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I. Overview

Nonroad diesel engines are the largest remaining contributor to the overall mobile source emissions inventory. We have already taken steps to dramatically reduce emissions from light-duty vehicles and heavy-duty vehicles and engines through the Tier 2 and 2007 highway diesel programs.¹ With expected growth in the nonroad sector, the relative emissions contribution from nonroad diesel engines is projected to be even larger in future years. This proposed rule sets out emissions standards for nonroad diesel engines used mainly in construction, agricultural, industrial, and mining operations that will achieve reductions in PM and NO_x emissions levels from today's engines in excess of 95% and 90%, respectively. Nonroad diesel fuel is currently unregulated. This proposal represents the first time nonroad diesel fuel will be regulated. We are proposing to reduce sulfur levels in nonroad diesel fuel by more than 99 percent to 15 parts per million (ppm). Taken together, controls included in this proposal would result in large public health and welfare benefits.

The proposed standards for nonroad diesel engines and sulfur reductions for nonroad diesel fuel represent a dramatic step in emissions control, based on the use of advanced emissions control technology. Until the mid-90's, these

engines had no emissions requirements. As a comparison, cars and trucks have been subject to a series of increasingly stringent emissions control programs since the 1970s. In terms of fuel quality requirements, nonroad diesel fuel is currently uncontrolled at the Federal level. EPA has already issued rules ending these disparities for diesel engines used in highway applications. Starting in 2007, these engines will meet standards of the same level of stringency as comparable gasoline vehicles, based on the use of advanced aftertreatment technologies and ultra low sulfur diesel fuel (containing no more than 15 ppm sulfur). This proposal is largely based on the performance of the same advanced aftertreatment technologies, and would bring nonroad diesel fuel to the same 15 ppm cap for sulfur that will be required for highway diesel fuel starting in 2006. We believe it is highly appropriate to propose dramatic steps forward in emissions standards and reductions in sulfur levels in nonroad diesel fuel. As discussed throughout this proposal, such steps represent a feasible progression in the application of advanced emissions control technologies, would achieve needed production of low sulfur diesel fuel to enable the advanced emission control technologies, the standards are cost-effective, and provide very large public health and welfare benefits.

We followed certain principles when developing the elements of this proposal. First, the program must achieve reductions in NO_x, SO_x, and PM emissions as early as possible. This includes reductions from the in-use fleet of nonroad diesel engines. Second, as we did in the 2007 highway diesel program, we are treating vehicles and fuels as a system since we believe this is the best way to achieve the greatest emissions reductions. Third, the implementation of low sulfur requirements for nonroad diesel fuel must in no way interfere with the implementation and expected benefits of introducing ultra low sulfur fuel in the highway market, as required by the 2007 highway diesel program. Lastly, the program must provide sufficient lead time to allow the integration of advanced emissions control technologies from the highway sector onto nonroad diesel engines as well as the expansion of ultra low sulfur fuel production to the nonroad market.

This proposal sets out new engine exhaust emissions standards, emissions test procedures, including not-to-exceed requirements, for nonroad engines, and sulfur control requirements for nonroad, locomotive, and marine diesel fuel. The proposed exhaust standards would

¹ See 65 FR 6698 (February 10, 2000) and 66 FR 5001 (January 18, 2001) for the final rules regarding the Tier 2 and 2007 highway diesel programs, respectively.