



Executive Summary

California Air Resources Board (CARB) approved *In-Use Off-Road Diesel-Fueled Fleets Regulation (the "Regulation")*.

The goal of the Regulation is to reduce particulate matter (PM) and oxides of nitrogen (NOx) emissions from in-use (existing) off-road heavy-duty diesel vehicles in California [by mandating ("R99 Requirement"), *inter alia*, that certain fleets use R99 renewable diesel ("R99")]. The Regulation covers a wide scope of vehicle types used in industries such as construction, air travel, manufacturing, landscaping, and ski resorts.

The Regulation requires, as of January 1, 2024, that all Covered Vehicles (defined below) operating in California utilize R99. The Regulation applies to any person, business, or government agency that owns or operates, within California, any vehicle ("Covered Vehicle") with a diesel-fueled or alternative diesel fueled off-road compression-ignition engine with 25+ horsepower (hp) that (1) cannot be registered and driven safely on-road or (2) was not designed to be driven on-road, even if it has been modified so that it can be driven on road. The Regulation applies to small, medium, and large fleets. Certain exemptions to the R99 Requirement are highlighted below.

[Full Regulation, Final order](#)

[Off-Road Diesel Regulation FAQs](#)

Please note that it is each end user's responsibility (not World Kinect Corporation or any of its affiliates (collectively, "World Kinect")) to review, understand and remain compliant with the Regulation. The purpose of this note is to inform you of the R99 Requirement, but there are other provisions that may be applicable to your operation.

In addition to the R99 Requirement, the Regulation:

- Imposes limits on idling and requires a written idling policy;
- Requires a disclosure when selling [vehicles];
- Requires all vehicles to be reported to CARB, which can be done through the online reporting system DOORS, and labeled;
- Restricted adding older vehicles into fleets that began on January 1, 2014;
- Requires fleets to reduce their emissions by retiring, replacing, or repowering older engines, or installing Verified Diesel Emission Control Strategies, VDECS (i.e., exhaust retrofits);
- Requires the phase-out of the oldest and dirties engines starting on January 1, 2024;
- Requires contracting entities to obtain valid Certificates of Reported Compliance for all listed contractors and subcontractors for contract work where vehicles subject to the Off-Road Regulation will operate.

Fleet Reporting through the DOORS Reporting System

Off-road diesel vehicle owners are required to report Covered Vehicles to CARB. CARB provides an easy-to-use online reporting tool, DOORS, to help fleets complete this requirement. All existing off-road diesel fleets should have filed their initial report in 2009. If you are a new fleet, you must register your vehicles within 30 days per Section 2449(d)(4) of the regulation. If you are an existing fleet, you must report any new vehicles added within 30 days as per Section 2449(d)(6).

[DOORS Login, or Create an Account](#)

Email: doors@arb.ca.gov

Phone: 877-593-6677



Equipment & Vehicles Exemptions: The following vehicles and equipment are not subject to the Regulation:

- Locomotives
- Commercial marine vessels
- Marine engines
- Recreational off-highway vehicles
- Combat and tactical support equipment
- Stationary equipment
- Portable engines, except for auxiliary engines included in subsections (b)(2)(B) and (b)(2)(C)
- Equipment or vehicles used exclusively in agricultural operations
- Implements of husbandry
- Two-engine street sweepers that are subject to the Truck and Bus Regulation, title 13, CCR, section 2025
- Two-engine vehicles that are subject to the Fleet Rule for Public Agencies and Utilities, title 13, CCR, sections 2022 and 2022.1
- Two-engine vehicles, that are not two-engine cranes or two-engine water-well drilling rigs, that have Tier 0 auxiliary engines
- Equipment subject to the Regulation for Mobile Cargo
- Handling equipment at Ports and Intermodal Rail Yards, title 13, CCR, section 2479
- Off-road diesel vehicles owned and operated by an individual for personal, non-commercial, and nongovernmental purposes

Operational Activities Exemptions: The following activities are not subject to the [R99 Requirement/Regulation]:

- **Operations in Captive Attainment Areas:** Any fleet or fleet portion that is designated as a “Captive Attainment Area Fleet” is exempt from the R99 Requirement. “Captive Attainment Area Fleet means any fleet where the equipment exclusively operates in designated areas as defined under 2449(c)(6). This exemption also applies to any vehicle while operating in one of the counties listed under 2449(c)(6), which include the following counties: Alpine, Colusa, Del Norte, Glenn, Humboldt, Lake, Lassen, Mendocino, Modoc, Monterey, Plumas, San Benito, San Luis Obispo, Santa Barbara, Santa Cruz, Shasta, Sierra, Siskiyou, Trinity, Tehama, Yuba, and the portion of Sonoma County that lies within the boundaries of the North Coast Air 4 Basin.
- **Tier 4 Final Fleets:** Any fleet or fleet portion that is entirely comprised of vehicles with Tier 4 final off-road engines, model year 2010 or newer on-road engines, or zero-emission vehicles are exempt from the R99 Requirements.
- **Cold Weather Exemptions:** There are two types of low temperature exemptions that provide flexibility to mitigate potential performance issues when using renewable diesel at cold temperatures. In both cases, the temperature threshold is 20 degrees Fahrenheit (20° F), and both exemptions require additional reporting.
 - **Winter low temperature exemption:** Any fleet, fleet portion or vehicle is exempt from the R99 Requirements from November through February if it is located or operates in a location where the tenth percentile January low temperature is below 20° F. The analysis may consider up to ten years of historic low temperature data. Historical temperature data may be found through several commercial and governmental weather programs such as the National Weather Service. For example, if the fleet owner uses five years of recorded January low temperature data for their location, that would total 155 data points given there are 31 days in January and provided each day has one data point. The data is sorted by temperature and the tenth percentile, in this case it is the 16th data point, must be below 20° F for the exemption to apply. There are additional reporting requirements for fleets that use the winter low

temperature exemption. Fleet owners must report to CARB by April 30 of the year and reports must include the fleet, fleet portion, or vehicle location, the tenth percentile low temperature used, as well as the volume of renewable diesel and conventional diesel procured during October through February. Reports may be submitted electronically to DOORS@arb.ca.gov or mailed to CARB at:

- **Intermittent low temperature exemption:** This exemption is for intermittent cold temperature events where the temperature drops or is expected to drop below 20° F. This exemption allows fleets to use the appropriate cold temperature fuel when they operate vehicles in an area that does not meet the requirements of the winter cold temperature exemption (above) or if a cold weather event occurs outside of the months that the winter cold temperature exemption applies. The forecasted temperature must be within 14 days. Examples of valid weather forecasts include, but are not limited to, those made by the National Weather Service, local television or print news, The Weather Channel, and other weather apps. During these low temperature periods, any fleet or fleet portion may procure and use conventional diesel in its vehicles. Once the cold snap has passed, vehicles may use the remaining conventional diesel in the vehicle fuel tank, until the vehicle is refueled. In other words, fleet owners do not have to drain the tank. This exemption is necessary to allow fleets to use the appropriate cold temperature fuel when they operate vehicles in an area that does not meet the requirements in section 2449.1(f)(2)(C) or if a cold weather event occurs outside of the months of November, December, January, and February.
- **Reporting:** Fleet owners must report to CARB within two weeks of the last exemption date. Reports must include each day conventional diesel was used, the fleet location, the high and low temperature record, including a printout or screenshot for each day of the exemption, and provide the date and source of the temperature record. The report must also provide the volume of renewable conventional diesel fuel. Reports may be submitted electronically to DOORS@arb.ca.gov.
- **Rental Vehicles:** This exemption applies to rental vehicles that operate in California. Rental fleets must include language in their rental contract that the recipient of the rented vehicle (renter) must comply with the R99 Requirements. Rental fleets that include this contract language will not be held liable if the rented vehicle is not compliant. Fleets, vehicles, or operations that are exempt from the R99 Requirements, or from the Regulation entirely, do not need to use R99 in any vehicles that they rent. There is no requirement that the rental company drain fuel from these vehicles.
- **Supply Exemption:** If a portion of a fleet is unable to procure R99 or R100 renewable diesel through its normal refueling methods, those vehicles for which R99 or R100 renewable diesel could not be procured are not required to comply with Section 2449.1(f)(1). The unavailability of R99 or R100 from a specific distributor or a specific brand is not sufficient to claim this exemption. In addition, the exemption requires the following records must be retained:
 - A description of the fleet's normal refueling methods, taking into account factors such as the location of the job site, storage site, and retail station refueling
 - A description of the fleet's attempts to obtain R99 or R100 renewable diesel and continued attempts to obtain R99 or R100 renewable diesel, at a minimum, on a quarterly basis or when vehicles move to a new job site
 - Documentation showing the inability to procure R99 or R100 renewable diesel, such as communications from fuel providers, contract bids, or maps of refueling stations near a job site.



Tax Refund for On-Road Diesel Taxes Paid: If Dyed R99 is unavailable, you can submit the following forms to request a State and/or Federal tax refund. We strongly recommend consulting tax advisors when submitting any of these forms.

[California and Federal Refund Procedures](#)

Federal

[IRS Form 4136 Credit for Federal Tax Paid of Fuels](#)

State

[California Diesel User Refund FAQ](#)

[California Diesel Fuel Tax Claim Questionnaire](#)

[California Diesel Fuel Claim for Refund on Nontaxable Uses](#)

"The information contained in this report has been compiled by World Kinect from sources believed to be reliable, but World Kinect makes no representations or warranty, expressed or implied, to its accuracy, completeness or correctness. Any opinions contained in this report constitute World Kinect's judgment as of the date of this report, are subject to change without notice, and are provided in good faith but without legal responsibility. This information contains forward looking material and is not intended for any specific business situation. This report may not be reproduced, distributed, or published by any recipient hereof for any purposes."