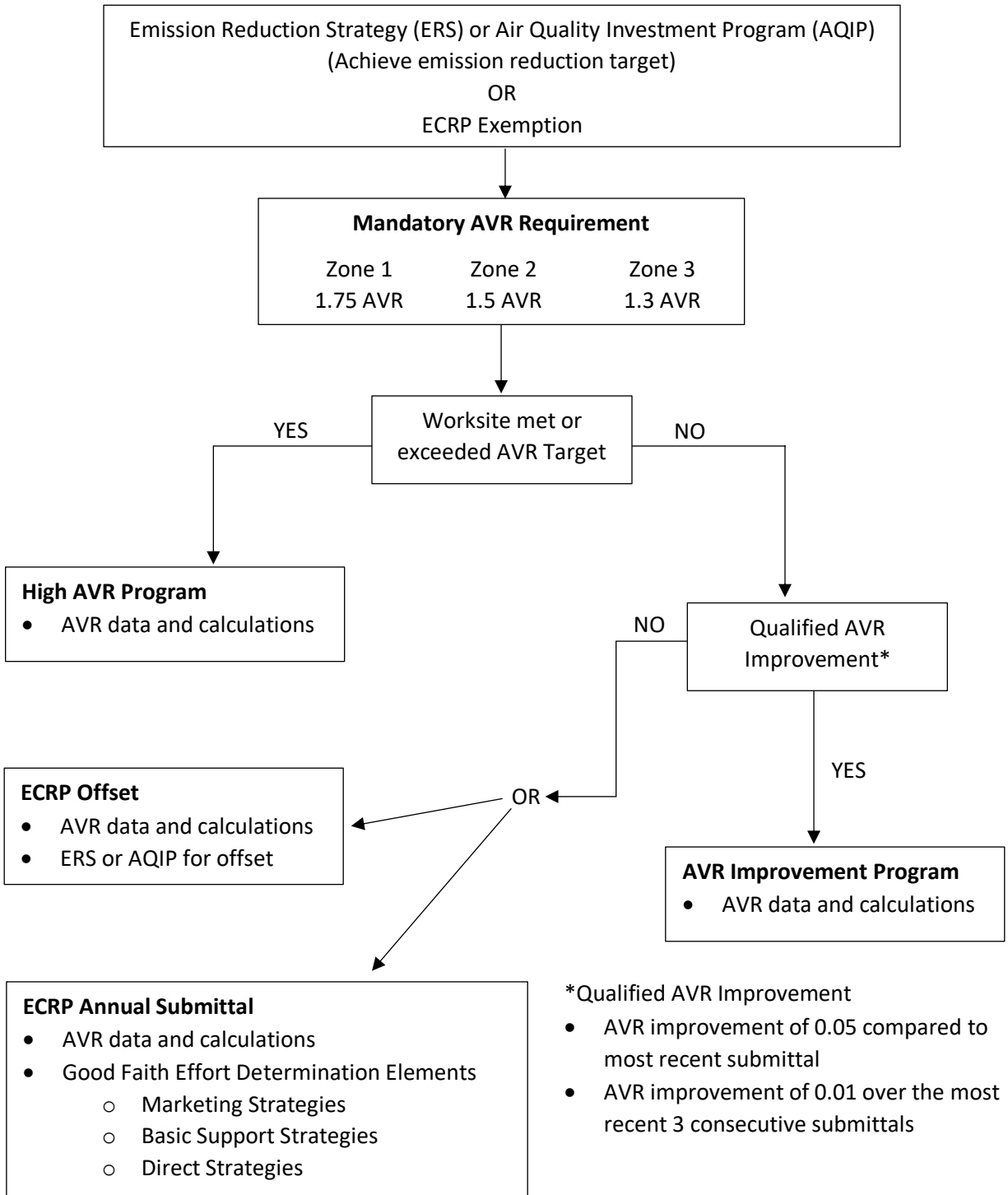


Figure 2. Rule 2202 Requirements – Compliance Flow Chart

III. ADMINISTRATION OF THE ECRP

A. Employee Transportation Coordinators

Employers must designate an employee to serve as an Employee Transportation Coordinator (ETC) for each worksite with 250 or more employees or per Multi-Site program that conducts an AVR survey, effective January 1, 2025. This person must successfully complete an South Coast AQMD ETC certification course.

This training provides the individual with the necessary information to conduct the survey process, prepare and implement the program, market the program and track the program results.

Employers submitting a multi-site program may designate an ETC at one worksite and designate On-Site Coordinators for all other worksites. The On-Site Coordinator is a person designated and instructed by the employer to have knowledge of the employer's ECRP and marketing methods. The On-Site Coordinator is accountable for program implementation rather than plan development. The ETC or the On-site Coordinator must be at the worksite and available during normal business hours when the majority of employees are at the worksite.

In the event of an absence of a trained ETC, Consultant ETC, or On-site Coordinator, exceeding eight consecutive weeks, a replacement must be designated and trained. The South Coast AQMD must be notified of this change in writing by the employer within 12 weeks after the beginning of the absence.

B. Consultant Employee Transportation Coordinator

An employer may use a Consultant ETC in lieu of an ETC, provided the Consultant ETC meets the definition of an ETC and the same minimum certification requirements as the ETC. A Transportation Management Association/Transportation Management Organization (TMA/TMO) may be considered a Consultant ETC provided its staff, acting in this capacity, meets the same certification requirements as the ETC. As an alternative to having a Consultant ETC available during normal business hours, the employer shall designate an On-Site Coordinator for each worksite.

C. Centralized Rideshare Service Center

The Centralized Rideshare Service Center (CRSC) may be used by employers submitting a Multi-Site ECRP to provide equivalent services in lieu of having a certified ETC at each worksite. Employers must have written approval from the South Coast AQMD prior to implementing a CRSC. The request for approval must include information describing the CRSC in detail and show how it will provide equivalent ETC services to the specific worksite(s).

The request for implementing a CRSC must have the following elements:

- a. Identification of the CRSC location;
- b. Description of the process of employee access to rideshare information and services, including an explanation of how it will provide services equivalent to having an ETC at each worksite;

- c. Description of how each worksite will market, implement and maintain records in a manner equivalent to having an ETC or On-Site Coordinator at the worksite;
- d. Explanations of the ETC availability and accessibility to employees affected by the program; and,
- e. Assurance that copies of all relevant supporting program materials is maintained at the CRSC, unless, upon written approval, other record retention arrangements have been made. Program materials include, but are not limited to, all marketing materials, flyers, brochures, pamphlets, schedules, and copies of the most recently approved Multi-Site ECRPs.

South Coast AQMD staff will review each request on a case by case basis to determine whether the CRSC meets the following criteria:

- a. Identifies the CRSC facility location and demonstrates availability and accessibility to the ETC by all employees;
- b. Demonstrates that the Multi-Site ECRP is adequately marketed and implemented at all included worksites; and,
- c. Ensures that all other sites in the Multi-site program submittal have identified a worksite contact person who:
 - i. Has knowledge of the employer's Multi-Site ECRP;
 - ii. Has knowledge of the employer's marketing methods; and,
 - iii. Is available to meet with South Coast AQMD compliance staff.

IV. SPECIAL PROCEDURES

A. Extensions

If an employer needs more time to submit a program to meet the requirements of these Guidelines and Rule 2202, additional time may be requested from the South Coast AQMD. An employer may request an extension to the program due date under the following:

- a. The request must be in writing, state the reason for the extension request, the length of time needed, and include the appropriate filing fee, as specified in Rule 308 (n) and Rule 313 (f)(4);
- b. All extension requests and fees must be received by the South Coast AQMD, no later than 15 calendar days prior to the program due date;
- c. Requests are considered on a case-by-case basis and shall include reasonable justification for the extension request, such as, but not limited to, organizational restructuring, or the unforeseen long-term absence of an ETC;
- d. An employer may request an extension to the program due date after the program has been disapproved for the first time. The request must be received within 15 calendar days of the receipt of the plan disapproval. The South Coast AQMD will inform the employer in writing within 15 calendar days of receipt of request, whether the extension has been granted;
- e. An employer may, upon receipt of a written objection to the terms of the proposed program by an employee, employee representative or employee organization; request a single extension of 30 calendar days. A copy of the written objection should be attached to the request. One such request shall be granted by the South Coast AQMD; no subsequent extension may be granted for this purpose; and,
- f. Any change in the permanent due date that results in additional time to submit a plan will be considered an extension of time and shall be subject to the extension filing fee, as specified in Rule 308 (n) and Rule 313 (f)(4).

B. Program Amendments

An approved ECRP may be amended between program submittal dates by submitting a proposed program amendment in writing to the South Coast AQMD along with the applicable fee. Any change to the implementation of an approved program requires written South Coast AQMD approval. The program amendment must include the following:

- a. Letter of explanation of proposed amendment signed by the highest ranking official;
- b. A copy of each affected strategy page from the last approved plan;
- c. A copy of each of the proposed replacement strategy pages; and,
- d. Applicable amendment fee as specified in Rule 308.

Employers proposing changes in strategies are encouraged to consider comparable ones that will continue making progress towards attaining the target AVR. *Section V. Employee Commute Reduction Strategies*, identifies a number of strategies that can be selected to substitute for those being changed. Any previously approved ECRP shall remain in effect until the amendment is

approved by South Coast AQMD in writing. South Coast AQMD will either approve or disapprove the amendment within 90 calendar days of receipt.

Amendment requests may be approved if the employer demonstrates to the satisfaction of the Executive Officer or designee that the new strategy will result in an AVR which is equal to or better than the strategy it is replacing.

The amendment fees shall not apply when the amendment consists solely of the addition of strategies to the program or improvements to the existing strategies of an approved program. Improvements to existing strategies may include, but are not limited to, increased meeting frequency or increases to subsidy amounts.

C. Change of Ownership

In the case of ownership mergers or change of ownership, the new owner must notify the South Coast AQMD of this change within 30 calendar days of the new ownership. The new employer, within 90 calendar days must submit a new ECRP or other compliance option to the South Coast AQMD which adheres to all provisions of Rule 2202 and Guidelines, or submit a letter which states they will continue to implement the program approved by the South Coast AQMD for the prior owner(s)

D. Relocation

Any employer relocating to a new worksite must notify the South Coast AQMD within 30 calendar days of the relocation. Relocations fall into two categories:

- a. Employers relocating within two miles of the previous worksite address may elect to continue to implement the most recently approved ECRP or the employer may elect to submit a new ECRP. The employer must inform South Coast AQMD of the preference in the notification of relocation letter.
- b. Employers relocating more than two miles from the previous worksite must submit a new ECRP within 90 calendar days of the relocation.

Worksite relocations that occur over time are subject to applicability requirements as described in section I.B. Applicability and Rule 2202 (b).

E. Declared Bankruptcy

An employer who has declared bankruptcy for the official business or governmental operations of its organization or employer through a judicial court filing and confirmation process may request the South Coast AQMD grant a temporary waiver from complying with the requirements of this Rule. Upon demonstration of the filing and confirmation of bankruptcy, the South Coast AQMD will grant an exemption for the duration of bankruptcy, not to exceed two years from the date of the waiver.

Employers shall submit an ERCP within 90 days of the bankruptcy waiver expiration unless they have submitted a written request for an exemption from the rule requirements pursuant to Rule 2202 (I)(1).

F. Declared State of Emergency

During a period of significant impairment of transportation systems associated with an event resulting in a local, state or federally declared state of emergency, the South Coast AQMD may approve programs or program amendments including strategies which decrease trips associated with any location in the South Coast AQMD, including locations other than a worksite included in the program. Such strategies may be included in any program and may be a substitution for measures contained in an approved program. In the event of substitution, the employer shall demonstrate that any decrease in AVR at a worksite subject to the program will be offset by trips reduced elsewhere in the South Coast AQMD.

G. Program Disapproval Appeals

The South Coast AQMD has 90 calendar days to review the resubmitted Annual Program submittal. If the employer believes that the program meets the requirements of Rule 2202 and the Guidelines, and that the program was improperly disapproved, the employer may appeal the disapproval to the South Coast AQMD Hearing Board in accordance with Rule 216 - Appeals. A petition for appeal of disapproval must be made within 30 calendar days after the employer receives the notice of disapproval.

H. Delay Program Review Request

If an employer, employee, employee representative or employee organization requests a delay in action of program review, the request must be in writing to the South Coast AQMD within 30 calendar days of program submittal and cannot delay the period of time to exceed the 90th day after submittal.

V. EMPLOYEE COMMUTE REDUCTION STRATEGIES

A. Commute Reduction Strategies

Below are the descriptions of the Good Faith Effort Determination Elements that employers can choose to implement. These strategies can be developed and implemented to meet the individual needs of employers in achieving the designated AVR target. Direct financial strategies are not required for program approval.

- ~~1. Auto Services – The employer provides auto services for employees participating in the commute reduction program. The employer must provide the type of service (e.g., oil changes, car washes, fuel, oil change, tune-up, repair certificate, etc), monetary value, frequency, eligibility, and minimum requirements to participate in the program.~~
- 2.1. Bicycle/Scooter Program - The employer provides eligible employees, who commute by bicycle/scooter, unique incentives and tools only available to ~~bicyclists~~ these employees and not offered elsewhere in the plan. Examples of incentives that can be included in a program are:
 - Bicycle/scooter matching/meetings;
 - Shoes, clothing, helmets, etc.;
 - Lockers, racks, etc.;
 - Bicycle/scooter repair services;
 - Tools or repair kits;
 - Discounts at local bicycle/scooter shops; or
 - Other bicycle/scooter related services.The employer may also receive credit for implementing a Bicycle Program if the worksite participates in Bike-to-Work Month, or installs an electric bike/scooter sharing hub on worksite property.
2. Car Sharing Services – The employer implements a Car Sharing Service to enable rideshare participants to utilize vehicles (e.g. pool vehicles) from the worksite if necessary, because they used an alternative commute mode to arrive to the worksite.
3. Commuter Choice Programs - The employer provides a Commuter Choice tax benefits program, based on Section 132(f) of the federal tax code. This program allows employees to set aside pre-tax income for qualified commute modes. Section 132(f) covers transit, vanpool and bicycle benefits as well as qualified parking.
4. Compressed Work Week - A Compressed Work Week (CWW) schedule applies to employees who, as an alternative to completing the basic work requirements in five eighthour workdays in one week, or ten eight-hour days in two weeks, are scheduled in a manner which reduces trips to the worksite. Employers must indicate if the CWW is offered to all employees, or eligible employees and the total number of employees participating in each type of CWW schedule. It is recommended, but not required, that employers implementing this strategy have a formal written policy on CWW schedules.
5. Direct Communication - Direct communication by the employer’s highest ranking official at the worksite, to introduce and/or promote alternative commute modes, outline

- incentives and encourage participation in a rideshare program. This must occur, at a minimum, on an annual basis and may occur as electronic or written communication.
6. Direct Financial Awards - The employer, or other funding sources, provides eligible employees with cash subsidies for participation in the organization's commute reduction program. The employer must provide the monetary value of the award, frequency, eligibility, and minimum requirements to participate in the program.
 7. Discounted/Free Meals - The employer provides eligible employees with free or discounted meals for their participation in the commute reduction program. The employer must provide the monetary value of the award, frequency, eligibility, and minimum requirements to participate in the program.
 8. Employee Clean Vehicle Purchase/Lease Program - Encourage and offer incentives for employees who purchase or lease partial zero emission vehicles (PZEV), advance technology PZEV (AT-PZEV), or zero emission vehicles (ZEV) (e.g., credit union loan rate discounts, financial incentives).
 9. Employee Newsletter, Flyer, Announcements, Memos or Letters - A communication tool to introduce and/or promote alternative commute modes, outline incentives and encourage participation in a rideshare program that is updated and distributed, at a minimum, on a quarterly basis. If provided electronically, an update or notice must be sent to all employees of the communication's availability.
 10. Employee Rideshare Events - Employer sponsored events which promote rideshare opportunities that occur, at minimum, annually.
 11. Flex Time - The employer permits employees to adjust their work hours in order to accommodate public transit schedules or rideshare arrangements. Ideally, employers would have a formal written policy on Flex Time. Do not select this strategy unless flex time is linked to your rideshare program.
 12. Gift Certificates - The employer or other funding source provides eligible employees with gift certificates for participation in the commute reduction program. The employer must provide the certificate's monetary value, frequency, eligibility, and minimum requirements to participate in the program.
 13. Guaranteed Return Trip - The employer provides eligible employees with a return trip to the point of commute origin, when a need for the return trip arises. This need may be a personal emergency, an unplanned situation, or business-related activities (such as overtime). The employer needs to indicate if this service would be provided by employer vehicle, rental car, taxi, another employee, TMA/TMO, or other entities.
 14. Marketing Class - The ETC attends a marketing class within 12 months prior to plan submittal. Proof of attendance must be included along with the submittal. The marketing class may include, but is not limited to:
 - Development of a communication/marketing plan;
 - Development of marketing materials;
 - Development of presentation materials;
 - Use of existing programs (e.g., Rideshare Week, rideshare fairs, etc.); and,
 - Fundamentals of marketing (including promotion techniques and consumer behavior).

15. Mobility Hub Services - The employer establishes a rideshare service (e.g. shuttle, van, electric bike/scooter station, last mile service, etc.) from the Mobility Hub to the worksite to provide services that encourage employee use of alternative commute modes. The Mobility Hub shall be a publicly accessible hub where employees have access to shared means of transport.

~~15.~~16. New Hire Orientation – The employer provides newly hired employees an overview of alternative commute options and employer incentives to promote and encourage participation in a rideshare program.

~~16.~~17. Off Peak Rideshare Program - The employer may voluntarily expand their commute reduction program to include employees who commute outside of the peak window.

~~17.~~18. Other Strategy(ies) - The employer can provide many types of strategies designed to encourage solo commuters to participate in the employee commute reduction program under each strategy heading. ~~These strategies can include, but are not limited to, educational programs, use of clean fuel vehicles for commuting, employer vehicles for ridesharing, carsharing, mobility hub services, rideshare clubs, on-site amenities, electric vehicle infrastructure, voluntary worksite transfers, or the use of TMA/TMO services.~~ Employers who list more than one strategy may receive credit for each individual strategy.

~~18.~~19. Parking Charge/Subsidy - A parking fee is charged to employees who drive alone to the worksite and/or in exchange, employers may provide a subsidy to employees that can be used for the cost of alternative transportation modes. The employer must provide the monetary value of the charge/subsidy, frequency, eligibility, and minimum requirements to participate in the program. Employers who implement a Parking Charge/Subsidy strategy cannot claim credit as a Parking Cash-out program unless both are independent strategies.

~~19.~~20. Parking Cash-Out/Parking Management Strategies – The employer may voluntarily choose to offer a cash allowance to an employee, at a minimum equivalent to the parking value that the employer would otherwise pay to provide the employee with a parking space as described in the provisions of the Health and Safety Code §43845. Employers may select this strategy as a Good Faith Determination Element provided they are not legally obligated to implement this requirement.

~~20.~~21. Personalized Commute Assistance - The employer provides personalized assistance such as transit itineraries, carpool matching and personal follow-up to employees. Examples of ways an employer can provide this service to employees are:

- Organize carpool/vanpool formation meeting(s);
- Assist in identifying park and ride lots;
- Assist in identifying bicycle and pedestrian routes;
- Assist in providing personalized transit routes and schedule information; or
- Provide personalized follow-up assistance to maintain participation in the commute reduction program.

~~21.~~22. Points Program - Employees earn points for each day of participation in the employer’s commute reduction program. Points are redeemed for such rewards as time

off, gift certificates, cash or merchandise. The employer must provide the monetary value of the points, frequency, eligibility, and minimum requirements to participate in the program.

~~22-23.~~ 23. Preferential Parking for Ridesharers - The employer provides eligible employees with preferential parking spaces to park their vehicles. These spaces must be clearly posted or marked in a manner that identifies them for carpool or vanpool use only. The employer shall provide, at a minimum, the following information:

- Number of preferential parking spaces,
- Minimum number of persons per vehicle required to be eligible,
- Minimum number of days or percentage of ridesharing required to be eligible, and
- Method of vehicle identification (e.g., tags, stickers, or license plate number).

~~23-24.~~ 24. Prize Drawings - The employer provides eligible employees, at a minimum, quarterly, with a chance to win prizes for participation in the commute reduction program. The employer must provide the monetary value of the prizes, frequency, eligibility, and minimum requirements to participate in the program.

~~24-25.~~ 25. Rideshare Bulletin Board - A physical display with materials that encourage and promote rideshare participation, publicizes incentives and, provides information about the employer's rideshare program. The bulletin board should be in a location that would be most likely viewed by the majority of employees and must contain different information than the Transit Information Center. It may be necessary to have more than one bulletin board depending on the size of the worksite or employee population.

~~25-26.~~ 26. Rideshare Matching Services – The employer provides, at a minimum, annually, rideshare matching services, zip code lists, or assistance in finding commute alternatives for all employees. The employer must indicate how and when employees are matched (e.g., during new hire orientation, as part of the employer's annual AVR survey, or on demand). The employer must also indicate how the service is provided to employees, such as:

- Employer based system;
- Regional commute management agency;
- TMA/TMO system;
- Zip code lists/maps; and/or
- Outside service (e.g., consulting services).

~~26-27.~~ 27. Rideshare Meetings / Focus Groups - Meetings conducted with employees, at a minimum, semi-annually, to solicit input on commute behavior, incentives to rideshare, and to discuss ways to overcome the constraints to participating in alternative commute modes. These meetings may also be used to introduce employees who live in similar areas to foster the development of carpools and vanpools.

~~27-28.~~ 28. Rideshare Website – An employer's website that is designed to act as a repository for information on the rideshare plan, that is updated, at a minimum, quarterly and is readily accessible to all employees. Employers may also implement other social marketing applications that are administered by the employer for the purposes of

encouraging site specific employee trip reductions. At a minimum, quarterly notices must be given to the employees about the availability of the web site.

29. Startup Incentives - Incentives designed to reward solo commuters for joining a carpool, vanpool, or other alternative commute modes, and are generally provided over a short period of time. The employer must provide the monetary value of the incentives, frequency, eligibility, duration, and minimum requirements to participate in the program.

~~28.~~30. Transportation Management Association (TMA)/Transportation Management Organization (TMO) Services – The employer utilizes services offered by a TMA/TMO to manage employee transportation needs and to provide accessibility to alternative commute modes.

~~29.~~31. Telecommuting - Telecommuting occurs when an Employee works from home, off site, at a satellite office, or at a Telecommuting center which reduces the commute travel distance by more than 50%. ~~means working at home, off-site, or at a telecommuting center for a full workday that eliminates the trip to work or reduces travel distance to the worksite by more than 51%.~~ Ideally, employers would have a formal written policy on telecommuting, however, one does not need to be developed for Rule 2202 compliance. Employers must state if telecommuting is offered to all employees or eligible employees/units, the total number of employees participating in the program, the number of days per week employee's work at home or at a satellite work center, if a formal written policy exists, and if any training/orientation sessions are held in support of the program.

~~30.~~32. Time Off With Pay - The employer provides eligible employees additional time off with pay for participation in the commute reduction program. The employer must provide the monetary value of the incentive, the amount of earned time off, frequency, eligibility, and minimum requirements to participate in the program.

~~31.~~33. Transit Information Center - The employer provides a transit information center that makes available general transit information and/or the on-site sale of public transit passes, tickets or tokens to the worksite employees. At a minimum, the information must be updated quarterly.

~~32.~~34. Transit Subsidy - Employers pay for all or part of the cost of commuting by local mass transit, commuter rail, train, or other public transit. The employer must provide the monetary value of the transit subsidy, frequency, eligibility, and minimum requirements to participate in the program.

~~33.~~35. Vanpool Program - The employer provides eligible employees with a vanpool program designed to encourage the use of existing vanpools or the development of new vanpools. The employers must provide:

- Total number of vans participating in the program;
- If the vans are employer owned or leased vans;
- If the vans are third-party owned or leased vans;
- If the vans are employee owned or leased vans;
- Amount and type of subsidies provided for insurance;
- Amount and type of subsidies for fuel and/or maintenance;

- If empty seats are subsidized, and value and length of time this subsidy is offered; and,
- Any other benefit unique to vanpoolers that is not duplicated elsewhere in the ECRP submittal.

36. Voluntary Worksite Transfers – The employer allows eligible employees to transfer worksites to the worksite location that is located closer to the employee’s home.

- 37. Zero Emissions Vehicle Charging and Fueling Infrastructure – The employer installs charging or hydrogen fueling stations at the worksite. If implemented, the worksite will report the number of charging/fueling stations, the total number of charging/fueling ports, and other related information such as daily fueling capacity. When including EV infrastructure, it must meet the criteria noted on the South Coast AQMD’s Electric Vehicle Charging Station (EVCS) Protocol. EVCS means a device or station that provides power to charge the batteries of a dedicated battery electric vehicle

B. Parking Cash-out Program

Employers who are subject to the parking cash-out provisions of the Health and Safety Code §43845 are required to offer a cash allowance to employees in lieu of a parking space when the employer would otherwise pay to provide the employee with a parking space. Parking cashout applies to worksites where the employer leases employee parking, the parking lease is not included or bundled in the building lease, and the employer is able to reduce the number of parking spaces without penalty.

All employers subject to Health and Safety Code §43845 have a legal obligation to comply with state law regardless of whether an employer incorporates parking cash-out as one of the strategies in Rule 2202.

Employers not legally required to implement the parking cash-out provision, may voluntarily choose to offer a parking cash-out allowance to their employees and claim credit as a Good Faith Effort Determination Element.

C. Electric Vehicles (EV) or Other Alternative-Fueled Vehicles

EV and other alternative vehicles, including hydrogen fuel cell vehicles, play an important role in reducing greenhouse gas and criteria pollutant emissions from employee commutes in comparison to conventional vehicles trips.

Employers that use EV’s or other alternative vehicles in reference to the AVR survey and survey responses or for ECRP strategies can refer to the descriptions below. The following vehicle categories qualify as “zero emission vehicles” when conducting and AVR survey. The South Coast AQMD retains the authority to alter or update any approved electric vehicles or alternative vehicles for use in any Rule 2202 AVR survey or ECRP strategies.

- a. Zero emission vehicle (ZEV) is a vehicle that produces zero exhaust emissions of any criteria pollutant (or precursor pollutant) or greenhouse gas under any possible operational modes or conditions.

a.b. Fuel Cell Electric Vehicle (FCEV) is a vehicle that uses a hydrogen powered fuel cell instead of an engine to generate electricity for the batteries and electric motor. These vehicles generally utilize the same components as a battery electric vehicle, but with the addition of a hydrogen fuel cell and hydrogen storage tank.

Employees arriving to work in a Plug-In Hybrid Electric Vehicle (PHEV) meet the definition of a zero emission vehicle provided that the entire trip to work is made exclusively under electric power. This applies to plug-in vehicles with all electric range that can travel exclusively under electric power without use of the gasoline engine or cogeneration system.

Employees using electric bicycles for the commute trip to the worksite should be accounted for in the bicycle mode on the AVR survey form. Employees using electric scooters for the commute trip to the worksite should be accounted for in the Zero Emission Vehicle (ZEV) mode on the AVR survey form. Employees utilizing electric bicycles and scooters for commute trips to the worksite will be counted as employees arriving at the worksite with no vehicle for purposes of the AVR calculation.

VI. GLOSSARY

1. AGGREGATE AVR means the weighted average AVR of an employer that has several different worksites within the same AVR Performance Zone that are included within one Employee Commute Reduction Program.
2. AVERAGE VEHICLE RIDERSHIP (AVR) is the current number of employees that begin work during the window for calculating AVR divided by the number of vehicles arriving at the worksite during the same window.
3. AVR CALCULATION means the numerical method used to determine the worksite's AVR, calculated to two decimal places, in accordance with these guidelines.
4. AVR DATA COLLECTION METHOD is a method for gathering employee commute mode data needed to calculate an employer's AVR.
5. AVR PERFORMANCE ZONE is a geographic area that determines the average vehicle ridership performance requirement or target for a worksite pursuant to the map in Attachment I of this guideline. The AVR Performance Zones are as follows:
 - Zone 1: 1.75 AVR
 - Zone 2: 1.5 AVR
 - Zone 3: 1.3 AVR
6. AVR WINDOW is the period of time, Monday through Friday between the hours of 6:00 a.m. and 10:00 a.m. used to calculate AVR in accordance with these guidelines. AVR Window, as applied to businesses operating seven days a week, is the period of time, Sunday through Saturday between the hours of 6:00 a.m. and 10:00 a.m., used to calculate AVR in accordance with these guidelines.
- ~~6.7.~~ BUSINESS TYPE/CLASSIFICATION is the activity type that classifies the primary nature of work conducted at the worksite.
- ~~7.8.~~ CARPOOL is a vehicle occupied by two to six people traveling together between their residences and their worksites or destinations for 51% of the total trip distance. Employees, who work for different employers, as well as non-employed people, are included within this definition as long as they are in the vehicle for 51% of the total trip distance.
- ~~8.9.~~ CENTRALIZED RIDESHARE SERVICE CENTER (CRSC) may be used by employers submitting Multi-site programs that will provide equivalent services in lieu of having a trained ETC and implementation records at each worksite.
- ~~9.10.~~ COMPLIANCE YEAR is the time period beginning when an ECRP is approved until a new ECRP is approved. Program amendments and extensions do not affect the compliance year.
- ~~10.11.~~ COMPRESSED WORK WEEK (CWW) is an alternative schedule used to complete basic work requirements in a manner which reduces vehicle trips to the worksite. The recognized compressed work week schedules for this Rule are, but not limited to, 36 hours in three days (3/36), 40 hours in four days (4/40), or 80 hours in nine days (9/80).
- ~~11.12.~~ CONSULTANT ETC means a person that meets the definition of and serves as an ETC at a worksite other than the Consultant's employer.

- ~~12.~~13. DIRECT FINANCIAL AWARD means an employee commute reduction strategy in which the employer awards cash subsidies to an employee for specified rideshare behavior.
- ~~13.~~14. DISABLED EMPLOYEE means an individual with a physical impairment that prevents the employee from traveling to the worksite by means other than a single-occupant vehicle.
- ~~14.~~15. EMPLOYEE means any person employed full or part-time by a person(s), firm, business, educational institution, non-profit agency or corporation, government or other entity. This term excludes the following: seasonal employees, temporary employees, volunteers, field personnel, field construction workers, and independent contractors.
- ~~15.~~16. EMPLOYEE COMMUTE REDUCTION PROGRAM (ECRP) is a compliance option that allows employers the ability to choose and implement various rideshare strategies included in the ECRP Guidelines at the worksite.~~means an Annual Program, under the Employee Commute Reduction Program option, submitted to the SCAQMD, in accordance with these guidelines.~~
- ~~16.~~17. EMPLOYEE TRANSPORTATION COORDINATOR (ETC) is an individual who has completed a South Coast AQMD certified training course and has been appointed to develop, market, administer, and monitor the worksite's chosen Rule 2202 compliance option.~~is an employee who has completed an SCAQMD certified training course and has been appointed to develop, market, administer, and monitor the Employee Commute Reduction Program at a single worksite. The ETC must be at the worksite during normal business hours when the majority of employees are at the worksite.~~
- ~~17.~~18. FEDERAL FIELD AGENT means any employee who is employed by any federal entity whose main responsibility is National Security and performs field enforcement and/or investigative functions. This does not include employees in non-field or non-investigative functions.
- ~~18.~~19. FIELD CONSTRUCTION WORKER means an employee who reports directly to work at a construction site.
- ~~20.~~ FIELD PERSONNEL means employees who spend 20 percent or less of their work time, per week, at the worksite and who do not report to the worksite during the peak period for pick-up and dispatch of an employer-provided vehicle.
- ~~21.~~ FUEL CELL ELECTRIC VEHICLE (FCEV) means a vehicle that uses a hydrogen powered fuel cell instead of an engine to generate electricity for the batteries and electric motor. These vehicles generally utilize the same components as a battery electric vehicle, but with the addition of a hydrogen fuel cell and hydrogen storage tank.
- ~~19.~~22. FURLOUGH means a temporary, unpaid leave of absence or reduction in hours. Furloughed employees should be assigned as furlough and continue to be employed by the site.
- ~~20.~~23. HOLIDAYS are those days designated as National or State Holidays that shall not be included in the AVR survey period.
- ~~21.~~24. INDEPENDENT CONTRACTOR means an individual who enters into a direct written contract or agreement with an employer to perform certain services and is not on the employer's payroll.

- ~~22-25.~~ LOW-INCOME EMPLOYEE means an individual whose salary is equal to, or less than, the current individual income level set in the California Code of Regulations, Title 25, Section 6932, as lower income for the county in which the employer is based. Higher income employees may be considered to be "low-income" if the employees demonstrate that the program strategy would create a substantial economic burden.
26. MOTOR VEHICLE means a self-propelled vehicle, consistent with California Vehicle Code 415.
- ~~23-27.~~ MULTI-SITE EMPLOYER means any person(s), firm, business, educational institution, non-profit agency or corporation, government agency or other entity which has more than one worksite located within the South Coast AQMD where 250 or more employees report to each worksite.
- ~~24-28.~~ MULTI-SITE PROGRAM means an Employee Commute Reduction Program submitted to the South Coast AQMD to comply with these guidelines that encompasses more than one worksite within a single AVR Performance Zone that belongs to a multi-site employer.
- ~~25-29.~~ NONCOMMUTING AVR CREDIT applies to employees who arrive at the worksite during the window for calculating AVR, and remains at the worksite or out of the South Coast AQMD's jurisdiction for a full 24 hour period or more to complete work assignments.
- ~~26-30.~~ OFF PEAK COMMUTE TRIP is a commute trip that occurs outside the peak commute window of 6:00 a.m. - 10:00 a.m., Monday through Friday.
- ~~27-31.~~ ON-SITE COORDINATOR is a person who has been designated by the employer as such and has knowledge of the employer's ECRP and marketing methods. The On-Site Coordinator is limited to program implementation rather than program development.
- ~~28-32.~~ PARKING CASH-OUT is a program where an employer offers to provide a cash allowance to an employee, at a minimum equivalent to the parking subsidy that the employer would otherwise pay to provide the employee with a parking space pursuant to the provisions of the Health and Safety Code §43845.
- ~~29-33.~~ PART-TIME EMPLOYEE means any employee who reports to a worksite fewer than 32 hours per week, but more than four hours per week. These employees shall be included in the employee count for purposes of Rule applicability and for AVR calculations of the employer, provided the employees begin work during the window for calculating AVR.
34. POLICE/SHERIFF means an employee who is certified as a law enforcement officer and is employed by any state, county or city entity. Such employees are police officers and sheriffs, who perform field enforcement and/or investigative functions. This would not include employees in non-field or non-investigative functions.
- ~~30-35.~~ REMOTE EMPLOYEES are employees who are assigned to a regulated worksite located within the South Coast AQMD, however, primarily live and work at locations outside of the South Coast AQMD, and physically commute to the regulated worksite less than five days a year.
36. SCHOOL means any public or private School, including juvenile detention facilities with classrooms, used for the education of more than 12 children at the School in kindergarten

through grade 12. School also means an Early Learning and Developmental Program by the U.S. Department of Education or any state or local early learning and development programs such as preschools, Early Head Start, Head Start, First Five, and Child Development Centers. A School does not include any private School in which education is primarily conducted in private homes. The term includes any building or structure, playground, athletic field, or other area of School property

~~31.~~37. SEASONAL EMPLOYEE means a person who is employed for less than a continuous 90- day period or an agricultural employee who is employed for up to a continuous 16-week period.

~~32.~~38. STRATEGY means an Employee Commute Reduction Program element developed, offered and/or implemented by employers for the purpose of encouraging employees to use alternative modes of transportation other than single occupant vehicles when reporting to work during the window.

~~33.~~39. STUDENT WORKER means a person who is enrolled and gainfully employed (on the payroll) by an educational institution. Student workers who work more than four hours per week are counted for rule applicability and if they begin work during the 6:00 a.m. - 10:00 a.m. window are counted for AVR calculation.

~~34.~~40. TELECOMMUTING ~~means working at home, off site, at a satellite office or at a telecommuting center, for a full workday that eliminates the trip to work or reduces travel distance by more than 51 percent.~~ occurs when an employee works from home, off site, a satellite office, or a Telecommuting center which eliminates a commute trip to the worksite or reduces the commute travel distance by more than 50%.

~~35.~~41. TEMPORARY EMPLOYEE means any person employed by an employment service or agency that reports to a worksite other than the employment agency's worksite, under a contractual arrangement with a temporary employer. Temporary employees are only counted as employees of the temporary agency for purposes of Rule applicability and calculating AVR.

~~36.~~42. TRANSIT is a shared passenger transportation service which is available for use by the general public, as distinct from modes such as taxicabs, carpools, or vanpools which are not shared by strangers without private arrangement. Transit include buses, ferries, trams, trains, rail, or other conveyance which provides to the general public a service on a regular and continuing basis. Also known as public transportation, public transit or mass transit.

~~37.~~43. TRANSPORTATION MANAGEMENT ASSOCIATION OR TRANSPORTATION MANAGEMENT ORGANIZATION (TMA/TMO) means a non-profit association that has a financial dues structure joined together in a legal agreement for the purpose of achieving mobility and air quality goals and objectives within a designated area.

~~38.~~44. VANPOOL is a vehicle occupied by seven to 15 people traveling together between their residences and their worksites or destinations for 51% of the total trip distance. Employees, who work for different employers, as well as non-employed people, are included within this definition as long as they are in the vehicle for 51% of the total trip distance.

~~39.45.~~ VEHICLE TRIP is determined by the means of transportation used for the greatest distance of an employee's home-to-work commute trip for employees who begin work during the peak period. Each vehicle trip to the worksite shall be calculated as follows:

Single-occupant vehicle = 1

Carpool = 1 divided by number of people in carpool

Vanpool = 1 divided by number of people in vanpool

Motorcycle, moped, motorized scooter, motor bike = 1 divided by number of people on bike

Public transit = 0

Bus pool = 0

Bicycle = 0

Walking and other non-motorized transportation modes = 0

Non-commuting = 0

Telecommuting = 0 on days employee is telecommuting for the entire day

Compressed Workweek = 0 on employee's compressed day(s) off

Zero-emission vehicles = 0

~~40.46.~~ VOLUNTEER means any person(s) at a worksite who, of their own free will, provides goods or services, without financial gain.

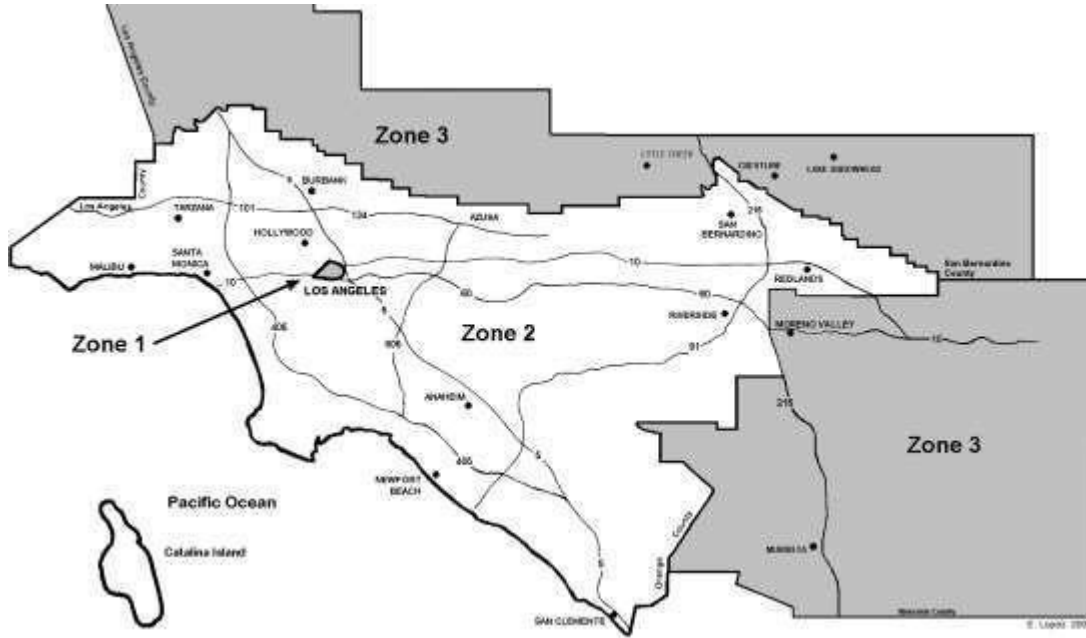
~~41.47.~~ WORKSITE means a structure, building, portion of a building, or grouping of buildings that are in actual physical contact or are separated solely by a private or public roadway or other private or public right-of-way, and that are occupied by the same employer. Employers may opt to treat more than one structure, building or grouping of buildings as a single worksite, even if they do not have the above characteristics, if they are located within a 2 mile radius and are in the same AVR Performance Zone.

48. WORKSITE EMPLOYEE THRESHOLD means 250 employees employed at a single worksite for the prior consecutive six month period calculated as a monthly average, and 33 or more employees scheduled to report to work during the window any one day during the prior consecutive 90 days.

49. VEHICLE MILES TRAVELED means the number of miles traveled one-way by a motor vehicle for a worksite commute trip.

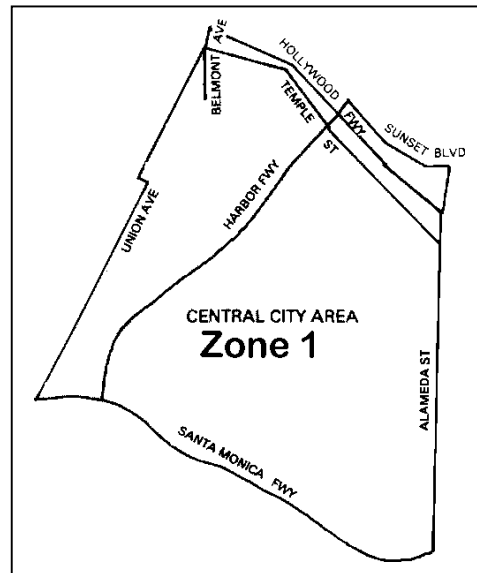
42.50. ZERO EMISSION VEHICLE (ZEV) means a vehicle that produces zero exhaust emissions of any criteria pollutant (or precursor pollutant) or greenhouse gas under any possible operational mode or conditions.

VII. ATTACHMENT I



AVR PERFORMANCE ZONES

- A worksite’s AVR Performance Zone depends on its location.
- District's Source/Receptor Areas are shown in Attachment 3 of Rule 701 - Air Pollution Emergency Contingency Actions.
- **Zone 1** is the Central City Area of Downtown Los Angeles within the South Coast AQMD’s Source/Receptor Area 1.
- **Zone 2** corresponds to the South Coast AQMD’s Source/Receptor Areas 2 through 12, 16 through 23, and 32 through 35, excluding the Zone 1 - Central City Area.
- **Zone 3** corresponds to the South Coast AQMD’s Source/Receptor Areas 13, 15, 24 through 31, and 36 through 38.



ATTACHMENT I

Final Staff Report

Proposed Amended Rule 2202 – On-Road Motor Vehicle Mitigation Options

August 2023

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EXECUTIVE SUMMARY

Rule 2202 – On-Road Motor Vehicle Mitigation Options (Rule 2202) is designed to reduce emissions from motor vehicles. Specifically, larger employers in the region with 250 or more employees are required to mitigate emissions from employee commute trips into the worksite. Rule 2202 is intended to reduce emissions of Volatile Organic Compounds (VOCs), Oxides of Nitrogen (NO_x), and Carbon Monoxide (CO). Rule 2202 provides employers with a menu of options to implement one or more emission reduction strategies to meet an annual Emission Reduction Target (ERT) for their worksite.

Proposed Amended Rule 2202 (PAR 2202) is consistent with mobile source control measure MOB-14 in the South Coast Air Quality Management District's (South Coast AQMD's) 2022 Air Quality Management Plan (AQMP), which proposes to reduce emissions by evaluating potential amendments to Rule 2202. In response to the Coronavirus (COVID-19) pandemic, many of the regulated employers incorporated widespread telecommuting practices resulting in reduced employee commute trips. PAR 2202 will require worksites to collect and report additional data on employee commute activity which will be analyzed to inform a potential future rule amendment. Effective ~~September 1, 2024~~ January 1, 2025, worksites will be required to provide details on telecommute activity, Vehicle Miles Traveled (VMT), and business type/classification.

Additionally, PAR 2202 includes revisions to the Rule 2202 Implementation Guidelines and Employee Commute Reduction Program (ECRP). Both guideline documents will provide instructions and guidance to collect and report the additional information on telecommute activity, VMT, and business type/classification. The guideline documents and rule amendment will also include a requirement for all sites that conduct an Average Vehicle Ridership (AVR) survey to have a certified Employee Transportation Coordinator (ETC) on site. AVR survey instructions will be included in the Implementation Guidelines as well as the ECRP Guidelines. The ECRP guidelines will include updates to the strategy options and strategy reporting. Definitions will be updated or added across all Rule 2202 related documents for consistency and clarity.

PAR 2202 is anticipated to apply to approximately 1,186 worksites with over 600,000 employees that commute to work within the peak window of 6:00 A.M. to 10:00 A.M.

PAR 2202 was developed through a public process. Staff held working group meetings on February 23, 2023, March 22, 2023, May 3, 2023, and May 31, 2023. In addition, a public workshop was held on June 20, 2023.

CHAPTER 1: BACKGROUND

INTRODUCTION

REGULATORY HISTORY

AIR QUALITY NEED

PROPOSAL BACKGROUND

AFFECTED INDUSTRIES

PUBLIC PROCESS

CHAPTER 1 – BACKGROUND

1.1 INTRODUCTION

Rule 2202 – On-Road Motor Vehicle Mitigation Options (Rule 2202) provides employers with a menu of options to reduce mobile source emissions generated from employee commutes. Rule 2202 applies to worksites located within the district that employ 250 or more employees on a full or part-time basis. Regulated worksites are required to register annually with the South Coast AQMD to implement an emission reduction program based on a menu of compliance options in the rule. Staff proposes amending Rule 2202 to include additional data collection for all regulated worksites, including information on telecommuting activity, Vehicle Miles Traveled (VMT), and business type/classification for the worksite. The reporting of this additional information will provide the necessary data to analyze employee commute activity to inform future rule amendments. Staff also propose to update strategies, amend or add new definitions, and make minor administrative changes to the rule language for clarity and consistency.

1.2 REGULATORY HISTORY

On December 8, 1995, the South Coast AQMD Governing Board adopted Rule 2202 in response to state legislation that prohibited the mandatory submittal of trip reduction plans, as was required in the now repealed Rules 1501 and 1501.1. The rule includes a menu of flexible and cost-effective emission reduction options from which they can choose to implement and meet the emission reduction target for their worksite. Rule 2202 continues to allow affected employers the option of implementing a traditional trip reduction program as a means to comply with the rule.

Rule 2202 replaced Rules 1501 – Work Trip Reduction Plans and 1501.1 – Alternatives to Work Trip Reduction Plans and has been amended several times. In 1987, Regulation XV was adopted which required trip reduction plans for employers with 100 or more employees. Rule 1501 was amended in 1993 and Rule 1501.1 was adopted in 1995, to comply with federal and state requirements for extreme non-attainment areas. In 1995, Rule 2202 was adopted to respond to state legislation prohibiting mandatory trip reduction plans. Rule 2202 provided worksites of 100 or more employees a menu of emission reduction options to meet an emission reduction target for their worksite. Compliance strategies included mobile source credits from old-vehicle scrapping, clean on-road and off-road equipment, the use of remote sensing to identify and repair gross polluting vehicles, and emission reduction credits from stationary sources. Worksites could also earn credits for the use of alternative fuel vehicles, reduction of vehicle miles traveled, and other trip reduction strategies.

In March 1996, Rule 2202 was amended to exempt school districts from complying due to financial hardship. The passage of SB836, effective June 1998, directed South Coast AQMD to raise the employee threshold level from 100 to 250 employees, while SB432 permanently exempted worksites with fewer than 250 employees from complying with the rule. In November 1996, the sunset provision of Rule 2202 was modified to have the rule phase out by June 2001.

In October 1998, Rule 2202 was again modified to include its original sunset provision, (i.e., the rule would be rescinded at an unspecified future time when an equivalent level of emissions reductions is produced). In January 2002, several administrative changes to Rule 2202 were passed that included the elimination of alternative fuel vehicle credits except for zero emission vehicles, deletion of the remote sensing strategy option due to the implementation of the Inspection and Maintenance Program (Smog Check II), and the addition of a police/sheriff employee category.

Although state law required changing the employee threshold from 100 to 250 employees, a previous version of Section 182(d)(1)(B)¹ of the 1990 Clean Air Act (CAA) required that non-attainment regions implement a program that would require employers of 100 or more employees to reduce work related trips and miles traveled by employees commuting to work to a level 25% above the region's baseline average vehicle ridership (AVR). At that time the AVR targets were established for regions within the SCAQMD that were determined to be the most effective in achieving the federally mandated goals. Subsequent amendments to the CAA removed work related trip mandates and allowed emission equivalency as an option for compliance. The Rule 2202 AVR target meets the 25% requirement above the region's 1992 baseline and accounts for additional trip reductions that should have resulted from all employers with 100 or more employees. Additionally, substitution of alternative measures that will meet the equivalent emission reductions were also allowed by the CAA.

In June 2014, Rule 2202 was amended to address the use of emission reduction credits (ERCs). At the end of 2013, approximately 200 lbs/day of NO_x ERCs were transferred into the Rule 2202 program. This caused a concern regarding future stationary source credit availability. Therefore, in January 2014, the Governing Board approved a temporary moratorium on NO_x ERCs in Rule 2202 to allow time for staff to review the status of the stationary source emission banks and potential impacts of additional transfers into the Rule 2202 program. Staff reviewed the historical use of ERCs for stationary sources, as well as the availability of credits and other emission programs within Rule 2202 to determine the ability to meet future compliance targets. Staff concluded that there continues to be a concern regarding the future availability of ERCs for use by stationary sources. To address this Rule 2202 was amended so that ERCs could no longer be transferred into the Rule 2202 program. ERCs that resided within the Rule 2202 program at the time of the amendment would be allowed to remain, however these ERCs would be subject to an annual discount. An annual discounting of ERCs would encourage the use of other emission reductions that more closely align with the intent of the Rule 2202 program.

¹ The current version of CAA 182(d)(1)(B) does not require a reduction of work-related trips and miles travelled, but instead allows states to implement these kinds of programs within their own discretion.

1.3 AIR QUALITY NEED

In 2015, the U.S. Environmental Protection Agency (U.S. EPA) tightened the ozone standard, leaving the South Coast Air Basin in “extreme” nonattainment for that standard. The South Coast Air Basin also fails to attain the 1979, 1997, and 2008 ozone standards. Nitrogen oxides (NO_x), which are created during the process of burning fuel, is the primary pollutant that must be controlled to reduce ozone. Approximately 85% of daily NO_x emissions come from mobile sources, with passenger vehicles being one of the top ten emitters of NO_x. Mobile source emission reductions are needed to meet future ozone standards set by the U.S. EPA.

The 2022 Air Quality Management Plan (AQMP) (Appendix IV-A, Control Measure MOB-14) proposed amending Rule 2202 to further reduce emissions associated with work trips, with telecommuting cited as a key mechanism to achieve additional emission reductions. During the COVID-19 pandemic in 2020 and 2021, many Rule 2202 regulated employers (where applicable) incorporated telecommuting practices, which have shown to be a very effective way of eliminating emissions caused by employee commute trips into the worksite. Many employers reported extremely high Average Vehicle Ridership (AVR) scores, primarily due to the increased amount of telecommuting, over the 2020/2021 reporting period. While Rule 2202 does currently provide credit for telecommuting, the 2022 AQMP proposed future rule amendments to Rule 2202 include a larger focus on telecommuting strategies and provide additional incentives for regulated employers to adopt telecommuting policies or other strategies to reduce emissions.

Mobile source emissions are impacted by factors such as mode of travel, type of vehicle, distance of trip, fuel type and congestion. More recently, Vehicle Miles Traveled (VMT) has emerged as an important metric in evaluating vehicle emissions. For example, in July 2020 under California Senate Bill 743 (SB 743), the California Environmental Quality Act (CEQA) began requiring analyzing VMT to determine potential traffic-related impacts from projects. SB 743 made VMT a key metric in assessing emissions generated by on-road mobile sources, with lower VMT being associated with lower greenhouse gas emissions and lower traffic-related air pollution. The California Air Resources Board’s (CARB) State Implementation Plan cites VMT reduction as a necessary control measure to attain federal and state air quality standards. The Southern California Association of Governments’ (SCAG) 2022-2045 Regional Transportation Plan (RTP) uses VMT as a key metric to evaluate plan performance results and seeks to reduce VMT per capita. Additionally, the RTP found that the average distance traveled for work trips is over three times longer than the average distance traveled for non-work trips.

Staff recognizes that in order to amend Rule 2202 in a way that best reduces emissions additional data is needed to inform that process. Staff is therefore proposing to amend Rule 2202 in a two-phase approach. The first phase of the amendment (PAR 2202) is focused on data collection and reporting from regulated worksites. Collected data will be analyzed to inform the second phase of rule amendment.

1.4 PROPOSAL BACKGROUND

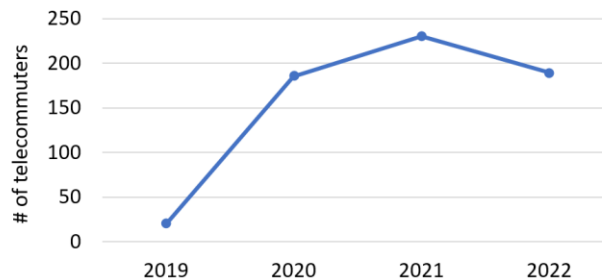
PAR 2202 is proposing to require regulated worksites to report additional information, including telecommuting activity, VMT data, and the type of business that is conducted at the worksite. This data collection will inform future potential Rule 2202 amendments. Additionally, staff proposes to update strategies, clarify and/or add new definitions, and make general administration revisions to Rule 2202 related guidance documents.

Telecommute Reporting

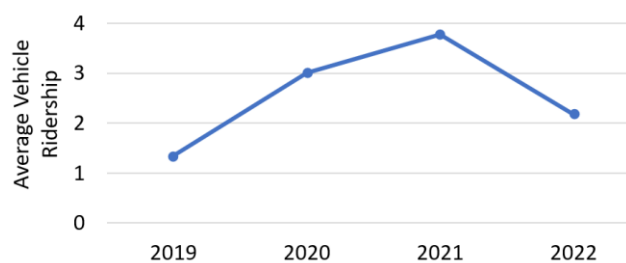
In response to the COVID-19 pandemic in 2020, South Coast AQMD instituted temporary protocols to ease compliance and address rapid changes in workforce habits. During the pandemic, many regulated employers incorporated widespread telecommuting practices. Staff instituted a temporary protocol allowing regulated worksites to use Human Resources (HR) or payroll records to account for telecommute trips. This allowed worksites to adjust the number of daily employees arriving at the worksite without conducting an AVR survey, and additionally allowed worksites that did conduct an AVR survey to account for all telecommute trips regardless of survey response rate.

In 2019, prior to the pandemic, worksites that implemented telecommuting reported an average of 19.7 telecommuters a day. In 2020, worksites that implemented telecommuting reported an average of 185.1 telecommuters a day, which is an increase of more than nine times. This reduction in vehicle trips resulted in the average AVR score across regulated worksites to rise from 1.34 in 2019 to 3.01 in 2020. This change in employee commute mode had a significant impact on employee vehicle trip emissions.

Average Daily Telecommuters



Average AVR



PAR 2202 is proposing to permanently allow the use of HR and/or payroll records to account for telecommute employee trips. This will streamline reporting of telecommute trips and ensure that worksites benefit from the reduction of work commute trips through telecommuting. All regulated worksites will be required to report additional information regarding telecommute practices on the annual compliance paperwork. Additionally, the ECRP compliance option includes telecommuting as a direct strategy. PAR 2202 will amend the required information on the telecommuting section of the ECRP compliance paperwork to collect more information on telecommute activity. This will allow Rule 2202 staff to analyze telecommute trends to better assess worksite employee commutes and will inform future Rule 2202 amendments.

Vehicle Miles Traveled (VMT)

Rule 2202 staff met with CARB staff and SCAG staff to discuss the importance of VMT in their programs and are proposing to incorporate VMT data collection into Rule 2202 to further analyze emissions generated by employee commute trips.

PAR 2202 is proposing to require all regulated worksites to report VMT data as a part of their annual compliance. PAR 2202 requires worksites to collect VMT data either through surveying employees or by providing employee zip codes that are available through HR and/or payroll records. For worksites that must conduct an AVR survey, PAR 2202 proposes to require that survey participants indicate their distance (in miles) from home to the worksite on the survey form. The AVR survey form already includes this VMT data field, however it is not a required field on the survey. PAR 2202 would require the VMT data field be completed by survey participants. The worksite will use the employee reported VMT data to total VMT per mode type and will report this data on the AVR survey form. Worksites that do not conduct a survey will be required to report employee zip codes and worksite zip code, which will be used to calculate VMT. The employee zip code data will be anonymous such that specific employee names or other identifying information is not included. The collected VMT data will be used for data analysis and will inform future Rule 2202 amendments. The employee trip length data will be anonymous and does not require employee home addresses to be reported.

Business Type/Classification

Staff has received feedback from stakeholders that employee commute options may differ across industry type, specifically as it pertains to telecommuting capabilities. These stakeholders expressed concern that certain industry types will be at a disadvantage under future rule compliance if they are unable to convert their workforce to telecommute. As a result, staff is proposing that regulated worksites report the business type/classification as part of their annual registrations. The collection of business type/classification information will aid future data analysis and will be used to inform future Rule 2202 amendments. The categories were chosen based on NAICS code information. The business type/classification categories are:

Industries	NAICS codes
Utilities	22
Construction	23
Manufacturing	31-33
Wholesale Trade	42
Retail Trade	44-45
Transportation and Warehousing	48-49
Information	51
Finance and Insurance	52
Real Estate and Rental and Leasing	53
Professional, Scientific, and Technical Services	54
Management of Companies and Enterprises	55
Administrative and Support and Waste Management and Remediation Services	56
Educational Services	61
Health Care and Social Assistance	62
Arts, Entertainment, and Recreation	71
Accommodation and Food Services	72
Public Administration/Government	92
Other (please specify):	

Updates to Rule 2202 Guidance Documents

In addition to revisions to the Rule 2202 language, staff is proposing revisions to the Rule 2202 Implementation Guidelines and Employee Commute Reduction Program (ECRP) Guidelines to provide details on the new data collection requirements, but also to update strategies and make minor administrative changes to assist the regulated community with compliance and reporting. Both documents will be updated to address telecommuting reporting requirements, VMT data collection and VMT reporting requirement. Detailed information on how to comply with the new reporting requirements can be found in both guidance documents. Definitions will be edited or added for consistency and clarity. The Rule 2202 Implementation Guidelines will also include the proposed requirement for regulated worksites that choose the Emission Reduction Strategies (ERS) compliance option. Under ERS compliance, worksites have the option of using a default AVR in their emission credit calculation or they may conduct an AVR survey. Staff is proposing that ERS worksites that choose to conduct an AVR survey be required to have a certified Employee Transportation Coordinator (ETC). Having a certified ETC on-site will reduce errors on ERS plan submittals. Details on how to conduct an AVR survey have been included in the Implementation Guidelines. Additionally, both documents will have paragraphs providing clarification on what vehicle types are counted as a Zero Emission Vehicle on the AVR survey.

The ECRP Guidelines will include updates to the various strategy options and strategy reporting. PAR 2202 compliance documents will require additional information on-site selected marketing

strategies to allow Rule 2202 staff to better compare implementation across compliance years. Several strategies previously listed as “other” under Basic/Support Strategies will be listed as independent strategies. These strategies include Electric Vehicle Infrastructure, Transportation Management Association (TMA)/Transportation Management Organization (TMO) Services, Car Sharing Services, Mobility Hub Services, and Voluntary Worksite Transfers. Several direct strategies will require additional information to be reported to allow staff to better track implementation. The Bicycle Program strategy has been expanded to include the use of scooter services by the worksite. Additionally, the Auto Services strategy will be removed from the direct strategies to encourage strategy focus on promoting zero-emission commute modes.

1.5 AFFECTED INDUSTRIES

PAR 2202 applies to all employers located within the district with 250 or more employees. Staff has currently identified about 1,186 worksites with over 600,000 employees arriving to the worksite within the peak window of 6:00 A.M to 10:00 A.M. The proposed rule amendment will not expand the applicability of the rule to additional worksites.

1.6 PUBLIC PROCESS

The development of PAR 2202 includes a public process. Four working groups were held on February 23, 2023, March 22, 2023, May 3, 2023, and May 31, 2023. Each working group was attended by representatives from affected industries, community stakeholders, and members of the general public. The purpose of the working groups was to discuss details of PAR 2202 and to answer questions from the public or listen to comments. A Public Workshop was held on June 20, 2023. The purpose of the Public Workshop was to present the proposed amended rule language and changes to the guideline documents in order to receive public comments.

CHAPTER 2: SUMMARY OF PROPOSAL

INTRODUCTION

PROPOSED AMENDED RULE 2202

CHAPTER 2 SUMMARY OF PROPOSAL

2.1 INTRODUCTION

Staff is proposing Rule 2202 be amended to require worksites to report VMT data, telecommute activity, and business type/classification for the worksite. The proposed reporting requirements will apply to all regulated worksites. The information collected under the new reporting requirements will be analyzed and used to inform future Rule 2202 amendments. Additionally, clarifying language and definitions will be added. The following section provides a discussion of changes to rule language under PAR 2202.

2.2 PROPOSED AMENDED RULE 2202

Subdivision (d) – Definitions PAR 2202 will incorporate definitions of the terms listed below that were not previously defined within the rule. These definitions are intended to clarify a compliance option and terms for reporting requirements.

- **BUSINESS TYPE/CLASSIFICATION** is the activity type that classifies the primary nature of work conducted at the worksite.
- **EMPLOYEE COMMUTE REDUCTION PROGRAM (ECRP)** is a compliance option that allows Employers the ability to choose and implement various rideshare strategies included in the ECRP Guidelines at the Worksite.
- **EMPLOYEE TRANSPORTATION COODINATOR (ETC)** is an individual who has completed a South Coast AQMD certified training course and has been appointed to develop, market, administer, and monitor the Worksite’s chosen Rule 2202 compliance option.
- **MOTOR VEHICLE** means a self-propelled vehicle, consistent with California Vehicle Code 415.
- **SCHOOL** means any public or private School, including juvenile detention facilities with classrooms, used for the education of more than 12 children at the School in kindergarten through grade 12. School also means an Early Learning and Developmental Program by the U.S. Department of Education or any state or local early learning and development programs such as preschools, Early Head Start, Head Start, First Five, and Child Development Centers. A School does not include any private School in which education is primarily conducted in private homes. The term includes any building or structure, playground, athletic field, or other area of School property.

- **TELECOMMUTING** occurs when an Employee works from home, off site, a satellite office, or a Telecommuting center which eliminates a commute trip to the worksite or reduces the commute travel distance by more than 50%.
- **VEHICLE MILES TRAVELED (VMT)** means the number of miles traveled one-way by a Motor Vehicle for a worksite commute trip.

Subdivision (f) – On-Road Motor Vehicle Options

Subdivision (f) describes the various compliance options available to worksites under Rule 2202. Current rule language does not list Employee Commute Reduction Program (ECRP) in the subdivision, and instead includes it in the subdivision (l)- Exemptions. PAR 2202 will move ECRP to paragraph (f)(7) with other compliance options.

Language will be changed in paragraph (f)(1) – (f)(4) to read, “Any employer may elect...” instead of, “Any person may elect...”. This language change will clarify that the employer shall choose a compliance option to implement at their worksite, rather than a singular person.

Subdivision (i) – Program Administration

Subdivision (i) details the annual registration requirements and administration of the rule. PAR 2202 subdivision (i) will require regulated worksites to annually report the business type/classification for the worksite, VMT data, and telecommute activity. These additional reporting requirements will be effective ~~September 1, 2024~~January 1, 2025.

Paragraph (i)(1) list registration requirements and will be amended to list one of the new registration requirements proposed under PAR 2202. Worksites are required to include the name of the highest-ranking company official, company address, and worksite telephone number under subparagraph (i)(1)(A). Additionally, the amendment will require the worksite to report the business type/classification under subparagraph (i)(1)(A).

Subparagraph (i)(1)(F) details the VMT reporting requirement. The worksite’s chosen compliance method will determine the format of VMT reporting. The applicable reporting methodology is specified in the Rule 2202 Implementation Guidelines or Employee Commute Reduction Guidelines. VMT will be collected from all regulated worksites for future data analysis that will inform future rulemaking.

Subparagraph (i)(1)(G) lists the requirement for regulated worksites to report information on telecommuting practices. During the COVID-19 pandemic, staff observed a high rise in the numbers of telecommuters across a large number of regulated worksites. Since 2020, telecommute practices have changed from year to year. Collecting data on worksite telecommute practices will aid in data analysis and inform future rule regulation.

Paragraph (i)(4) establishes that the approved Rule 2202 annual registration shall remain in effect until the annual renewal date. The annual renewal date is the same date as the annual registration due date. The renewal date was originally described in paragraph (l)(4) but has been moved to (i)(4) and condensed to removed repetitive information.

Paragraph (i)(5) will require all worksites that conduct an AVR survey to designate an employee to serve as the Employee Transportation Coordinator (ETC). The designated employee must successfully complete a South Coast ETC training and certification course. Previously, only ECRP sites were required to have a designated ETC as explained in the ECRP Guidelines. The new requirement for all sites that conduct an AVR survey to have an ETC is detailed in the Rule 2202 Implementation Guidelines. The purpose of the certified ETC requirement is to reduce the amount of errors on submitted AVR surveys. The addition of paragraph (i)(4) will move the subsequent paragraphs down, the original paragraph (i)(4) through paragraph (i)(13) will become paragraph (i)(5) through paragraph (i)(14).

Subdivision (l) – Exemptions

Paragraph (l)(3) Employee Commute Reduction Program is moved to subdivision (f).

Paragraph (l)(4) has been deleted and the information has been moved to subdivision (i).

Subdivision (n) – Guidelines

PAR 2202 will add subdivision (n) to the rule language. This subdivision will grant the Executive Officer permission to periodically update the Rule 2202 Implementation Guidelines and the Employee Commute Reduction Program Guidelines.

CHAPTER 3: IMPACT ASSESSMENT

INTRODUCTION

IMPACTS OF PAR 2202

CALIFORNIA ENVIRONMENTAL QUALITY ACT

SOCIOECONOMIC IMPACT ASSESSMENT

**DRAFT FINDINGS UNDER HEALTH AND SAFETY CODE
SECTION 40727**

COMPARATIVE ANALYSIS

CHAPTER 3 IMPACT ASSESSMENT

3.1 INTRODUCTION

Impact assessments must be conducted during rule development to assess the environmental and socioeconomic implications of PAR 2202. Health and Safety Code requirements for cost-effectiveness analysis and incremental cost-effectiveness analysis were also evaluated during rule development of PAR 2202. Draft findings and comparative analyses were prepared pursuant to Health and Safety Code Sections 40727 and 40727.2, respectively. Staff will prepare a California Environmental Quality Act (CEQA) analysis at least 30 days prior to the South Coast AQMD Governing Board Hearing on PAR 2202, which is tentatively scheduled for August 4, 2023.

3.2 IMPACTS OF PAR 2202

Rule 2202 provides employers with a menu of options to reduce motor vehicle emissions generated from employee commutes. Under existing procedures, regulated worksites are required to register annually with the South Coast AQMD to implement an emission reduction program based on a menu of compliance options in the rule. PAR 2202 includes additional data collection requirements for all regulated worksites, including information on telecommuting activity, VMT, and business type/classification for the worksite. The reporting of this additional information will provide staff with the necessary data to analyze employee commute activity to inform future rule amendments. PAR 2202 also includes updates to strategies, additional or amended definitions, and minor administrative changes to the rule language for clarity and consistency. The proposed amendments do not remove any of the current requirements or provisions of Rule 2202.

Emission Reductions

Since PAR 2202 only includes additional data collection and reporting requirements for regulated worksites, there will not be additional emission reductions from worksites subject to PAR 2202.

Additional Compliance Costs

Please see the Socioeconomic Impact Assessment section below for a discussion on additional compliance costs.

Additional Savings

The proposed amendments would require all regulated worksites to report additional information, including telecommuting activity, VMT data, and the type of business that is conducted at the worksite on an annual basis. Because of the additional minimal amount of time required to collect and report the additional information, no potential cost savings have been identified as a result of PAR 2202.

3.3 CALIFORNIA ENVIRONMENTAL QUALITY ACT

Pursuant to the California Environmental Quality Act (CEQA) Guidelines Sections 15002(k) and 15061, the proposed project (PAR 2202) is exempt from CEQA pursuant to CEQA Guidelines Sections 15061(b)(3) and 15306. Further, there is no substantial evidence indicating that any of the exceptions to the categorical exemption set forth in CEQA Guidelines Section 15300.2 apply to the proposed project. A Notice of Exemption will be prepared pursuant to CEQA Guidelines Section 15062, and if the proposed project is approved, the Notice of Exemption will be filed with the county clerks of Los Angeles, Orange, Riverside, and San Bernardino counties, and with the State Clearinghouse of the Governor's Office of Planning and Research.

3.4 SOCIOECONOMIC IMPACT ASSESSMENT

PAR 2202 requires additional data collection for all regulated worksites, including information on telecommuting activity, VMT, and business type/classification for the worksite. The reporting of this additional information will provide the necessary data to analyze employee commute activity to inform future rule amendments.

Affected Facilities

PAR 2202 applies to all employers located within the district with 250 or more employees. Staff has currently identified about 1,186 worksites with over 600,000 employees arriving to the worksite within the peak window of 6:00 A.M to 10:00 A.M. Out of the 1,186 worksites, 716 are in Los Angeles, 243 are in Orange, 120 are in Riverside, and 107 are in the San Bernardino County. More than 60 percent of the affected facilities belong to the sectors of retail trade North American Industrial Classification Systems (NAICS 44-45), public administration (NAICS 92), health care and social assistance (NAICS 62), and manufacturing (NAICS 31-33).

Small Business Impacts

The South Coast AQMD defines a "small business" in Rule 102 for purposes of fees as one which employs 10 or fewer persons and which earns less than \$500,000 in gross annual receipts. The South Coast AQMD also defines "small business" for the purpose of qualifying for access to services from the South Coast AQMD's Small Business Assistance Office (SBAO) as a business with an annual receipt of \$5 million or less, or with 100 or fewer employees. In addition to the South Coast AQMD's definitions of a small business, the federal Small Business Administration (SBA) and the federal 1990 Clean Air Act Amendments (1990 CAAA) also provide definitions of a small business. The 1990 CAAA classifies a business as a "small business stationary source" if it: (1) employs 100 or fewer employees, (2) does not emit more than 10 tons per year of either VOC or NOx, and (3) is a small business as defined by SBA. The SBA definitions of small businesses vary by six-digit NAICS codes. In general terms, a small business must have no more than 500 employees for most manufacturing and mining industries.²

² https://www.sba.gov/sites/default/files/files/Size_Standards_Table.pdf.

Staff used the 2022 Dun and Bradstreet data to conduct the small business analysis. The number of employees and revenues are available for 1,031 out of 1,186 affected facilities. Since all the affected facilities subject to the PAR 2202 have at least 250 employees, staff further eliminated 310 facilities with less than 250 employees in the data, resulting in a universe of 721 facilities for the small business analysis. The results show that none of them meet the South Coast AQMD's Rule 102 definition of a small business. The number of small businesses is eight according to the SBAO definition. In addition, based on SBA's definition of a small business, 72 out of the 721 facilities would be classified as small businesses. Under the 1990 CAAA definition, no facilities will meet the criteria to be considered as small businesses.

Compliance Costs

As discussed in the "Additional Compliance Costs" of the staff report, PAR 2202 would require all regulated worksites to report additional information, including telecommuting activity, VMT data, and the type of business that is conducted at the worksite on an annual basis. It is conservatively estimated that affected worksites would be able to complete these additional requirements with a minimal amount of labor and time (approx. 10 hours per year).

The extra hours per year would be spent collecting VMT data, reporting telecommute activity, and completing the ETC certification course. The total additional cost was conservatively estimated using the highest hourly wage rate (\$38.56) from the typical category of employee responsible for gathering Rule 2202 annual submittal information. With a total of 1,187 regulated worksites in the current Rule 2202 universe, the total additional annual cost estimated from PAR 2202 is estimated to be \$457,707.2 (or \$385.6 per worksite). Table 1 also presents the additional compliance costs of the PAR 2202 by NAICS codes/industry types. The annual compliance costs are not significant compared to the economy size of South Coast Air Basin area, implying that the PAR 2202 is expected to have minimal impacts on the regional economy.

Table 1: Distribution of affected facilities and compliance costs across different industries

Industries	NAICS codes	Num of affected facilities	Compliance costs (US dollars)
Utilities	22	20	\$7,712
Construction	23	5	\$1,928
Manufacturing	31-33	150	\$57,840
Wholesale Trade	42	38	\$14,653
Retail Trade	44-45	215	\$82,904
Transportation and Warehousing	48-49	96	\$37,018
Information	51	40	\$15,424
Finance and Insurance	52	59	\$22,750
Real Estate and Rental and Leasing	53	13	\$5,013
Professional, Scientific, and Technical Services	54	41	\$15,810
Management of Companies and Enterprises	55	1	\$386
Administrative and Support and Waste Management and Remediation Services	56	18	\$6,941
Educational Services	61	87	\$33,547
Health Care and Social Assistance	62	158	\$60,925
Arts, Entertainment, and Recreation	71	14	\$5,398
Accommodation and Food Services	72	34	\$13,110
Other Services (except Public Administration)	81	17	\$6,555
Public Administration	92	180	\$69,408
Total		1186	\$457,322

3.5 DRAFT FINDINGS UNDER HEALTH AND SAFETY CODE 40727

Requirements to Make Findings

Health and Safety Code Section 40727 requires that prior to adopting, amending or repealing a rule or regulation, the South Coast AQMD Governing Board shall make findings of necessity, authority, clarity, consistency, non-duplication, and reference based on relevant information presented at the public hearing and in the staff report.

Necessity

The South Coast AQMD Governing Board finds and determines that PAR 2202; On-Road Motor Vehicle Mitigation Options, is necessary to enhance recordkeeping and reporting, and to provide additional transportation and emissions-related data to the South Coast AQMD.

Authority

The South Coast AQMD Governing Board obtains its authority to adopt, amend or repeal rules and regulations from Health and Safety Code Sections 40000, 40001, and 40440 et seq.

Clarity

The South Coast AQMD Governing Board finds and determines that PAR 2202 is written and displayed so that the meaning can be easily understood by persons directly affected by it.

Consistency

The South Coast AQMD Governing Board finds and determines that PAR 2202 is in harmony with, and not in conflict with or contradictory to, existing statutes, court decisions, or federal or state regulations.

Non-Duplication

The South Coast AQMD Governing Board has determined that PAR 2202 does not impose the same requirement as any existing state or federal regulation, and the proposed amendments are necessary and proper to execute the powers and duties granted to, and imposed upon, the South Coast AQMD.

Reference

In adopting PAR 2202, the South Coast AQMD Governing Board references the following statutes which South Coast AQMD hereby implements, interprets, or makes specific: Health and Safety Code Sections 40000, 40001, 40440, and 40716 et seq.

3.6 COMPARATIVE ANALYSIS

Under Health and Safety Code Section 40727.2, the South Coast AQMD is required to perform a comparative written analysis when adopting, amending, or repealing a rule or regulation. The comparative analysis is relative to existing federal requirements, existing or proposed South Coast AQMD rules and air pollution control requirements and guidelines which are applicable to the same source. Because PAR 2202 does impose new reporting and recordkeeping requirements, a comparative analysis is presented below in Table 3-1.

The regulations reviewed for the comparative analysis apply to automobile manufacturers or transit fleet owners. PAR 2202 is different because it regulates larger worksites to reduce emissions from employee commute trips. Therefore, PAR 2202 is not expected to conflict with any other existing regulations.

Table 3-1 - Comparative Analysis

Topic	PAR 2202	Advanced Clean Cars Regulations (CARB)	Clean Miles Standard (CARB)	Innovative Clean Transit Regulation (CARB)	Regulations for Smog, Soot, and other Air Pollution from Passenger Cars and trucks (U.S. EPA)	Regulations for GHG Emissions from Passenger Cars and Trucks (U.S. EPA)
General Information	Requires the reporting of business type/classification for worksites	Only applies to automakers/manufacturers	Only applies to Transportation Network Companies (TNCs), such as Uber or Lyft	Only applies to public transit agencies	Only applies to automakers/manufacturers	Only applies to automakers/manufacturers
Vehicle Miles Traveled (VMT)	Worksite VMT data to be reported using either AVR survey or employee zip codes	N/A	N/A	N/A	N/A	N/A
Telecommuting	Worksite telecommute policy details to be reported on additional compliance document, including information such as number of eligible telecommuters, number of telecommute days per week (average), if telecommute schedules are permanent and number of remote workers	N/A	N/A	N/A	N/A	N/A
Employee Transportation Coordinator	Require all sites that conduct an AVR survey to have a certified ETC	N/A	N/A	N/A	N/A	N/A

<p>Links</p>	<p>www.aqmd.gov/home/rules-compliance/rules-scaqmd-rule-book/proposed-rules/rule-2202</p>	<p>ww2.arb.ca.gov/our-work/programs/advanced-clean-cars-program/advanced-clean-cars-ii</p>	<p>/ww2.arb.ca.gov/our-work/programs/clean-miles-standard</p>	<p>https://ww2.arb.ca.gov/resources/fact-sheets/innovative-clean-transit-ict-regulation-fact-sheet</p>	<p>https://www.epa.gov/regulations-emissions-vehicles-and-engines/regulations-smog-soot-and-other-air-pollution-passenger</p>	<p>https://www.epa.gov/regulations-emissions-vehicles-and-engines/regulations-greenhouse-gas-emissions-passenger-cars-and#regulations</p>
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APPENDIX A: RESPONSES TO COMMENT

Comment Letter #1

ITS Input – South Coast AQMD PAR Amendment Meeting 3/22/23

ETC Training – Require any site surveying to attend training		
• We agree and support this amendment 100%.		1-1
• Most ETCs are not aware of the details of Rule 2202 and do not have a basic understanding of compliance so we feel this would be a great benefit to the ETC, as well as to South Coast AQMD to ensure proper submittal of compliance documents and updates ETCs need to know.		1-2
Extension for plan review time – increase from 90 to 120 days		
• While we understand South Coast AQMD has been short staffed, ITS' concern is that increasing plan review time from 90 days to 120 days would give employers that do not meet their AVR less time to implement their plan and improve their annual performance.		1-3
• Furthermore, employers that survey 6 months prior to their annual due date would have even less time to implement and improve performance.		1-4
• As a side note, can South Coast AQMD confirm that approval letters will resume again to employers to inform them of their plan approval?		1-5
Telecommuting Commute Mode and Noncommuting Commute Mode		
• There are significant issues with usage of both modes (Code F. Telecommute and Code G. Noncommuting) and employees not understanding the differences, even though employees are provided with definitions of both. This presents a major error correction issue for employers to correct the codes before finalizing AVR data.		1-6
• With telecommuting now primarily being a work from home situation and not to a telecommuting center as it is defined in the Survey Instructions, would South Coast AQMD consider changing the word/commute mode from Code F. Telecommute to state "Code F. Work from Home" or "Code F. Working Remotely?"		1-7
• Similarly, would South Coast AQMD consider changing "Code G. Noncommuting" to another term to represent the mode? This code is not commonly used because very few are able to use it, but it provides the most confusion with the working from home schedules now.		1-8
• The definitions are currently already provided to employers for both modes; however, it may be better understood if the terms themselves are re-worded so it's visible in the dropdown mode selection list.		1-9

Vehicle Miles Traveled (VMT)

- VMT reporting – to ensure that ITS can provide VMT data to employers for submittal to the South Coast AQMD, it’s important to understand details of data and format that will be required. | 1-10
- How will VMT be collected for reporting to South Coast AQMD? | 1-11

 - Make one-way mileage a mandatory survey field? Then, how will that data be calculated/reported?
 - SoCal Regional software (used by Metro, OCTA, SBCTA and RCTC) can calculate VMT by mode, VMT reduced by mode, as well as cost savings, pollution savings (based on South Coast AQMD’s publication) and gallons of gas saved. Would South Coast AQMD consider receiving this type of information from employers using the regional survey?
- ERS employers are not required to survey. In these cases, how will VMT be gathered and reported? | 1-12
- ITS recommends that the South Coast AQMD consider both AVR and VMTs to be metrics for gauging an employer’s success. | 1-13
- If the first phase of the amendment goes into effect in August 2023, will it be based on the survey week? Due date? Submittal date? | 1-14

 - How does this affect large survey employers like County of Orange, Walmart, County of Los Angeles that plan their survey well in advance?
 - When does the amendment go into effect and how does that impact these employers (and others) that could already be in the survey process and cannot change?

Telecommuting

- ITS understands the South Coast AQMD’s position on rewarding employers for their telecommuting activity. However, if an employer is submitting payroll/HR records in lieu of the survey, how would that employer report VMT information? | 1-15
- For employers that are offering hybrid work from home schedules, it was suggested that employers could submit their payroll/HR records for telecommute days and survey employees for the days they are working in the office. In the past few years, we’ve observed that there are so many variations to a hybrid work schedule (varied days across departments, managers, weekly changing days off due to 4/40 or 9/80 schedules, etc.), does South Coast AQMD think that payroll/HR records are truly the best report for employers to use? ITS recommends and believes that requiring employers to survey their telecommuting employees is a lot more accurate than payroll records – and does not place an undue burden on the employer or employee. | 1-16

Responses to Comment Letter #1 received by ITS

- Comment 1-1: Comment noted.
- Comment 1-2: Comment noted.
- Comment 1-3: The proposal will not increase the plan review time from 90 to 120 days, therefore the time for employers to implement their plan and improve their annual performance will not be affected.
- Comment 1-4: Please see response to comment 1-3.
- Comment 1-5: The proposal will not change the internal plan approval letter process. PAR 2202 is a resource intensive process that has led to a delay in the issuance of yearly plan approval letters. However, it is expected that normal turnaround time for the approval letter process will resume again shortly.
- Comment 1-6: PAR 2202 will add clarification to the definitions on the employee survey form for both the telecommuting and non-commuting categories. This is expected to help clarify these terms for employees and help alleviate correction issues for employers before finalizing AVR data.
- Comment 1-7: PAR 2202 will update the telecommuting definition to include “work from home” and provide a definition for remote employees to help clarify the meaning of these terms for employees. This information will also be clarified on the employee survey form.
- Comment 1-8: A brief definition for the non-commuting mode will also be added to the employee survey form to help avoid incorrect usage of the mode by employees.
- Comment 1-9: The definitions for telecommuting and non-commuting modes will be revised/updated in all PAR 2202 associated documents and a brief definition will be added for both modes to the employee survey form.
- Comment 1-10: Comment noted.
- Comment 1-11: PAR 2202 relies on existing methods to collect VMT data, either through surveying employees or by providing employee zip codes that are available through HR and/or payroll records. For worksites that must conduct an AVR survey, PAR 2202 proposes to require that survey participants indicate their distance (in miles) from home to the worksite on the survey form. Most survey forms already include this VMT data field, however it is not a required field on the survey. PAR 2202 would require the VMT data field be completed by survey participants. Worksites that do

not conduct a survey will be required to report employee zip codes and worksite zip code, which will be used to calculate VMT.

The South Coast AQMD is very interested in learning more about the SoCal Regional software that is utilized by LA Metro, OCTA, SBCTA, and RCTC to conduct various VMT-related analyses, and to see if this could potentially aid in the analysis of VMT data collected as part of PAR 2202.

Comment 1-12: Worksites that do not conduct a survey will be required to report employee zip codes and worksite zip code, which will be used to calculate VMT.

Comment 1-13: Comment noted.

Comment 1-14: PAR 2202 is currently scheduled for a Public Hearing before the South Coast AQMD Governing Board on August 4, 2023 (subject to change). The additional reporting requirements of PAR 2202 would not be effective until ~~September 1, 2024~~ January 1, 2025. This will eliminate the issue of worksites needing to fulfill the new requirements who have already begun the survey process, as well as provide sufficient time for employers to plan future survey activities.

Comment 1-15: Teleworking employees identified through HR/payroll records count as a “zero” vehicle trips for the purposes of calculating AVR. Employers that do not conduct a survey will be required to submit employee home zip codes which will be used to calculate VMT. VMT reductions from telecommuting activity would then be calculated for those employees utilizing the telecommuting mode based on the HR/payroll records.

Comment 1-16: The South Coast AQMD provided employers with temporary flexibility due to the pandemic and to aid in the ease of compliance for Rule 2202 requirements. One of the temporary protocols put in place was the ability to use HR/payroll records to document telecommuters in place of the employee survey. This protocol aided employers who employed remote working practices and resulted in increased response rates. PAR 2202 will allow the continued use of these records to report telecommuters and will continue to incentivize teleworking policies across all Rule 2202 applicable sites.

Comment Letter #2

South Coast AQMD PAR 2202 Amendment Concerns

Over the past several months, the South Coast AQMD has held four Working Group Meetings to discuss the Proposed Amendment Rule (PAR) 2202. Innovative TDM Solutions' (ITS) staff has attended each meeting, submitted various questions, and has presented a virtual demonstration of the Regional RidePro AVR and Ridematching system's capabilities to the South Coast AQMD. Their next steps include hosting a public workshop and then submitting their final recommendations to their Governing Board on August 4, 2023. The proposed amendments would be in effect beginning July 1, 2024. They have asked for any final comments to be submitted prior to June 30, 2023.

The following are questions that need further clarification.

Vehicle Miles Traveled (VMT)

The below screenshot is pulled from **Page 16 of the Preliminary Draft Employee Commute Reduction Program (ECRP) Guidelines** on South Coast AQMD's PAR 2202 website.

F. Vehicle Miles Traveled (VMT) Reporting

Vehicle Miles Traveled (VMT) is the number of miles traveled by an employee during their commute trip to the worksite. VMT for an employee is determined based on the distance (in miles) from the employee's home to the worksite. Total VMT is the total number of miles traveled by all employees based on their commute distance to the worksite and is required to be reported on the annual compliance submittal. Worksites will collect VMT data through the AVR survey. All survey participants will report miles traveled one way from home to the worksite. The number of miles traveled will be reported once per survey taker and will apply to all five days of the survey period. Employers will report VMT data per commute mode by summing the miles traveled of daily employee trips for each commute mode type. Employers will submit the AVR summary with VMT data. Total VMT will not impact AVR or the measured success of the program.

Below are discussion items related to this screenshot.

- Regional TripSpark RidePro software currently calculates VMT based on geocoded survey data and **would not** require the addition of a one-way mileage field to the AVR survey. TripSpark software capabilities have been presented to South Coast AQMD staff (at their request). It would be ideal if employers that use the CTCs' Regional AVR survey could submit a report that can be generated from the current software. Data would be more accurate than what is described in the screenshot above.
 - It is important to note that the South Coast AQMD is suggesting one-way miles be multiplied by 5 for each commuter in order to attain total VMTs, which would include days that employees did not report to work during the survey week. TripSpark software uses data reported directly from AVR survey and does not report VMT for days that employees do not report to the work site (days off).

2-1

- If employers who use the Regional AVR survey are required to submit VMT data effective 7/1/24 based on the South Coast AQMD’s description above, changes to current software programming will be **significant**. Unknown costs and time for program development, testing and implementation are also concerning to meet this deadline. Some of the programming items are:

 - Add one-way mileage field to the AVR survey.
 - Add calculations for one-way mileage multiplied by five to provide total VMT.
 - This calculation would be separate from AVR calculations because the South Coast AQMD is asking for VMT data based on traveling to work every day of the week, and days worked.
 - It’s not clear how employers who conduct a 7-day survey will be handled.
 - Provide breakdown of VMT per commute mode.
 - It’s not clear whether this will be based on days traveled to work or if days off will be part of this breakdown.
 - All reports, the AVR survey and any newly created supporting documents would likely need to match South Coast AQMD reports, like they do now.
 - What is the ETA for when VMT reporting drafts may be available? These would be necessary in order to understand system programming (unknown costs).
 - Most employers survey approximately 90 to 120 days prior to their plan due date. For an employer with a 7/1/24 plan due date, this means that they could survey as early as March and would be required to have all of the new data reporting requirements as detailed in the amendments. The CTCs would need ample time to determine timing, programing, testing and implementation.
- Clarification is needed for employees who work remotely from another state, or over a certain distance that they would not travel to the worksite.
- ITS has recommended to the South Coast AQMD that they consider both AVR and VMTs to be metrics for gauging an employer’s success. VMT is the number of miles traveled from home to the worksite. AVR is a measure of actual activity occurring at the worksite based on commute mode and number of occupants traveling to the site. This AVR survey data is shared with the ETC and enables them to identify target markets to increase ridesharing at their worksite. ITS is concerned that with South Coast AQMD bringing in the requirement for VMT data, they will eventually move exclusively to collecting VMT data only and end the need for AVR and the employee AVR survey.
- Should the South Coast AQMD sunset the need for an employee AVR/Ridematching survey, the Regional Rideshare database would dwindle from approximately 395,400 records for Los Angeles, Orange, and Ventura County employee commuters to approximately less than 50,000. Rideshare matching would be decimated and the ability for ETCs to target market their employees for rideshare modes would no longer be available.

Telecommuting

- ITS recommends and believes that requiring employers to survey their telecommuting employees is more accurate than providing HR/payroll records. Most employers’ HR/Payroll departments do not track who teleworks each day of the week. Further, having an employer conduct an employee AVR survey does not place an undue burden on the employer or employee. 2-6
- The below screenshot is pulled from **Page 9 of the Preliminary Draft Employee Commute Reduction Program (ECRP) Guidelines** on South Coast AQMD’s PAR 2202 website. 2-7

3. Telecommute Employees

Telecommute employees are employees who work from home, off site, at a satellite office or at a telecommuting center using telecommunications tools such as email, phone, chat or video applications for a full work day that eliminates the trip to work or reduces travel distance by more than 50%. Telecommuting may also be referred to as remote work, work from home, mobile work, or distance work. Telecommuting does not include flexible or compressed work schedules.

Telecommute employees are included in the employee count for rule applicability and are required to be included in the number of employees within the peak window. Worksite telecommute activity will be reported on the annual compliance paperwork. The worksite will disclose information such as the number of eligible telecommuters, how many employees are currently participating in the telecommute program, and if the telecommute schedule is permanent or if there is a projected return to office date. **Worksites must include human resources (HR) or payroll records with the annual submittal to validate telecommute activity.** Reported information may impact plan submittal, specifically the AVR survey summary and results. HR records should contain anonymized employee data such that specific employee names or other identifying information is not included.

The worksite may report total daily telecommute trips by employees on the AVR summary form, even if not all telecommute employees respond to the employee survey. The ETC may alter the number of daily telecommute trips based on the number of telecommute employees to ensure that the worksite receives full credit for the total number of commute trips reduced by telecommuting.

Question for the South Coast AQMD regarding 2nd paragraph – sentence states, “Worksites must include human resources (HR) or payroll records with the annual submittal to validate telecommute activity.”

1. If an employer surveys, are the HR or payroll records necessary for submittal? It was mentioned in the May 31, 2023 Working Group Meeting by Jeff Inabinet that the HR or payroll records would not need to be submitted if a survey was conducted. We would recommend clarification of that sentence to reflect that. 2-8
2. The HR departments or payroll departments do not always track or know the exact schedules of employees’ telecommute arrangements. Therefore, how is the ETC to gain this information if these departments do not know? It is a concern that the ETC could provide inaccurate data. 2-9

Questions for the South Coast AQMD regarding entire 3rd paragraph highlighted above:

- | | |
|--|----------------------|
| <p>1. How will this calculation be made? Specifically, employees at a worksite could have various hybrid telework schedules with varied days of a week split between working in the office and working from home, albeit not all 5 workdays are 100% remote. Is the South Coast AQMD stating that employers would report 5 workdays of telecommute activity for those employees that are telecommuting via a hybrid schedule? This would be inaccurate data that is reported.</p> | <p> </p> <p>2-10</p> |
| <p>2. How can CTCs remain confident regarding final AVR data provided to South Coast AQMD after the ETC could alter the data on their own to add in non-response telecommute trips? The AVR software provided to employers by the CTCs is certified by the South Coast AQMD and the certification number is populated on all final AVR reports generated. It is not meant to be altered and if that were now allowed, there would not be an audit trail to validate the survey data or support the ETC’s amended calculation. This is concerning given the CTCs’ certification with the South Coast AQMD and do not want to put that at risk.</p> | <p> </p> <p>2-11</p> |
| <p>3. How does this potential alteration affect the 60 – 89% calculation of no responses (currently calculated as a single occupant vehicle), and the 90%+ response rate? How would ETCs be able to manually alter that data and change their response rates?</p> | <p> </p> <p>2-12</p> |
| <p>4. With all of the amendments and changes, what is South Coast AQMD’s plan to provide training (separate from the ETC Training) to ETCs? The CTCs support the majority of employers that comply with Rule 2202 and staff assists employers with their compliance and fields questions from ETCs. These amendments will raise more questions. Therefore, it would be helpful to know what South Coast AQMD will be doing to educate the employers and/or offer assistance to them.</p> | <p> </p> <p>2-13</p> |

Comment:

<p>For employers that survey, this method of allowing employers to add in non-response telecommute trips could be extra steps that the ETCs may not want to do and/or calculate and potentially lead them to filing a compliance option (such as ERS with no survey) that takes less effort. This could impact the total number of employers the CTCs provide AVR survey services and thus, decrease the data to the region’s database.</p>	<p> </p> <p>2-14</p>
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- The next screenshot below is from **Page 18 of the Preliminary Draft Rule 2202 Implementation Guidelines** on the South Coast AQMD’s PAR 2202 website.

Chapter IV Program Administration

Telecommute employees are included in the employee count for rule applicability and are required to be included in the number of employees within the peak window. Worksite telecommute activity will be reported on the annual compliance paperwork. The worksite will disclose information such as the number of eligible telecommuters, how many employees are currently participating in the telecommute program, and if the telecommute schedule is permanent or if there is a projected return to office date. Worksites will include human resources (HR) or payroll records with the annual submittal to validate telecommute activity. Reported information may impact plan submittal, based on the selected program.

AQIP – If a worksite selects the AQIP option, they may deduct the number of daily telecommuters from their average peak window employee count. The site will be required to pay the appropriate AQIP fee per average number of daily employees that physically arrive at the worksite.

ERS using default AVR – If a worksite selects the ERS option, they may deduct the number of daily telecommuters from their average peak window employee count. The site will use the number of average daily employees that physically arrive at the worksite in the calculation to determine the amount of emission credits required.

ERS with AVR survey or ECRP – If a worksite is conducting an AVR survey, they may report total daily telecommute trips on the AVR summary form. Total daily telecommute employee trips may be reported even if not all telecommute employees respond to the AVR survey. This ensures that the worksite will received full credit for the total number of commute trips reduced by telecommuting.

Observation: For employers filing ERS using a default AVR (without conducting a survey) – they will now be allowed to deduct the number of daily telecommuters from their average peak window count and purchase credits based on only those physically arriving at the site. Consultant staff, on behalf of the CTCs, have secured ERS employers to conduct the survey to gain accurate information reflecting actual commute behavior for the survey week and then provide that data to the emission credit vendor to calculate their emission credits. **This new allowance could cause ERS employers to forego surveying their sites and thus, decrease employer data for the CTCs’ database. Further, it voids the CTCs’ opportunity to convert ERS employer clients to ECRP employer clients.**

2-15

Responses to Comment Letter #2 received by ITS

Comment 2-1: South Coast AQMD appreciates the opportunity to learn about the TripSpark RidePro software capabilities and how it is currently being used by employers subject to Rule 2202. PAR 2202 will rely on existing methods in Rule 2202 to include the new VMT data collection and reporting requirements. For those employers that conduct an AVR survey, staff propose to add a new field to the AVR survey form requiring each employee to specify their VMT during a one-way trip to the worksite. The employee's reported VMT will be used to calculate the employee's VMT per commute mode for the survey week. For days that the employee does not commute to the worksite during the survey week, the VMT will be zero. The employer will then provide the total VMT per commute mode by all employees on the AVR summary form (using a typical work week of 5 days). Please note the AVR calculation will not be affected by the VMT information reported on the survey. Please note Rule 2202 currently allows employers the option of selecting an alternative AVR data collection method for calculating the worksite AVR, which must be certified by the South Coast AQMD prior to use, in accordance with the ECRP guidelines. PAR 2202 staff looks forward to further assessing the TripSpark RidePro software and discussing certification and/or software programming changes.

Comment 2-2: South Coast AQMD staff understand the concerns raised and the impact on software programming. To allow additional time for any programming changes, South Coast AQMD extended the effective date of the new reporting requirements to ~~September 1, 2024~~ January 1, 2025. PAR 2202 staff looks forward to further assessing the TripSpark RidePro software and discussing certification and/or software programming changes. PAR 2202 is proposing that VMT data be collected by adding a one-way mileage field to the AVR survey. An employee's one-way mileage will be used to calculate their VMT by commute mode for the survey week, considering the days the employee does not commute into the worksite. For days that the employee does not commute to the worksite, the VMT will be zero. Under PAR 2202, there will be no change to the way an employer conducts a 7-day survey. The process for conducting and reporting a 7-day survey will remain the same, with the additional VMT data reporting.

South Coast AQMD staff will begin work on the compliance forms to include the additional data collection requirements upon Board approval. PAR 2202 is currently scheduled for Board consideration on August 4, 2023. The new data collection and reporting requirements are proposed to take effect on ~~September 1, 2024~~ January 1, 2025. South Coast AQMD believe this is

ample time to prepare for implementation of the new data collection and reporting requirements.

- Comment 2-3: Remote employees are defined in the Draft Implementation Guidelines and ECRP Guidelines. Remote employees are defined as employees who live and primarily work at locations located outside of the South Coast AQMD, and physically commute to the regulated worksite less than five days a year. Remote employees are considered as telecommuting employees and included in the telecommute employee count, and the VMT for remote employees will be zero on the days they are telecommuting.
- Comment 2-4: Comment noted.
- Comment 2-5: Comment noted.
- Comment 2-6: For those employers that do not conduct an AVR survey, PAR 2202 will allow the use of HR/payroll records to document telecommuters. The HR/payroll records must be signed by a representative in HR/payroll certifying the validity of the information provided. For worksites that do conduct an AVR survey, the worksite may take credit for full-time telecommuters without surveying those employees. However, the worksite must survey employees on a hybrid schedule to capture the commute mode on the days that the employee physically commuted to the worksite.
- Comment 2-7: See response above. Worksites are not required to submit HR/payroll records as a part of their annual registration, however these records are required to be kept at the worksite for a minimum of three compliance years. All worksites will need to provide general information on their telecommute practices on a separate new compliance form which will include a signature from a representative in HR/payroll to certify the validity of the information provided.
- Comment 2-8: See response above.
- Comment 2-9: Worksites may only use HR/payroll records to complete their annual registration if the HR department or payroll department knows the exact number of daily telecommuters. The HR/payroll records must be signed by a representative in HR/payroll certifying the validity of the information provided. If the information cannot be validated, the information may not be used for compliance.
- Comment 2-10: See response to 2-1.
- Comment 2-11: PAR 2202 allows worksites to report employee telecommute activity on the AVR survey form, even if not all telecommuters respond to the employee survey provided the worksite can validate the employee's

telecommuting activity using HR/payroll records. See response to comment 2-6. Worksites may take credit for employee telecommute days for employees on a hybrid schedule, but only for the days the employee did not physically commute to the worksite. If an employee on a hybrid schedule does not respond to the AVR survey, the ETC may account for the employee telecommute days based on HR/payroll records and will mark the days that the employee did physically commute to the office as a no response. Employers will not report five days of telecommute activity for employees that are telecommuting via a hybrid schedule.

Comment 2-12: Worksites do not need to survey full-time telecommuters and may include the full-time telecommuters in the survey response rate. The worksite must validate this telecommuting activity using HR/payroll records to verify the number of employees who are using the telecommute mode for every day of the survey period. However, employees on a hybrid schedule do need to be surveyed to capture the commute mode on the days that the employee physically commuted to the worksite. The worksite may not manually input telecommute data to alter the survey response rate.

Comment 2-13: South Coast AQMD staff will continue to provide ETC training at least monthly and be available to all employers subject to the rule. Additionally, staff will be releasing detailed instructions on complying with the new reporting requirements that will be available on the Rule 2202 website.

Comment 2-14: A worksite is not required to follow the procedures for telecommuting employees. The extra steps used to account for the various types of telecommuting employees are optional and allow the worksite to take credit for telecommute trips if they wish to do so. The general information required on telecommuting practices at the worksite will be required for all worksites submitting an annual registration under PAR 2202, regardless of chosen compliance option.

Comment 2-15: Comment noted.

Comment Letter #3

South Coast AQMD
Proposed Amended Rule 2202 Public Workshop Q&A
June 20, 2023

- | | |
|---|------|
| 1. Maddy Landi: Is there a link for the presentation slides? | 3-1 |
| 2. Anonymous Attendee: Can you list the names of the staff who just introduced themselves? | 3-2 |
| 3. Claire: Will an ETC be required for each multisite or each individual site, regardless of filing as a single or multi site? | 3-3 |
| 4. Claire: And does this mean the ETC training will be free? Or will there be opportunity for "bundle" ETC training options to make the cost more feasible? | 3-4 |
| 5. Anonymous Attendee: Would SCAQMD be able to provide the zipcodes that fall under their jurisdiction so its easier for worksites to differential between remote/telecommute employees who live outside of the jurisdiction? | 3-5 |
| 6. CAldama: What about Temp employees? | 3-8 |
| 7. CAldama: Do they count? | 3-7 |
| 8. Anonymous Attendee: Under the Employee Commute Reduction Strategies, will there be a separate category for electric scooters, or will those be considered zero-emission vehicles? | 3-8 |
| 9. MBS: mistake to raise hand | 3-9 |
| 10. Michelle Martinez: Will the next draft of documents that are released on July 5th be open for comments? | 3-10 |
| 11. Michael Villa-Real: Can the presentation be available to us | 3-11 |
| 12. Colleen Stoll (Santa Monica): Hi! Do you have a sample telework form that you can share? | 3-12 |
| 13. Anonymous Attendee: please post the information on the last slide to the chat | 3-13 |
| 14. Anonymous Attendee: When leveraging the telecommute data in the AVR survey form (without survey), will employers still have to provide zip codes for those employees in phase 1? or will that be required in phase 2? | 3-14 |
| 15. Michael Villa-Real: Thank yo | 3-15 |

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|--|------|
| 16. Kim Rohaly: Privacy concerns in reporting identifying information along with home zip codes in reporting – how can this data be provided outside of survey without identifying names, Employee ID’s, etc.? | 3-18 |
| 17. Pamela Larussa: What specific documents do you need as proof for the telecommuters that are signed by HR? | 3-17 |
| 18. LynnKeller: If the company uses a TMA to assist with ECRP, if TMA has an ETC to represent. Does the company still need to have an onsite ETC? | 3-18 |
| 19. bernaje: interns hand out | 3-19 |
| 20. Anonymous Attendee: Is there more clarification on option G - Noncommuting and F - Tellecommute? Staff are always confused with this selection. Thank you | 3-20 |
| 21. Chris Waller: Can you please clarify under which circumstances, if any, plug-in hybrids can be counted as ZEVs? | 3-21 |
| 22. Grant Dawdy: For multi-site plans, will there be a place in the forms to identify a “business type” for each individual site? One type will not describe all of our sites. | 3-22 |
| 23. Melissa Molina: Will employers submitting a High AVR report need to re-submit an ECRP or will their current ECRP count? | 3-23 |
| 24. Anonymous Attendee: Our company pays for credits as we have a fluctuating staff depending upon studio production and we also allow 2 day remote telecommuting. We used active employee list from P&O (aka HR), will we now need to provide zip codes for all eligible employees? | 3-24 |
| 25. Anonymous Attendee: We also have a very strict privacy policy at our studio as well. | 3-25 |
| 26. Michael Villa-Real: Does AQMD require 2202 records on site. | 3-26 |
| 27. Anonymous Attendee: In my ETC training, i was told plug-in hybrid counts if they are utilizing the ZEV mode for 51% of the commute mode. | 3-27 |
| 28. Kim Rohaly: How will these amendments impact the timing for review and approval by the SCAQMD staff? We struggle now to get plans reviewed and approved in order to upload timely to required systems. | 3-28 |
| 29. Anonymous Attendee: will hybrid vehicle have their own cateogry later? | 3-29 |
| 30. Anonymous Attendee: Do we have an estimate on when the proposed amended Rule 2202 amendment will be finalized? | 3-30 |

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| 31. Anonymous Attendee: Some worksites I hear are using gate count data to demonstrate telecommute mode split. They subtract those who were onsite and indicated an alternative mode on the survey or were on PTO. Is that documentation good enough for those telecommute employees? | 3-31 |
| 32. Michael Villa-Real: thank you | 3-32 |
| 33. Rachelle: Just to clarify, if we're doing a survey and a group of employees refuse to complete the survey, we will just use their zip code for the VMT? | 3-33 |
| 34. Michael Villa-Real: Great presentation thank you | 3-34 |
| 35. Anonymous Attendee: Can SCAQMD send an email to the ETC that the Rule 2202 plan is approved? This has been inconsistent from my experience and we want to ensure the plan is implemented 30 days after approval | 3-35 |
| 36. Michelle Martinez: Just to clarify, after August 4th, is that when staff will begin to create all of the new required forms (Telecomm form, new AVR survey, etc.)? From there, when would all drafts of the new forms be available? | 3-36 |
| 37. Michael Villa-Real: what is the future fo 2202. Stricter | 3-37 |
| 38. Anonymous Attendee: Will this recording be provided to attendees? | 3-38 |
| 39. Grant Dawdy: When will phase 2 of the process begin? or How soon do you feel you'll hve enough VMT analysis to move forward with phase 2? | 3-39 |
| 40. Anonymous Attendee: This is off topic - but when will new filing fees be released for 23/24? | 3-40 |
| 41. Pamela Larussa: Is VMT requirements including the zip code reporting also on the ECRP survey? | 3-41 |
| 42. Anonymous Attendee: The COVID19 Rule Accommodation Guidance will remain in effect until July 2024? | 3-42 |
| 43. Anonymous Attendee: When will the proposed amendment likely be approved? Can you provide us with a timeline so companies/sites can prepare? | 3-43 |
| 44. Pamela Larussa: For the Commute Reduction Strategies, you'll be removing the Mobility hub services, does that cover the shuttle service from a train station to the worksite? | 3-44 |
| 45. Anonymous Attendee: Will the audit process change? Will sites be notified of audit and can it be scheduled? | 3-45 |

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| 46. Suzanna Bilodeau: Is there consideration on the survey that either zip code or mileage stated be considered? I'm concerned our employees may not know the exact mileage. I think zip code option would provide a potentially less subjective answer. | 3-46 |
| 47. Brian Cunanan RCTC: Is there any flexibility with the July 1, 2024 implementation date? The local County Transportation Commissions which support many of the employers that opt for ECRP will need time to collectively scope, budget for, and update the software to reflect the changes months in advance of that implementation date. Depending on when the final guidelines are released, this may not be enough time to adequately update and test the updated software for those ECRP employers with plans due close to this implementation date. | 3-47 |
| 48. Rhona Davis: Surprise inspections will need to be preapproved by security. | 3-48 |
| 49. Anonymous Attendee: For clarity, we are a motion picture studio and we do not allow anyone onto the studio lot without prior approval by security. | 3-49 |
| 50. Anonymous Attendee: For zip code information - a lot of employees are concerned with data privacy and we find typically hesitate to provide any personal information. Will there be ways to work around this? Or ways to make the question optional and somehow use an average for these cases where privacy is concern? | 3-50 |
| 51. James Murray City of Santa Monica: Can there be a clarification regarding defining what a field personnel or field construction workers are that are exempt? | 3-51 |
| 52. Anonymous Attendee: will there be more PAR meetings or is this the last one? | 3-52 |
| 53. Rhona Davis: Thank you. | 3-53 |
| 54. Diane Amaya: thank you. | 3-54 |
| 55. Grant Dawdy: Thank you! This process is very much appreciated. | 3-55 |

Responses to Comments/Questions Received during the Public Workshop- #3

- Comment 3-1: A link to the presentation slides was posted live in the Q&A. The presentations slides can be found on the South Coast AQMD website at: <http://www.aqmd.gov/docs/default-source/transportation/par-2202/final-par-2202-pw.pdf>.
- Comment 3-2: South Coast AQMD staff present during the Public Workshop are Ian MacMillan, Vicki White, Jeffrey Inabinet, Natalie Gonzalez, and Chelsea Orozco.
- Comment 3-3: Worksites that conduct an AVR survey are required to designate an ETC. If the worksite is a part of a multi-site, then the employer submitting a multi-site program may designate an ETC at one worksite and designate On-Site Coordinators for all other worksites.
- Comment 3-4: ETC training will not be made free, as staffing resources need to be recovered. A bundle training option will not be offered, as worksites are only required to have one trained ETC. On-Site Coordinators may be utilized at worksites filing a multi-site registration to implement the rideshare program where an ETC is not present.
- Comment 3-5: Staff will assess the ability to provide a zip code list for the South Coast AQMD jurisdiction to assist worksites in differentiating remote employees.
- Comment 3-6/3-7: Temporary employees are not counted for rule applicability or in calculating AVR. The temporary employee protocols will not be changing as part of PAR 2202.
- Comment 3-8: Employees using electric scooters for the commute trip to the worksite should be accounted for in the Zero Emission Vehicle (ZEV) mode on the AVR survey form.
- Comment 3-9: Comment noted.
- Comment 3-10: All PAR 2202 related documents are open for review and comment until a final determination is made by the Governing Board on August 4, 2023.
- Comment 3-11: Please see response to Comment 3-1.
- Comment 3-12: Rule 2202 staff will release the telecommute compliance page if PAR 2202 is adopted by the Governing Board on August 4, 2023.
- Comment 3-13: Please see response to Comment 3-1.

- Comment 3-14: PAR 2202 is considered the first phase of amending Rule 2202 and will require regulated worksites to provide employee zip codes to calculate VMT from employee commute trips to worksites. The VMT data collected will be used to inform a potential future second amendment (Phase 2) to Rule 2202.
- Comment 3-15: Comment noted.
- Comment 3-16: PAR 2202 will require all survey participants to report one-way miles traveled from home (using home zip code) to the worksite. No employee home addresses will be required to be reported. The zip codes that will be provided are generalized information and will not require any specific employee information due to privacy concerns.
- Comment 3-17: Employers must keep Human Resources/Payroll records at the worksite for a minimum of three compliance years to validate telecommute activity data. Specific documents may vary between worksites, but they must show proof of reported telecommute activity.
- Comment 3-18: A worksite may enlist the assistance of a TMA to help the worksite complete their annual compliance paperwork. The TMA ETC may sign as the ETC for the worksite if they have been appointed to develop, market, administer, and monitor the worksite's chosen compliance option.
- Comment 3-19: Comment noted during workshop.
- Comment 3-20: Clarifying definitions will be added to the AVR survey form to clarify commute modes that may appear unclear to an employee (eg. Non-commuting) employees when selecting their commute mode.
- Comment 3-21: Employees arriving to the worksite in a Plug-In Hybrid Electric Vehicle (PHEV) meet the definition of a zero-emission vehicle provided that the entire trip to work is made exclusively under electric power. This applies to plug-in vehicles with all electric range that can travel exclusively under electric power without use of the gasoline engine or cogeneration system.
- Comment 3-22: Multi-site submittals will have the ability to designate a business type/classification for each individual site within the multi-site plan.
- Comment 3-23: Employers will not need to resubmit their ECRP registration if they are submitting a High AVR ECRP Program. The site will be required to submit the AVR survey summary form with the proposed VMT data beginning ~~September 1, 2024~~ January 1, 2025, pending approval of PAR 2202.
- Comment 3-24: Worksite VMT reporting methodology will be dependent on the worksite's chosen compliance option. If the worksite does not conduct an

AVR survey, they will report anonymized employee zip code information. If the worksite does conduct an AVR survey, the worksite will collect employee one-way mileage from the home to the worksite on the AVR survey form. The VMT data will also be reported per mode type as a part of the AVR survey summary form.

Comment 3-25: Comment noted.

Comment 3-26: South Coast AQMD requires that all worksites maintain Rule 2202 records for three compliance years at the worksite and to be available for review in case of an inspection.

Comment 3-27: Please see response to Comment 3-21.

Comment 3-28: The proposal will not change the internal plan approval letter process. PAR 2202 has required South Coast AQMD staff to prioritize rulemaking efforts which that has led to a delay in the issuance of yearly plan approval letters. However, it is expected that normal turnaround time for the approval letter process will resume again shortly.

Comment 3-29: Hybrid vehicles meet the definition of a zero-emission vehicle, for current purpose of the AVR survey, provided that the entire trip to the worksite is made exclusively under electric power. Please see response to Comment 3-21. In the future, staff may consider creating a separate hybrid vehicle category.

Comment 3-30: PAR 2202 is currently scheduled for Board consideration on August 4, 2023. If adopted, proposed requirement will go into effect ~~September 1, 2024~~January 1, 2025.

Comment 3-31: Specific worksite telecommute documentation may vary between worksites depending on the worksite's method of tracking employee telecommuting activity. The worksite records must show proof of reported telecommute activity in the event of an inspection.

Comment 3-32: Comment noted.

Comment 3-33: If a worksite is conducting an AVR survey and a group of employees refuse to complete the survey, they would be accounted for in the No Survey Response category. Zip codes do not need to be reported for employees who do not respond to the survey. Zip code data is only required to be reported by worksites that do not conduct an AVR survey in order to estimate employee VMT.

Comment 3-34: Comment noted.

- Comment 3-35: The current process is for approval letters to be mailed to the site contact at the worksite. South Coast AQMD staff is currently working on systems to make the Rule 2202 program submittal process automated and will explore options of making the plan approval process more efficient.
- Comment 3-36: South Coast AQMD staff will begin work on the compliance forms to include the additional data collection requirements upon Board approval. PAR 2202 is currently scheduled for Board consideration on August 4, 2023. If adopted, the new data collection and reporting requirements are proposed to take effect on ~~September 1, 2024~~ January 1, 2025. South Coast AQMD believe this is ample time to prepare for implementation of the new data collection and reporting requirements.
- Comment 3-37: Future of amendments to Rule 2202 will be largely influenced by the data collected through the new reporting requirements of PAR 2202. This additional data will be analyzed by staff and will inform future proposed amendments to the rule.
- Comment 3-38: The audio recording of the Public Workshop can be made available upon request.
- Comment 3-39: The additional data proposed to be collected from PAR 2202 will be analyzed by staff and will inform the direction of future decision-making efforts. The second phase of rule amendments are scheduled to begin in 2024-2025.
- Comment 3-40: Filing fees for the 2023/2024 compliance year have been posted to the Rule 2202 website. The Filing Fee Summary can be found here: <http://www.aqmd.gov/docs/default-source/transportation/rule-2202-filing-fees-summary-july-01-2023.pdf>.
- Comment 3-41: The AVR survey will not use zip codes to fulfill the VMT reporting requirement. The AVR survey will ask employees to report their one-way miles distance to work and will use this data to calculate VMT by commute mode on the AVR summary.
- Comment 3-42: PAR 2202 will continue the Covid-19 protocols for telecommute trip reporting and furloughed employee count. Covid-19 protocols that waived extension fees and late fees will be rescinded.
- Comment 3-43: PAR 2202 is currently scheduled for Board consideration on August 4, 2023. If adopted, the new data collection and reporting requirements are proposed to take effect on ~~September 1, 2024~~ January 1, 2025.
- Comment 3-44: PAR 2202 will not be removing the Mobility Hub Service strategy option. This option was previously included in the “other” category but will now

be a standalone strategy. A shuttle service from a train station to the worksite counts as a Mobility Hub Service.

Comment 3-45: The worksite inspection process will not change due to PAR 2202 and worksite inspections/audits may not be scheduled.

Comment 3-46: Zip codes will be used to report VMT by worksites that do not conduct an AVR survey, while worksites that do conduct an AVR survey will collect one-way mileage on the AVR survey. The AVR survey will allow the VMT to be summarized by commute mode type, which cannot be collected through zip codes alone. Staff is confident that employees will have the ability to determine the mileage they travel to the worksite, and that this information combined with commute mode will be highly informative in developing future amendments to Rule 2202.

Comment 3-47: Staff is proposing a ~~September 1, 2024~~ January 1, 2025 implementation date for the additional reporting required by PAR 2202. Therefore, worksites will not be required to provide the additional reporting requirements for one year if PAR 2202 is adopted by the Governing Board on August 4, 2023. Staff is confident that this one-year grace period will provide enough time for worksites to prepare to comply with the new reporting requirements.

Comment 3-48: Comment noted.

Comment 3-49: Comment noted.

Comment 3-50: Please see response to Comment 3-16.

Comment 3-51: Please contact staff for clarification regarding what field personnel or field construction workers are exempt from surveying requirements at your specific worksite.

Comment 3-52: This is the last scheduled public workshop meeting.

Comment 3-53: Comment noted.

Comment 3-54: Comment noted.

Comment 3-55: Comment noted.

Comment Letter #4



June 29, 2023

Ian MacMillan, Assistant Deputy Executive Officer
 South Coast Air Quality Management District
 21865 Copley Dr.
 Diamond Bar, CA 91765

Dear Mr. MacMillan,

The City of Santa Monica’s (City) Department of Transportation (“DOT”) appreciates the opportunity to comment on the Proposed Amendments Rule 2202 (August 4, 2023)(“Proposed Amended Rule 2202). Since 1991, the City of Santa Monica has been a partner agency in implementing the City’s local ordinance version of Rule 2202, and the preceding Regulation XV. While there are some differences between the City’s local ordinance and Rule 2202, the core of the City’s commute emission reduction regulation parallels Rule 2202. As both an employer subject to Rule 2202 and a local government with a Memorandum of Understanding with South Coast Air Quality Management District(“SCAQMD”) to monitor and enforce Rule 2202 at the local level, DOT submits the following comments on behalf of the City and look forward to continued collaboration throughout phase 1 and 2 of the amendment process.

Phase 1 Comments:

The City is supportive of using the phase 1 period to collect additional data to better understand shifting employee commute patterns and associated emissions. The global pandemic layered with housing and land-use trends, a changing transportation network, and innovations in workplace technology have resulted in significant shifts in employment and travel patterns.¹ There is a need to update Rule 2202 to be responsive of current trends while also collecting data to ensure that the regulation continues to serve the intended purpose of reducing emissions associated with employee commute trips. We would suggest using the phase 1 period of the rule change to capture even more data surrounding when and how commute trips are occurring to maximize the efficacy of the proposed rule changes in phase 2.

4-1

Taking a more comprehensive approach to capturing commute data (by looking at all commutes instead of only the AM peak window) would allow SCAQMD and the City to better evaluate if commute trips are being eliminated or if they are simply shifting out of the AM peak. One of the differences between Rule 2202 and the City’s employee commute reduction policy is the City’s inclusion of the AM and PM peak hour (3-7 pm) windows for average vehicle ridership (“AVR”) calculation. With the City’s goal of providing and encouraging the use of a multi-modal transportation network that is safe,

4-2

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equitable, sustainable, and well-managed at all times of day, our regulation prioritizes the reduction of single occupancy vehicular trips beyond the morning commute window. Collecting commute information for a full day would provide more accurate data as to the true impact of employee commute reduction efforts. While there are benefits to shifting trips from the AM peak, the true emissions impact of the regulation can only be calculated by knowing if a single occupancy vehicle (“SOV”) trip was eliminated versus shifting to another time of day. In addition to capturing information on all commute trips during the day, the City would be interested in a Proposed Amended Rule 2202 provision allowing employees to voluntarily share more information about the type of single occupancy vehicle used for commuting as it relates to fuel efficiency and emissions.

4-2
(cont'd)

Similar to SCAQMD, with the onset of the COVID-19 pandemic the City saw rapid changes in workforce behaviors and many employers implemented telework policies, adopted remote workplace structures,² and downsized or moved physical worksites to reflect those new practices. In order to align with Rule 2202, the City mirrored SCAQMD’s temporary protocol allowing regulated employers to use human resources (“HR”) or payroll records to account for telecommute trips without requiring an AVR survey of all employees. Having implemented this temporary protocol for the past two years, City staff do not believe that HR and payroll records are detailed enough to account for telecommuting (and the related trip, emission, and VMT reduction impacts). While an employer may be able to provide the company telework policy, we have not found HR and payroll records that are able to account for exact days telecommuting occurred (particularly challenging for the widely adopted hybrid telework policies), when the workday started/ended for telecommuting employees, and which days the telework employees were working during the survey period (taking into account sick, vacation, compressed work week schedules, etc.). By not being able to accurately calculate which trips would have occurred without the telework policy in place, it is impossible to calculate AVR scores for companies that have used this temporary protocol. To assume that all employees who are eligible to telework at a company were indeed working that day and telecommuted in the “peak window” for all five survey days significantly inflates the quantity of trips reduced by telecommuting. Moving forward, the City requests amending the SCAQMD/City memorandum of understanding (“MOU”) to state that telecommuting data be accounted for via the completion of employee AVR surveys.

4-3

Along with the challenges in accurately capturing commutes reduced by telecommuting, the City now has several companies based in Santa Monica with a significant number of remote employees who may never commute to Santa Monica or live in the state or even country. These employers have reasonably inquired as to which employees are to be included in the City’s local ordinance that regulates commute trips. With the current regulatory framework, there is no opportunity for employers to distinguish between “remote employees” who do not live in the region and would never make a commute to a physical workplace in Santa Monica, and employees who live in the region but primarily telework. For now, “remote employees” are considered employees of the worksite and they are included in the AVR survey as employees who “telecommute” during the survey period. Moving forward, the City is supportive of defining remote employees in Proposed Amended Rule 2202 as employees who live outside of the SCAQMD boundaries and commute into the workplace four or fewer times per year.

4-4

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Additionally, the City would suggest that those employees should not be included in the AVR survey, nor should they be included in any fees based on employee count. Staff believe the goal of emission and trip reduction policies should be to reduce emissions and trips that are occurring locally, not to inflate AVR results and telecommuting impacts by including employees who would not regularly commute to a worksite.

4-4
(cont'd)

Finally, the City suggests that SCAQMD require compliance with the State Parking Cash Out Law as a requirement for compliance with Rule 2202 in phase 1. Recent studies³ show that the potential impacts of parking cash out are significant (especially for areas like Los Angeles where parking is often subsidized) and the applicability of the cash out law should be much greater with the passing of AB 2206⁴ and updated guidance coming from the California Air Resources Board this fall.

4-5

Phase 2 Comments:

With regards to the longer-term phase 2 changes, we support Vehicle Miles Traveled (“VMT”) as a primary metric, the reassessment of performance zones, the evaluation of credit options for compliance, and the modification of rideshare program requirements and reporting. As environmental and transportation regulations across the state of California have shifted to VMT, it is important to keep in mind root causes of high VMT such as land-use policies that impact the cost and location of housing and jobs. If Rule 2202 ultimately shifts from AVR to VMT as the primary metric, regulators and employers could shift their attention (and funding) to reducing high VMT trips while disregarding shorter VMT trips. To some extent this is already happening under the existing regulatory framework. For example, some employers and agencies are allocating significant resources towards vanpooling and corporate shuttles to reduce commute emissions. Users of such programs might receive incentives and services valued at hundreds of dollars per month, which significantly offsets the transportation costs associated with commuting long distances. Conversely, regulated employees who live within a viable bike, walk, or transit commute shed, might receive incentives of little to no value. While not the intended outcome, if not structured thoughtfully, VMT based-regulations could end up subsidizing (and therefore incentivizing) housing that is further away from the workplace and perpetuating the underlying land-use patterns that the California Department of Housing and Community Development is working to address through efforts such as the Regional Housing Needs Allocation.

4-6

With the introduction of light rail transit services in Santa Monica, the AVR performance targets in the City’s parallel regulation were updated in 2016 to factor in the additional high quality transit areas and we are in full support of the SCAQMD taking a similar approach to reassessing performance zones and targets. Because the City of Santa Monica has the purpose of providing and encouraging the use of a transportation network that is safe, equitable, sustainable, and well-managed, our regulation gives prioritization to the reduction of vehicular trips (regardless of the power source). As such, we support future compliance options for zero emission passenger vehicles, so long as they are not favored over non-automotive options such as walking, biking and transit (see the “Hierarchy of Preferred Mobility Options” figure below from the City’s 2019 Climate Action & Adaptation Plan.)

4-7

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Thank you again for the opportunity to collaborate on this important regulation. City staff look forward to continuing the discussion during the rulemaking process and subsequent MOU update.

Sincerely,

Colleen Stoll

Colleen Stoll
Transportation Demand Program Manager

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Responses to Comment Letter #4 received by the City of Santa Monica

- Comment 4-1: Comment noted. Staff agree with the commenter that there is a need to update Rule 2202 to be responsive of current trends and to collect additional data to ensure that the regulation continues to serve the intended purpose of reducing emissions associated with employee commute trips and to better inform future rulemaking activities. PAR 2202 will require new data collection and reporting to inform future amendments to the rule.
- Comment 4-2: Staff agree with the commenter that collecting data from all commutes instead of only the AM peak window trips would allow the South Coast AQMD and the City to better evaluate commute trip elimination and transit pattern/time shifting. However, with the current allocation of resources to the Rule 2202 program, the collection of data from outside of the AM peak window is not feasible at this time.
- Comment 4-3: The South Coast AQMD provided employers with temporary flexibility due to the pandemic and to aid in the ease of compliance for Rule 2202 requirements. One of the temporary protocols put in place was the ability to use HR/payroll records to document telecommuters in place of the employee survey. This protocol aided employers who employed remote working practices and resulted in increased survey response rates. PAR 2202 will allow the continued use of these records to report telecommuters and will continue to, in accordance with the 2022 Air Quality Management Plan, incentivize teleworking policies across all Rule 2202 applicable sites. The HR/payroll records utilized must be signed by a representative in HR/payroll certifying the validity of the information provided. Staff look forward to working with the City of Santa Monica to update the existing Memorandum of Understanding (MOU) between the South Coast AQMD and the City and incorporating any needed changes if PAR 2202 is adopted.
- Comment 4-4: A new definition for “remote employees” has been added in the Draft Implementation Guidelines and ECRP Guidelines. Remote employees are defined as employees who live and primarily work at locations located outside of the South Coast AQMD, and physically commute to the regulated worksite less than five days a year. Remote employees are considered as telecommuting employees and included in the telecommute employee count, however, the VMT for remote employees will be zero on the days they are telecommuting.
- Comment 4-5: As mentioned in response to Comment 4-2, the current allocation of resources to the Rule 2202 program does not allow for staff to enforce the State Parking Cash Out Law. Parking Cash Out is a state regulation with enforcement authority by the California Air Resources Board (CARB).

- Comment 4-6: Staff are not proposing to change the use of AVR as a metric for Rule 2202 at this time. Staff are only proposing to collect VMT data to analyze the potential for including VMT as a metric in the rule in the future. Staff will consider all factors before proposing to use VMT as a metric in the rule. VMT is being utilized as a key metric by other lead agencies. Both the Scoping Plan and State Implementation Plan (SIP) from CARB include VMT reductions as a key measure needed to achieve air quality and greenhouse gas reduction goals. SCAG also uses VMT as key metric to determine if their RTP is working. Staff clarified this proposal will not make any changes to the current AVR approach in Rule 2202.
- Comment 4-7: Comment noted. Staff agrees that it is an important time to evaluate existing performance zones to factor in new high quality transit areas and travel patterns. Staff also agrees that it is important to evaluate future compliance options for zero emission passenger vehicles and supporting infrastructure, so long as they are not favored over non-automotive options such as walking, biking and transit.

Comment Letter #5



June 29, 2023

Mr. Jeff Inabinet – Senior Staff Specialist
 Ms. Vicki White – Transportation Programs Manager
 Mr. Ian MacMillan – Assistant Deputy Executive Officer
 South Coast Air Quality Management District
 Transportation Programs
 21865 Copley Drive
 Diamond Bar, CA 91765

Re: Proposed Amended Rule 2202

All:

Please allow this letter to serve as our formal summary of concerns and comments regarding the Proposed Amended Rule (PAR) 2202 that you requested to receive by June 30, 2023. The concerns addressed are shared by the Rideshare Program Managers from the following County Transportation Commissions (CTCs): Martin Buford, Senior Manager, Commuter Options and Regulatory Compliance, Metro; Kristopher Hewkin, Senior Marketing Specialist, Rideshare and Vanpool, OCTA; Nicole Soto, Multimodal Mobility Programs Administrator, Transit and Rail Programs, SBCTA; and Brian Cunanan, Program Manager, Commuter & Motorist Assistance, RCTC. Our organization, Innovative TDM Solutions (ITS), assists the CTCs in various aspects of their Regional RidePro AVR and Ridematching Database available to Southern California employers and commuters to reduce trips and encourage alternative commute modes, while also reducing air pollution by complying to South Coast AQMD Rule 2202.

ITS staff has attended all four Working Group Meetings held since February 2023, in addition to the Public Workshop held on 6/20/23. ITS staff, at your request and at the direction of the CTCs, provided written feedback to South Coast AQMD (AQMD) staff on March 30, 2023, held a virtual demonstration of the Regional RidePro AVR and Ridematching system's capabilities to AQMD staff on 4/6/23, and provided additional written feedback on 6/13/23.

Further, the CTCs, staff at AQMD and ITS staff participated in a 30-minute Teams call on June 14, 2023 to address these concerns on a high level. Following this call, the four CTCs collectively discussed these concerns during a Regional Rideshare Implementation Committee meeting. The detailed concerns for AQMD's review and response are listed in this document.

While all concerns outlined in this document are important, the greatest issue of concern for the CTCs is the suggested date of July 1, 2024 to begin implementing the new Rule 2202 amendments. It has been mentioned that any employer that submits their annual compliance on July 1, 2024 should have the new requirements included with their filing.

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As brief background information, the CTCs provide AVR survey services to employers in their respective counties and use an AQMD-approved/certified survey (online and paper) to employers. The CTCs then process employers' collected survey data and produce an AVR report for employers to use for compliance. The AVR reports produced by the CTCs are certified by the AQMD and are designed to be provided directly into the Rule 2202 compliance forms package without being re-written by the ETC.

Given the proposed July 1, 2024 effective date, the CTCs would need considerable time to make all system changes, potential changes to the survey, generated AVR reports and any other items yet identified. Rule 2202 allows employers to survey up to 6 months prior to their annual reporting deadline. Therefore, the CTCs would need to be ready to provide AVR service to an employer by January 8, 2024. This will not be possible given the short turnaround. The CTCs would need to follow their internal processes to facilitate the system updates, as well as obtain the exact costs needed to perform such updates (currently unknown and not budgeted). They would then need to gain approvals from their respective agencies to move forward with the updates and be subject to programmers' availability and timelines. Further, the CTCs would ultimately want to present the new changes to AQMD staff for their review, testing, approval, and certification, which follows previous certification processes over the past 21 years. The CTCs understand the AQMD's objective, which is ultimately for all parties (CTCs, employer ETCs and the AQMD) to be successful with accomplishing shared goals of increasing ridesharing, reducing congestion, reducing vehicle miles travelled (VMT), and improving air quality. As such, the CTCs respectfully request delaying the implementation deadline to January 1, 2025 or further.

5-1

As mentioned, while the timing issue is very important, there are other concerns and recommendations the CTCs would like to address and have listed them below.

Vehicle Miles Traveled (VMT)

The below screenshot is pulled from **Page 16 of the Preliminary Draft Employee Commute Reduction Program (ECRP) Guidelines** on South Coast AQMD's PAR 2202 website.

F. Vehicle Miles Traveled (VMT) Reporting

Vehicle Miles Traveled (VMT) is the number of miles traveled by an employee during their commute trip to the worksite. VMT for an employee is determined based on the distance (in miles) from the employee's home to the worksite. Total VMT is the total number of miles traveled by all employees based on their commute distance to the worksite and is required to be reported on the annual compliance submittal. Worksites will collect VMT data through the AVR survey. All survey participants will report miles traveled one way from home to the worksite. The number of miles traveled will be reported once per survey taker and will apply to all five days of the survey period. Employers will report VMT data per commute mode by summing the miles traveled of daily employee trips for each commute mode type. Employers will submit the AVR summary with VMT data. Total VMT will not impact AVR or the measured success of the program.

Below are discussion items related to this screenshot.

- Regional TripSpark RidePro software currently calculates VMT based on geocoded survey data and **would not** require the addition of a one-way mileage field to the AVR survey. TripSpark software capabilities have been presented to South Coast AQMD staff (at their request). It would be ideal if employers that use the CTCs' Regional AVR survey could submit a report that can be generated from the current software. Data would be more accurate than what is described in the screenshot above.

2

- It is important to note that the South Coast AQMD is suggesting one-way miles be multiplied by 5 for each commuter in order to attain total VMTs, which would include days that employees did not report to work during the survey week. TripSpark software uses data reported directly from AVR survey and does not report VMT for days that employees do not report to the work site (days off).
- If employers who use the Regional AVR survey are required to submit VMT data effective 7/1/24 based on the South Coast AQMD's description above, changes to current software programming will be **significant**. Unknown costs and time for program development, testing and implementation are also concerning to meet this deadline. Some of the programming items are:
 - Add one-way mileage field to the AVR survey.
 - Add calculations for one-way mileage multiplied by five to provide total VMT.
 - This calculation would be separate from AVR calculations because the South Coast AQMD is asking for VMT data based on traveling to work every day of the week, and days worked.
 - It's not clear how employers who conduct a 7-day survey will be handled.
 - Provide breakdown of VMT per commute mode.
 - It's not clear whether this will be based on days traveled to work or if days off will be part of this breakdown.
 - All reports, the AVR survey and any newly created supporting documents would likely need to match South Coast AQMD reports, like they do now.
 - What is the ETA for when VMT reporting drafts may be available? These would be necessary in order to understand system programming (unknown costs).
 - Most employers survey approximately 90 to 120 days prior to their plan due date. However, Rule 2202 allows employers to survey up to 6 months prior to their deadline and CTCs would be required to have all of the new data reporting requirements as detailed in the amendments by January 8, 2024. The CTCs would need ample time to determine timing, programing, testing and implementation.
- Clarification is needed for employees who work remotely from another state, or over a certain distance that they would not travel to the worksite.
- ITS has recommended to the South Coast AQMD that they consider both AVR and VMTs to be metrics for gauging an employer's success. VMT is the number of miles traveled from home to the worksite. AVR is a measure of actual activity occurring at the worksite based on commute mode and number of occupants traveling to the site. This AVR survey data is shared with the ETC and enables them to identify target markets to increase ridesharing at their worksite. ITS is concerned that with South Coast AQMD bringing in the requirement for VMT data, they will eventually move exclusively to collecting VMT data only and end the need for AVR and the employee AVR survey.
- Should the South Coast AQMD sunset the need for an employee AVR/Ridematching survey, the Regional Rideshare database would dwindle from approximately 395,400 records for Los Angeles, Orange, and Ventura County employee commuters to approximately less than 50,000.

Rideshare matching would be decimated and the ability for ETCs to target market their employees for rideshare modes would no longer be available.

Telecommuting

- ITS recommends and believes that requiring employers to survey their telecommuting employees is more accurate than providing HR/payroll records. Most employers' HR/Payroll departments do not track who teleworks each day of the week. Further, having an employer conduct an employee AVR survey does not place an undue burden on the employer or employee.
- The below screenshot is pulled from **Page 9 of the Preliminary Draft Employee Commute Reduction Program (ECRP) Guidelines** on South Coast AQMD's PAR 2202 website.

3. Telecommute Employees

Telecommute employees are employees who work from home, off site, at a satellite office or at a telecommuting center using telecommunications tools such as email, phone, chat or video applications for a full work day that eliminates the trip to work or reduces travel distance by more than 50%. Telecommuting may also be referred to as remote work, work from home, mobile work, or distance work. Telecommuting does not include flexible or compressed work schedules.

Telecommute employees are included in the employee count for rule applicability and are required to be included in the number of employees within the peak window. Worksite telecommute activity will be reported on the annual compliance paperwork. The worksite will disclose information such as the number of eligible telecommuters, how many employees are currently participating in the telecommute program, and if the telecommute schedule is permanent or if there is a projected return to office date. **Worksites must include human resources (HR) or payroll records with the annual submittal to validate telecommute activity.** Reported information may impact plan submittal, specifically the AVR survey summary and results. HR records should contain anonymized employee data such that specific employee names or other identifying information is not included.

The worksite may report total daily telecommute trips by employees on the AVR summary form, even if not all telecommute employees respond to the employee survey. The ETC may alter the number of daily telecommute trips based on the number of telecommute employees to ensure that the worksite receives full credit for the total number of commute trips reduced by telecommuting.

Question for the South Coast AQMD regarding 2nd paragraph – sentence states, “Worksites must include human resources (HR) or payroll records with the annual submittal to validate telecommute activity.”

1. If an employer surveys, are the HR or payroll records necessary for submittal? It was mentioned in the May 31, 2023 Working Group Meeting by Jeff Inabinet that the HR or payroll records would not need to be submitted if a survey was conducted. We would recommend clarification of that sentence to reflect that.

2. The HR departments or payroll departments do not always track or know the exact schedules of employees' telecommute arrangements. Therefore, how is the ETC to gain this information if these departments do not know? It is a concern that the ETC could provide inaccurate data.

Questions for the South Coast AQMD regarding entire 3rd paragraph highlighted above:

1. How will this calculation be made? Specifically, employees at a worksite could have various hybrid telework schedules with varied days of a week split between working in the office and working from home, albeit not all 5 workdays are 100% remote. Is the South Coast AQMD stating that employers would report 5 workdays of telecommute activity for those employees that are telecommuting via a hybrid schedule? This would be inaccurate data that is reported.
2. How can CTCs remain confident regarding final AVR data provided to South Coast AQMD **after** the ETC could alter the data on their own to add in non-response telecommute trips? The AVR software provided to employers by the CTCs is certified by the South Coast AQMD and the certification number is populated on all final AVR reports generated. It is not meant to be altered and if that were now allowed, there would not be an audit trail to validate the survey data or support the ETC's amended calculation. This is concerning given the CTCs' certification with the South Coast AQMD and do not want to put that at risk.
3. How does this potential alteration affect the 60 – 89% calculation of no responses (currently calculated as a single occupant vehicle), and the 90%+ response rate? How would ETCs be able to manually alter that data and change their response rates?
4. With all of the amendments and changes, what is South Coast AQMD's plan to provide training (separate from the ETC Training) to ETCs? The CTCs support the majority of employers that comply with Rule 2202 and staff assists employers with their compliance and fields questions from ETCs. These amendments will raise more questions. Therefore, it would be helpful to know what South Coast AQMD will be doing to educate the employers and/or offer assistance to them.

Comment:

For employers that survey, this method of allowing employers to add in non-response telecommute trips could be extra steps that the ETCs may not want to do and/or calculate and potentially lead them to filing a compliance option (such as ERS with no survey) that takes less effort. **This could impact the total number of employers the CTCs provide AVR survey services and thus, decrease the data to the region's database.**

- The next screenshot below is from **Page 18 of the Preliminary Draft Rule 2202 Implementation Guidelines** on the South Coast AQMD's PAR 2202 website.

Chapter IV Program Administration

Telecommute employees are included in the employee count for rule applicability and are required to be included in the number of employees within the peak window. Worksite telecommute activity will be reported on the annual compliance paperwork. The worksite will disclose information such as the number of eligible telecommuters, how many employees are currently participating in the telecommute program, and if the telecommute schedule is permanent or if there is a projected return to office date. Worksites will include human resources (HR) or payroll records with the annual submittal to validate telecommute activity. Reported information may impact plan submittal, based on the selected program.

AQIP – If a worksite selects the AQIP option, they may deduct the number of daily telecommuters from their average peak window employee count. The site will be required to pay the appropriate AQIP fee per average number of daily employees that physically arrive at the worksite.

ERS using default AVR – If a worksite selects the ERS option, they may deduct the number of daily telecommuters from their average peak window employee count. The site will use the number of average daily employees that physically arrive at the worksite in the calculation to determine the amount of emission credits required.

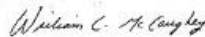
ERS with AVR survey or ECRP – If a worksite is conducting an AVR survey, they may report total daily telecommute trips on the AVR summary form. Total daily telecommute employee trips may be reported even if not all telecommute employees respond to the AVR survey. This ensures that the worksite will received full credit for the total number of commute trips reduced by telecommuting.

Observation: For employers filing ERS using a default AVR (without conducting a survey) – they will now be allowed to deduct the number of daily telecommuters from their average peak window count and purchase credits based on only those physically arriving at the site. Consultant staff, on behalf of the CTCs, have secured ERS employers to conduct the survey to gain accurate information reflecting actual commute behavior for the survey week and then provide that data to the emission credit vendor to calculate their emission credits. **This new allowance could cause ERS employers to forego surveying their sites and thus, decrease employer data for the CTCs’ database. Further, it voids the CTCs’ opportunity to convert ERS employer clients to ECRP employer clients.**

We appreciate your time in reviewing the CTCs’ feedback and look forward to working to an amicable solution.

We look forward to your response.

Sincerely,



Bill McCaughey
President

cc: Martin A. Buford, Senior Manager, Commuter Options & Regulatory Compliance Support – Countywide Planning – LA Metro
Kristopher Hewkin, Senior Marketing Specialist, Rideshare and Vanpool – OCTA
Nicole Soto, Multimodal Mobility Programs Administrator, Transit and Rail Programs – SBCTA
Brian Cunanan, Program Manager, Commuter & Motorist Assistance - RCTC

Responses to Comment Letter #5 received by ITS

5-1 The South Coast AQMD understands that potential minor system changes may need to occur to the Regional TripSpark RidePro software to accommodate the additional VMT data request of PAR 2202. However, page 2 of the comment letter states that “*Regional TripSpark RidePro software currently calculates VMT based on geocoded survey data and **would not** require the addition of a one-way mileage field to the AVR survey.*” Therefore, it is unclear if any modification to the software is necessary to provide the additional data requests of PAR 2202. The South Coast AQMD understands that many ETCs at regulated worksites rely on this regional software utilized by the CTCs to generate their AVR reports for annual registration submittals. We will continue to work with ITS to make the transition of providing the additional data required by PAR 2202 as efficient and seamless as possible.

PAR 2202 is currently scheduled for Board consideration on August 4, 2023. The effective date for the new data collection and reporting requirements have been extended from July 1, 2024 to ~~September 1, 2024~~ January 1, 2025. South Coast AQMD believe this is adequate time to prepare for implementation of the new data collection and reporting requirements.

The remainder of the comment letter contains information that was previously submitted by ITS (Comment Letter #2). Please see the responses to Comment Letter #2.

ATTACHMENT J



**South Coast
Air Quality Management District**

21865 Copley Drive, Diamond Bar, CA 91765-4178
(909) 396-2000 • www.aqmd.gov

SUBJECT: NOTICE OF EXEMPTION FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

PROJECT TITLE: PROPOSED AMENDED RULE 2202 – ON-ROAD MOTOR VEHICLE MITIGATION OPTIONS

Pursuant to the California Environmental Quality Act (CEQA) Guidelines, the South Coast Air Quality Management District (South Coast AQMD), as Lead Agency, has prepared a Notice of Exemption pursuant to CEQA Guidelines Section 15062 – Notice of Exemption for the project identified above.

If the proposed project is approved, the Notice of Exemption will be filed for posting with the county clerks of Los Angeles, Orange, Riverside, and San Bernardino Counties. The Notice of Exemption will also be electronically filed with the State Clearinghouse of the Governor's Office of Planning and Research for posting on their CEQAnet Web Portal which may be accessed via the following weblink: <https://ceqanet.opr.ca.gov/search/recent>. In addition, the Notice of Exemption will be electronically posted on the South Coast AQMD's webpage which can be accessed via the following weblink: <http://www.aqmd.gov/nav/about/public-notices/ceqa-notices/notices-of-exemption/noe---year-2023>.

**NOTICE OF EXEMPTION FROM THE
CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)**

To: County Clerks for the Counties of Los Angeles, Orange, Riverside and San Bernardino; and Governor's Office of Planning and Research – State Clearinghouse

From: South Coast Air Quality Management District
21865 Copley Drive
Diamond Bar, CA 91765

Project Title: Proposed Amended Rule 2202 – On-Road Motor Vehicle Mitigation Options

Project Location: The proposed project is located within the South Coast Air Quality Management District's (South Coast AQMD) jurisdiction, which includes the four-county South Coast Air Basin (all of Orange County and the non-desert portions of Los Angeles, Riverside, and San Bernardino counties), and the Riverside County portion of the Salton Sea Air Basin and the non-Palo Verde, Riverside County portion of the Mojave Desert Air Basin.

Description of Nature, Purpose, and Beneficiaries of Project: Existing Rule 2202 requires large employers to choose from a menu of options to reduce emissions from employee commutes. The adopted 2202 Air Quality Management Plan includes Mobile Source Control Measure MOB-14: Rule 2202 – On-Road Motor Vehicle Mitigation Options which seeks to identify additional potential emission reductions. Proposed Amended Rule (PAR) 2202 includes a first phase of rule development that would impose new data collection and reporting requirements on all covered worksites, update implementation guidelines, and make other minor administrative changes. Data collected from this proposed amendment would inform a potential future phase of rulemaking (that would undergo its own public process and CEQA analysis). PAR 2202 applies to all employers located within South Coast AQMD's jurisdiction with 250 or more employees, which is approximately 1,186 worksites with over 600,000 employees arriving to the worksite within the peak window of 6:00 a.m. to 10:00 a.m. Specifically, PAR 2202 includes the following proposed changes: 1) incorporates additional data collection requirements for all regulated worksites, including information on telecommuting activity, Vehicle Miles Traveled (VMT), and business type/classification for the worksite; 2) revises the Rule 2202 Implementation Guidelines and Employee Commute Reduction Program Guidelines; 3) adds provisions to permanently allow the use of Human Resources and/or payroll records to account for telecommute trips to streamline reporting; 4) updates rideshare strategies; 5) incorporates new and amended definitions; and 6) makes minor administrative changes for clarity and consistency. PAR 2202 is not expected to achieve additional emission reductions from worksites subject to the rule.

Public Agency Approving Project:
South Coast Air Quality Management District

Agency Carrying Out Project:
South Coast Air Quality Management District

Exempt Status:

CEQA Guidelines Section 15061(b)(3) – Common Sense Exemption

CEQA Guidelines Section 15306 – Information Collection

Reasons why project is exempt: South Coast AQMD, as Lead Agency, has reviewed the proposed project (PAR 2202) pursuant to: 1) CEQA Guidelines Section 15002(k) – General Concepts, the three-step process for deciding which document to prepare for a project subject to CEQA; and 2) CEQA Guidelines Section 15061 – Review for Exemption, procedures for determining if a project is exempt from CEQA. Because PAR 2202 contains additional data collection requirements to analyze employee commute activity to inform future rule amendments, minor revisions and clarifications and will not require physical modifications, it can be seen with certainty that implementing the proposed project would not cause a significant adverse effect on the environment. Therefore, the proposed project is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) – Common Sense Exemption. Further, the proposed amendments contain action items involving the collection or exchange of information or data obtained from stakeholders, which are categorically exempt from CEQA pursuant to CEQA Guidelines Section 15306 – Information Collection. Finally, there is no substantial evidence indicating that any of the exceptions to the categorical exemption pursuant to CEQA Guidelines Section 15300.2 apply to the proposed project.

NOTICE OF EXEMPTION FROM CEQA (concluded)

Date When Project Will Be Considered for Approval (subject to change):

South Coast AQMD Governing Board Public Hearing: August 4, 2023

CEQA Contact Person:	Phone Number:	Email:	Fax:
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PAR 2202 Contact Person:	Phone Number:	Email:	Fax:
Natalie Gonzalez	(909) 396-3653	ngonzalez@aqmd.gov	(909) 396-3982

Date Received for Filing:

Signature:

(Signed and Dated Upon Board Approval)

Barbara Radlein

Acting Planning and Rules Manager, CEQA

Planning, Rule Development, and

Implementation



South Coast
AQMD

Proposed Amended Rule 2202

On-Road Motor Vehicle Mitigation Options

Board Meeting
August 4, 2023

Rule 2202 Background

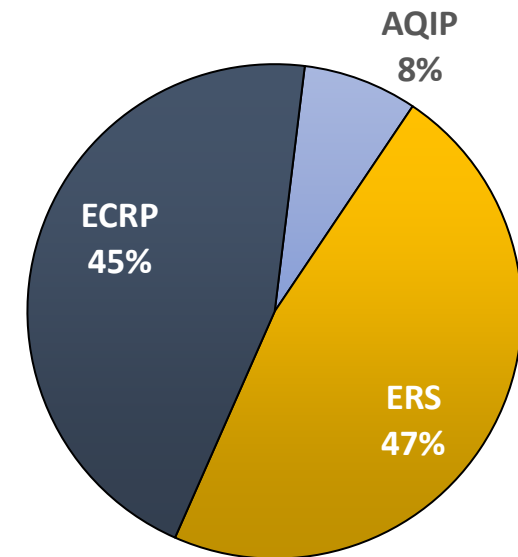
Rule 2202 provides employers with a menu of options to reduce mobile source emissions from employee commute trips

- Compliance options
 - Air Quality Investment Program (AQIP)
 - Emission Reduction Strategies (ERS)
 - Employee Commute Reduction Program (ECRP)

Rule 2202 Applicability

- Employers with 250+ employees must register annually
- Includes ~1,300 worksites with over 650,000 peak-window employees

2022 AQMP includes control measure MOB-14 to amend Rule 2202



**Worksites'
Compliance Choices**

Two-Phase Process for Proposed Amended Rule (PAR) 2202

Phase 1 August 2023

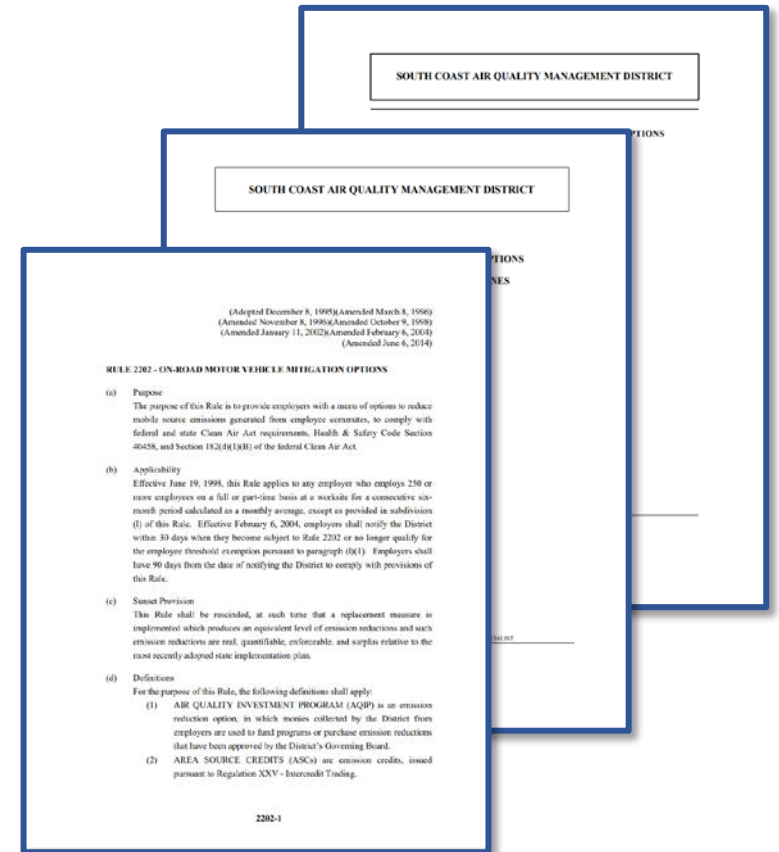
- Require limited new data collection and reporting to inform Phase 2 rulemaking
- Administrative rule cleanup and streamlining

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

- Consider using VMT as primary metric within rule
- Reassess performance zones and targets 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

PAR 2202 Overall Concept

- **Collect new data to inform Phase 2 rulemaking** (reporting requirements to start **January 1, 2025**)
 - New data reporting required from all worksites
 - Telecommuting practices
 - Vehicle Miles Traveled (VMT) – zip codes or survey data
 - Worksite categorization (business/industry type)
- **Administrative cleanup/streamlining for rule implementation**
 - Guidance document revisions
 - Specific ECRP strategies updated
 - Update AVR survey form and compliance documents



Proposed VMT Reporting Requirement

- Key metric in Rule 2202 is Average Vehicle Ridership (AVR)
- When estimating passenger vehicles emissions, other agencies focus on VMT as the key metric
 - CEQA, CARB, and SCAG all use VMT
- How will VMT be reported:
 1. Employers conducting an AVR survey (about 45% of worksites):
 - Report distance from home to the worksite on the AVR survey form
 - Some worksites do this already
 - Widely used 3rd party compliance software already estimates VMT
 2. Similar to telecommute reporting, employers not conducting a survey may use payroll/HR records:
 - Anonymized employee home zip codes will be used to calculate approximate VMT

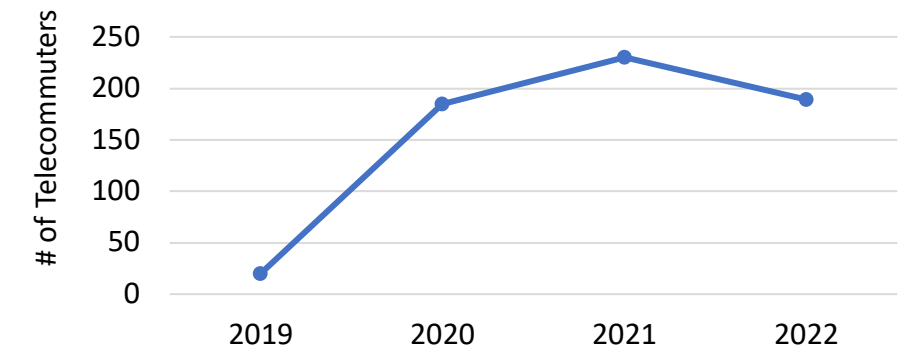
The image shows two forms. The top form is the 'Average Vehicle Ridership (AVR) Survey Form' with fields for Employee I.D.#, Dept./Section, Home Zip Code, and Mile to Worksite. The bottom form is the 'RULE 2202 - REGISTRATION FORM' which includes a table for reporting vehicle modes and ridership by day of the week. The table has columns for MON, TUE, WED, TH, FRI, and Total. The modes listed include Sun, Motorcycle, Drive Alone, 2-12 persons in vehicle, and Compressed Work Week Days.

Mode	MON	TUE	WED	TH	FRI	Total
No Survey Response (0-89%)						
Survey with Errors						
A. Zero Emission Vehicle						
B. Sun						
C. Motorcycle						
D. Drive						
E. Motorcycle						
F. Telecommute						
G. Noncommuting						
H. Drive Alone						
I. Motorcycle						
J. 2 persons in vehicle						
K. 3 persons in vehicle						
L. 4 persons in vehicle						
M. 5 persons in vehicle						
N. 6 persons in vehicle						
O. 7 persons in vehicle						
P. 8 persons in vehicle						
Q. 9 persons in vehicle						
R. 10 persons in vehicle						
S. 11 persons in vehicle						
T. 12 persons in vehicle						
U. 13 persons in vehicle						
V. 14 persons in vehicle						
W. 15 persons in vehicle						
Compressed Work Week Days (Peak)						
X. 3:30 work week days off (2 day)						
Y. 4:00 work week days off (2 day)						
Z. 5:00 work week days off (2 day)						
Other Days Off (Please indicate)						
AA. Vacation						
BB. Sick						
CC. Regular Day Off, Jury Duty, LGA, etc.						
DD. 100% or higher response						
DD. Off-Peak Trips (insert in Vehicle)						
TOTALS (Each day should match)						

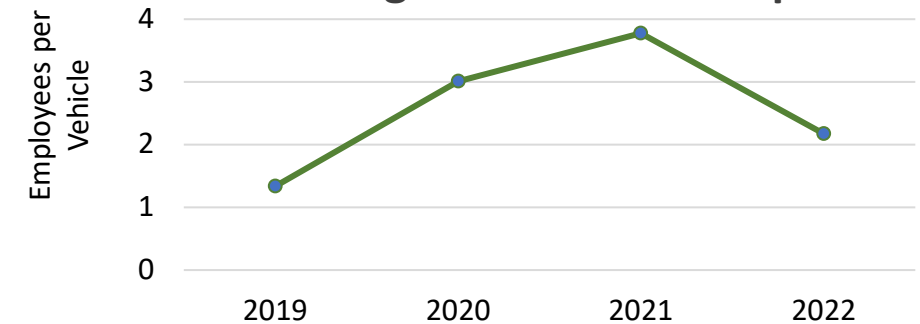
Proposed Telecommuter Reporting Requirement

- Telecommuting has been widely used after onset of the COVID-19 pandemic
 - Amount of telecommuting is changing through time
- All worksites would be required to report additional information, using an additional page of the compliance packet:
 - Number of employees telecommuting
 - Worksite telecommuting policy and number of employees eligible to telecommute
 - Type of worksite (e.g., school, factory, office, etc.)
- Payroll/HR records may continue to be used for telecommuting reporting in lieu of employee survey to streamline reporting

Rule 2202
Average Daily Telecommuters

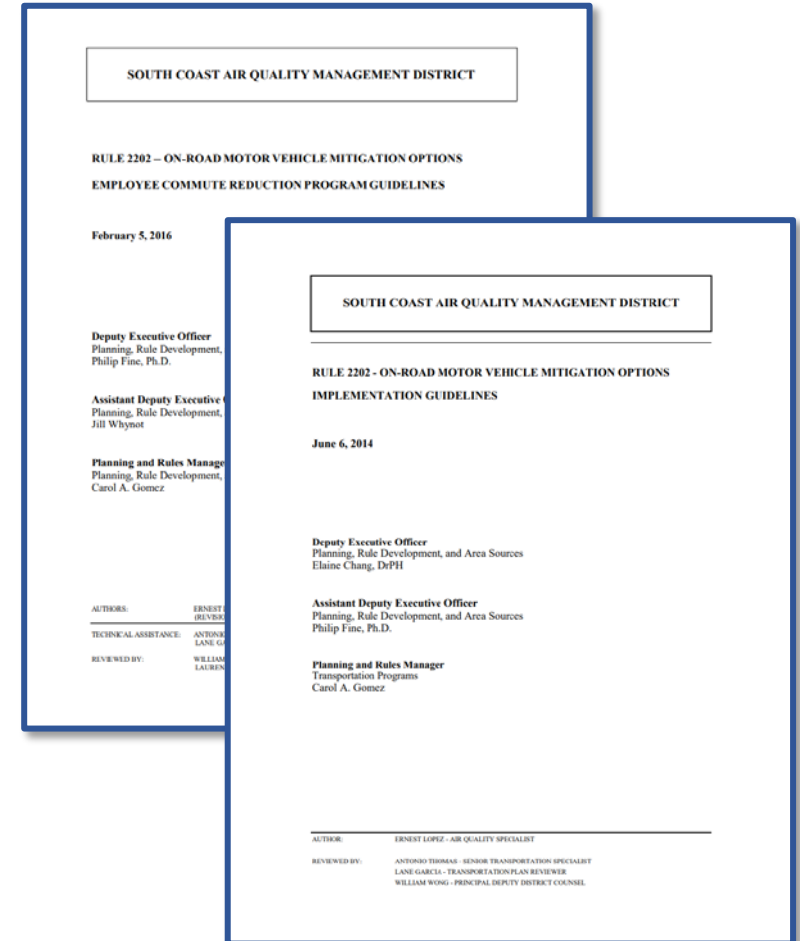


Rule 2202
Average Vehicle Ridership



Rule 2202 Guidance Document Revisions

- Implementation Guidelines and ECRP Guidelines
 - Two existing guidance documents provide supplemental information for compliance with rule requirements
- Proposed revisions:
 - Reporting requirements for telecommuting and VMT
 - Updated/added definitions
 - Training requirement for sites that conduct a survey
 - Rideshare strategy updates
 - Additional administrative clarifications



Stakeholder Input

Most issues resolved in Working Group Meetings, Public Workshop, and final rule package

➤ Staff is aware of two potential remaining issues:

Issue	Staff Response
Concerns about 2 nd phase of rulemaking (e.g., potential inclusion of VMT targets, modifying use of credits, etc.)	<ul style="list-style-type: none">➤ Staff recognizes these concerns and proposed rule gathers more information before beginning 2nd phase of rulemaking➤ 2nd phase of rulemaking will allow for robust stakeholder participation
Concerns about implementation of proposed amendments	<ul style="list-style-type: none">➤ Data reporting extended to start on January 1, 2025➤ Rule definitions and guidelines updated to provide clarity and facilitate reporting➤ Staff will continue to work with stakeholders as forms and software are updated➤ Executive Officer can update guidelines periodically, if needed

Staff Recommendation

Adopt resolution:

- Determining that PAR 2202 is exempt from CEQA
- Amending Rule 2202