## SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

RULE 2305 – WAREHOUSE INDIRECT SOURCE RULE

WAREHOUSE ACTIONS AND INVESTMENTS TO REDUCE EMISSIONS (WAIRE) PROGRAM OVERVIEW

WAIRE COMPLIANCE TRAINING VIDEO #1



# PURPOSE AND APPLICABILITY

#### Purpose

- Reduce local and regional smogforming emissions associated with warehouses and the mobile sources attracted to warehouses
- Assist in meeting state and federal air quality standards for ozone and fine particulate matter
- Reduce public health impacts for communities located near warehouses

#### **Applicability**

 Applies to owners and operators of warehouses greater than or equal to 100,000 square feet of indoor floor space in a single building

# **OVERVIEW OF RULE 2305**

#### **Applicability**

- Owners and <u>operators</u> of warehouses <u>></u>100,000 sf
  - Owners are only subject to reporting, but they can voluntarily earn points

#### Phase-In

- Starting January 1<sup>st</sup>, 2022
   warehouses introduced into program over 3 years
  - > Largest are first
- Once in, stringency increases over 3 years

# Requirements

Annually Earn WAIRE Points

Warehouse Actions and Investments to Reduce Emissions (WAIRE) Menu

Mitigation Fee

Custom WAIRE Plan

Limited transferring/banking with early or over-compliance

Funds projects in communities near warehouses that paid the mitigation fee

Warehouse Operations Notification

Initial Site Information Report

Annual WAIRE Report

Reporting

# WAIRE POINTS COMPLIANCE OBLIGATION (WPCO)

WAIRE Points Compliance Obligation (WPCO)





Stringency (Points/WATT)



Annual Variable (Phase-in Schedule)

WATTs = [Class 2b to 7 truck trips]

+

[2.5 × Class 8 truck trips]

0.0025 Points/WATT

(Phased in over 3 years)

Annual WAIRE	Annual Variable				
Report Year*	Phase I	Phase 2	Phase 3		
2022	0.33	0	0		
2023	0.67	0.33	0		
2024	1.0	0.67	0.33		
2025	1.0	1.0	0.67		
2026 and beyond	1.0	1.0	1.0		

<sup>\*</sup>This is the compliance period for which a warehouse operator is first required to submit its Annual WAIRE Report.

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warehouses that paid the mitigation fee

Funds projects in

communities near

# WAIRE MENU INCLUDES MANY OPTIONS

### **WAIRE Menu Item**

Acquire ZE/NZE Trucks

Visit from ZE/NZE Truck

Acquire ZE Yard Truck

Use ZEYard Truck

Install Onsite ZE Charging or Fueling Infrastructure

Use Onsite ZE Charging or Fueling Infrastructure

Install and Energize Onsite Solar Panels

Use Onsite Solar Panels

Install or Replace Air Filters for Sensitive Receptors





>200 warehouses already have solar



# OTHER METHODS OF EARNING OR OBTAINING POINTS

#### Custom WAIRE Plan

A warehouse operator can apply to develop and implement a site-specific Custom WAIRE Plan for actions that are not on the WAIRE Menu

## Mitigation Fee

A warehouse operator can pay a mitigation fee of \$1,000 per WAIRE Point

#### Transfer/Banked Points

#### Limited Transfers

- I. Excess WAIRE Points transferred to a warehouse under the same operator
- 2. WAIRE Points transferred between a warehouse owner and operator
- 3. Excess WAIRE Points banked for future use at that site

❖ Warehouse operators can mix and match ways to obtain WAIRE Points to meet their WPCO.

# OVERVIEW OF RULE 2305

#### **Applicability**

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**Annually Earn WAIRE Points** 

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# WAIRE PROGRAM REPORTING OVERVIEW

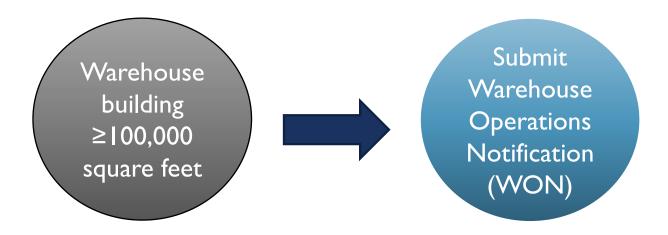
	Warehouse	Warehouse Operations	Initial Site Information (One-Tir	• • •	Annual WAIRE Report (AWR)		
Phase	Size (Square Feet)	Notification* (WON) Due Date	Reporting Period	Due Date	I <sup>st</sup> Compliance Period	I <sup>st</sup> Due Date***	
I	≥250,000		Now – June 2022	July 1, 2022	January 1, 2022 – December 31, 2022	January 31, 2023	
2	≥ 150,000 - <250,000	September I, 2021***	June 1, 2022 – May 31, 2023	July 1, 2023	January I, 2023 – December 31, 2023	January 31, 2024	
3	≥100,000 - <150,000		June 1, 2023 – May 31, 2024	July 1, 2024	January 1, 2024 – December 31, 2024	January 31, 2025	

<sup>\*</sup>Warehouse Operations Notification is the only required reporting obligation for warehouse owners under Rule 2305

<sup>\*\*</sup>Or within 14 days of operator change or 30 days after renovation that changes the square footage

<sup>\*\*\*</sup>If the warehouse operator vacates the warehouse during the compliance period the AWR is due the date the operator leaves

# REPORTING - WAREHOUSE OWNERS





#### Warehouse Operations Notification (WON) include the following:

- Warehouse size and area that may be used for warehousing activity
- Warehouse lessee's name(s) and contact information
- Lease start and end dates
- Previous warehouse operator(s) information
- Square footage used by the warehouse owner for warehousing activities

# REPORTING - WAREHOUSE OPERATORS



Submit Initial Site Information Report (ISIR)



Submit Annual WAIRE Report (AWR)



#### Initial Site Information Report (ISIR)

- Warehouse size and area
- Truck trips in the previous 12-month period
- Number of truck trips anticipated
- Anticipated action to meet WPCO
- Details on potential onsite equipment

#### Annual WAIRE Report (AWR)

- Truck trips for the compliance period
- Number of WAIRE Points earned for each action
- Associated metrics used for the WAIRE Menu actions used to earn WAIRE Points

# **EXEMPTIONS\***



Warehouse operators who cannot use more than 50,000 sq. ft. of a warehouse that is larger than 100,000 square feet



Low use (WPCO < 10)



Unforeseen circumstances (e.g., manufacturer defects)

# **QUESTIONS?**



waire-program@aqmd.gov



(909) 396-3140



www.aqmd.gov/waire



# WAIRE USER CALCULATOR DEMO

al A	8	C	D	E	F	G	Н	1
1	User Inputs				WAIRE Menu Action	Units	User Input	Resulting Points
2	Stringency (Point/WATT) <sup>1</sup>	0.0025			Mitigation Fee	S		0
3	Warehouse Size (square feet)				NZE Class 8 Truck Visits	# of Annual Visits		0
4	Class 8 Truck Visits <sup>2</sup>		Dally Visits		NZE Class 8 Truck Acquisitions	# of Trucks		0
5	Class 2b-7 Truck Visits <sup>2</sup>		Daily Visits		ZE Class 8 Truck Visits	# of Annual Visits		0
6	<sup>2</sup> The proposed final stringency of rule 2305 is 0.00.	- Control of the Cont			ZE Class 8 Truck Acquisitions	# of Trucks		0
7	Points per WATT. <sup>2</sup> Select Visits type from the drop down menu .				NZE Class 4-7 Truck Visits	# of Annual Visits		0
3					NZE Class 4-7 Truck Acquisitions	# of Trucks		0
9					ZE Class 4-7 Truck Visits	# of Annual Visits		0
0	(Cells D4 & D5)				ZE Class 4-7 Truck Acquisitions	# of Trucks		0
1			15.00		ZE Class 2b-3 Truck Visits	# of Annual Visits		0
2	WATT (Weighted Annual Truck Trip)	0	1		ZE Class 2b-3 Truck Acquisitions	# of Trucks		0
3	Average Daily Class & Visits	0			H2 Station Installations	# of 700 kg/day Stations		0
14	Average Daily Class 2b-7 Visits	ø			H2 Station Usage	Annual kg dispensed		0
15	Average Daily Class 8 Trips	0			Up to 19.2 kW EVSE Acquisition	#of Chargers Installed		0
6	Average Daily Class 2b-7 Trips	0			19.2-50 kW EVSE Acquisition	#of Chargers Installed		0
17	"A truck entering a site is one trip, and a truck leaving the site is a second trip.			51-149 kW EVSE Acquisition	#of Chargers Installed		0	
18	1 Visit equals 2 Trips.				150-350 kW EVSE Acquisition	#of Chargers Installed		0
19	**WATT is based on trips and points are based on visits.			TRU Plug Installations	#of Plugs Installed		0	
10	Colored an Artifactoria in Park Section Colored in	04-0100			Charger Usage	Annual kWh dispensed		0
1	WPCO	0.0			TRU Plug Usage	Annual kWh dispensed		0
2	In Compliance	✓			ZE Hostler Acquisitions	# of Trucks		0
23	Additional Number of Points Required	0.0			ZE Hostler Usage	Annual Hours of Use		0
24	Number of Points Banked	0.0			Rooftop Solar Panel Installations	Average System Design Purchased		0
25					Carport Solar Panel Installations	Average System Design Purchased		0
26					Solar Panel Usage	Annual kWh Produced		0
27					Filter System Installations	# of Installations		0
28					Filter Purchases	# of Filters		0
29						Total		0.0
30							1	
31					Users can modify cells outlined in RED			
32					Osers can modify cells outlined in RED			
33					Version 6/23/2021			