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Project Title:	Tire Efficiency Order Instituting Information Proceeding
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Notice of Preparation of a Draft Environmental Impact Report

In accordance with California Code of Regulations, title 14, section 15082, California Energy Commission (CEC) staff has prepared this Notice of Preparation (NOP) to inform the Office of Planning and Research (OPR) and each responsible and trustee agency that an Environmental Impact Report (EIR) will be prepared for the Replacement Tire Efficiency Program (RTEP) proposed for the state of California. The proposed RTEP constitutes the "project" under the California Environmental Quality Act (CEQA).

The project consists of a program and regulations designed to ensure that replacement tires sold in California are, to the extent feasible, at least as energy efficient as the tires sold as original equipment on passenger cars and light-duty trucks. The RTEP regulations would be applicable to the entire state of California.

The CEC is requesting your agency's comments on the scope of the EIR to be prepared. The purpose of this Notice of Preparation is to solicit the views of the public, government agencies, and organizations as to the scope and content of the environmental information and analysis, including the significant environmental issues and reasonable alternatives and mitigation measures specifically associated with the proposed project that should be included in the EIR.

Assembly Bill 844

Under the authority granted by Assembly Bill (AB) 844 (Nation, Ch. 645, Statutes of 2003), the CEC is mandated to adopt and implement a statewide RTEP for passenger cars and light-duty trucks that ensures that replacement tires, to the extent feasible, are at least as energy efficient as the tires sold as original equipment tires found on new vehicles.

An Order Instituting Information proceeding was approved at CEC's November 2020 Business Meeting. The proceeding has resulted in the preparation of a February 2023, staff report, titled "Draft Framework of California's Replacement Tire Efficiency Program" (publication # CEC-600-2023-026-SD, found at the link below) which provided an overview of the proposed program. Since the 2023 staff report, the CEC has made substantial changes to the proposed program and anticipates releasing a revised RTEP framework report in late 2024.

The RTEP will establish minimum efficiency standards for replacement tires, as well as an associated consumer information campaign.

CEC staff has determined that the proposed RTEP qualifies as a project subject to CEQA review and that there is the potential for the RTEP to result in significant environmental impacts, thereby requiring preparation of an EIR.

Response to Notice of Preparation

Pursuant to the NOP rule in the State CEQA Guidelines (Cal. Code of Regs, tit. 14, § 15082(b)), each responsible and trustee agency and the OPR shall provide CEC with specific detail about the scope and content of the environmental information related to the responsible or trustee agency's area of statutory responsibility that must be included in the draft EIR. At a minimum, the response shall identify:

- The significant environmental issues and reasonable alternatives and mitigation measures that the responsible or trustee agency, or the OPR will need to have explored in the draft EIR; and
- Whether the agency will be a responsible agency or trustee agency for the project.

This response is due to CEC within 30 days of receipt of the NOP. Staff requests your comments by **October 18, 2024**. If a responsible or trustee agency, or the OPR fails by the end of the 30-day period to provide CEC with either a response to the notice or a well-justified request for additional time, CEC staff will presume that none of those entities have a response to make.

You may submit comments electronically. To use CEC's electronic commenting feature, go to CEC's [proceeding webpage for this proceeding](#), click on the "Submit Comment" link, and follow the instructions in the online form.

<https://efiling.energy.ca.gov/EComment/EComment.aspx?docketnumber=20-TIRE-01>

You can connect to the comment submission page using the QR code below.



Be sure to include the project name in your comments. Once filed, you will receive an email with a link to them and the comments will be part of the proceeding's public record.

Project Webpage, Subscription, and Contact Information

The CEC maintains a webpage for this project at:

<https://www.energy.ca.gov/programs-and-topics/programs/replacement-tire-efficiency-program>.

The CEC maintains a webpage for this proceeding:

<https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=20-TIRE-01>

To receive electronic notices of all project-related activities and documents, go to CEC's subscription page <https://www.energy.ca.gov/subscriptions> under "Transportation Energy" and check the "RTEP" box under "Projects Under Review".

If you have any questions or need additional information on how to participate in CEC's review of the proposed project, please contact the Fuels and Transportation Division by email at FTD@energy.ca.gov.

Project Description and Background

Federal fuel economy regulations provide a strong incentive for automobile manufacturers to ensure that original equipment (OE) tires are designed and manufactured to be energy efficient. However, no regulations or similar incentives exist for replacement tires, which has resulted in replacement tires, in general, not being as energy efficient as OE tires. According to CEC staff analysis, replacement tires tend to vary greatly in efficiency, and on average, OE tires are approximately 15 to 20 percent more energy efficient than replacement tires.

The Replacement Tire Efficiency Program would include the following key features applicable to replacement tires sold or offered for sale in the state:

- A tire efficiency consumer information program.
- Reporting requirements for tire manufacturers.
- A CEC tire rolling resistance efficiency database.
- Tire minimum performance standards.

The project to be evaluated in the EIR is the proposed Replacement Tire Efficiency Program (RTEP or Project). The proposed RTEP seeks to improve the energy efficiency of replacement tires through the establishment of minimum performance standards for replacement tires for passenger cars and light-duty trucks sold in California. The RTEP also proposes to improve consumer access to

information on the energy efficiency of replacement tires. The RTEP regulations have no specific physical location but would be applicable to the entire state of California.

Consumer Information Program

The proposed regulations would include a consumer information program that would provide replacement tire information at the point of sale but not labels or markings on tires. Tire retailers would be required to display conspicuous and accessible information through signage about the energy efficiency tire rating system. Although tire retailers will not need to provide efficiency ratings of all tires, the required signage shall include a web address and quick response code (QR code) linking to the CEC's website, which in turn will provide specific tire efficiency ratings and related information. Physical tire retailers (as opposed to online merchants) would additionally be required to provide, upon request, a disclosure of the specific ratings for tires being considered. Tire retail salespeople will be trained to explain the rating system to consumers and answer potential questions on tire energy efficiency.

The RTEP proposes a tire rating system for the fuel efficiency of replacement tire models. A simple graphic rating system would communicate the efficiency of an individual tire to consumers, helping them quickly and easily determine how various tire models are expected to affect the fuel economy of their vehicle.

The RTEP also proposes that the Consumer Information Program disseminate information on the benefits of tire maintenance on tire treadwear, traction, and fuel economy. The program would provide information and suggestions on how to best maintain tires, including information on proper tire inflation, rotation, balancing, alignment, and inspection. This information will be available on the CEC's website and possible other venues, such as conferences, webinars, etc.

Tire Manufacturer Reporting Requirements

The proposed RTEP regulations require tire manufacturers and/or brand name owners selling tires in California to regularly report information about their products to the CEC. The information collected would allow CEC staff to identify reported tires and assist staff in monitoring the tire market to ensure that the regulations are complied with and do not adversely affect program feasibility, cost-effectiveness, safety, tread life, or management of the state's scrap tire program.

The RTEP would allow manufacturers to self-certify the rolling resistance (a measure of a tires energy efficiency), treadwear, and traction ratings for its tires instead of submitting actual test measurements. Manufacturers would be required

to exercise due care in certifying their tires and provide test documentation to the CEC upon request.

Tire Rolling Resistance Efficiency Database

AB 844 requires the CEC to develop a database of the energy efficiency of replacement tires sold in the state. The proposed RTEP includes an online database containing, at a minimum, the data submitted from tire manufacturers through the reporting requirements in these regulations. This database is proposed to be called the Tire Rolling Resistance Efficiency Database, or “TRRED” for short. The TRRED would allow manufacturers to report and certify data via an online data submission system.

Minimum Rolling Resistance Performance Standard

A rolling resistance coefficient (RRC) minimum performance standard based on the ISO 28580:2018 test protocol would be established for all qualifying replacement tires sold in California. These regulations will be implemented in two phases. Phase I will begin January 1, 2028, followed by Phase II, with a more stringent performance standard, beginning January 1, 2031. The minimum performance standard sets the maximum RRC a tire in each regulated class can have and still be legally sold in California. The efficiency minimum performance standard will be based on several product categories (i.e., ultra-high performance tires, LT, etc.), which will have adjustments to a base tire RRC, making the standards less stringent for certain tire categories in order to provide the industry with greater flexibility in meeting consumer needs while meeting the standards. In cases where a tire model qualifies in more than a single tire category, the highest RRC — that is, most lenient — minimum performance standard will apply.

Unless specifically excluded, all replacement tires sold in California will have to comply with the efficiency minimum performance standard, including original equipment tires that are sold as replacement tires.

Tire Wet Grip Minimum Performance Standard

AB 844 stipulates that the RTEP must not compromise tire safety. Traction is a characteristic of tires that the proposed regulations use as a measure of tire safety. The federal government requires manufacturers to imprint a Uniform Tire Quality Grading (UTQG) system traction rating on the side of tires that indicates a tire’s ability to stop on wet pavement.

The CEC’s proposed regulation proposes a minimum wet traction requirement of 1.0 will be required based on the ISO 23671:2021 test protocol. Tires that do not meet the specified wet traction requirement will not be legal for sale in California. This wet grip minimum performance standard is essentially a minimum

requirement for tire safety and was suggested by tire industry representatives. The minimum wet traction performance requirement is expected to mitigate the potential of a tire manufacturer making a tire that has poor wet grip that otherwise meets California's RRC minimum performance standards.

RTEP Applicability

AB 844 defines "replacement tire" as a tire sold in the state that is designed to replace a tire sold with a new passenger car or light-duty truck. The proposed RTEP regulations would apply, with few exceptions, to all tire retailers, manufacturers, and tire brand name owners of any new tire that is sold or offered for sale in California.

Per AB 844, replacement tires do not include used tires, retreaded tires, or any of the following tires:

- a limited production tire;
- a deep tread tire;
- a winter-type snow tire;
- a space-saver tire;
- a temporary use spare tire;
- a tire with a nominal rim diameter of 12 inches or less;
- a motorcycle tire; or
- a tire manufactured specifically for use on an off-road motorized recreational vehicle.

The regulations do not prohibit a tire retailer from selling or offering for sale replacement tires that do not meet the standards in subsections (a) through (e) directly to an owner or operator of one or more authorized emergency vehicles as defined by section 165 of the Vehicle Code to equip its authorized emergency vehicles.

The regulations will apply to all manufacturers and brand name owners, and tire retailers of replacement tires sold in California. Regulation components will carry through in multiple phases to account for creation of the tire efficiency database and submission of tire data, prior to the implementation of the minimum performance standards for efficiency and wet grip.

The CEC tire rolling resistance efficiency database will allow manufacturers to submit tire reporting requirements, provide the energy efficiency rating for each replacement tire, provide a compliant tire energy efficiency sign for use in retail locations, and provide vehicle fuel efficiency information to consumers.

CEC staff analyzed the cost-effectiveness and technical feasibility of the minimum performance standard for replacement tires for passenger vehicles. Statewide fuel and energy use, annual reductions in greenhouse gases, and consumer savings were considered in the development of the RTEP. The RTEP would be reviewed and revised, as needed, at least every three years following adoption and implementation.

Benefits

Replacement tires for passenger vehicles and light trucks with low rolling resistance improve vehicle fuel economy leading to the following expected benefits:

- Reduction of greenhouse gas emissions by well over 1 million metric tons of CO₂ equivalent annually when the program is fully operational,
- Provision of an affordable way for individual Californians to reduce greenhouse gas emissions,
- Enhanced efficiency of passenger vehicles and light trucks in line with the original tires sold with the vehicle (original equipment),
- Reduction of fuel costs to consumers driving combustion vehicles and zero-emission vehicles, and
- Reduction of tailpipe and upstream emissions associated with the production of transportation fuels, which contribute to ozone formation and unhealthy air quality.

Probable Environmental Effects

The EIR will analyze the reasonably foreseeable direct, indirect, and cumulative effects of the proposed RTEP in the topical categories presented in the environmental checklist in Appendix G of the State CEQA Guidelines, plus environmental justice (EJ).

Based on its analysis to date, the CEC staff has identified that the project would likely have no or less-than-significant impacts in all the topical categories in Appendix G with the possible exceptions of Utilities and Service Systems (specifically solid waste) and Hydrology and Water Quality (specifically aquatic water quality). The analysis of solid waste would examine the unlikely, but possible, increase in wear rates of more energy efficient replacement tires, which could lead to increased tire waste. An analysis of water quality would likely focus on rubber particles from tires as a water pollutant if tire wear rates increase.

The CEC staff is still gathering information associated with the environmental topics in Appendix G. Staff's analysis will include any information provided by

other agencies in response to this notice that can inform the CEC's environmental review. Mitigation measures or alternatives will be proposed to reduce or avoid significant impacts identified in the EIR, as feasible.

Alternatives

The EIR will consider a reasonable range of potentially feasible alternatives to the project. In addition to a no project alternative, the EIR will likely consider alternatives that would involve changes to the RTEP's proposed efficiency standards, tire rating system, manufacturer reporting requirements, and/or consumer information program. Suggestions are welcome for other feasible alternatives that would meet most project objectives and reduce significant impacts.

Environmental Justice and Disadvantaged Communities

California has disadvantaged communities distributed in various areas across the state. The CEC staff will analyze whether the RTEP would result in any potentially significant disproportionate impacts to any disadvantaged communities in the state.

Responsible Agencies

No other agencies will need to issue approvals or permits for the RTEP other than CEC. Therefore, there are no responsible agencies for the CEQA review of the RTEP.

Trustee Agencies

The California Department of Fish and Wildlife is California's trustee agency for the state's fish, wildlife, and plant resources, and it may consider and comment on this Draft EIR in fulfillment of its duties.

Scoping Meeting

An online public scoping meeting will be conducted on **Monday, September 30, 2024, at 1:00 p.m. PST**. Anyone interested in participating in the scoping meeting will need to register using the following link:

<https://events.teams.microsoft.com/event/e3c404e6-0f3a-4829-a526-f99e68c32709@f56a4539-2d8e-4b0d-8454-a64203aa39d3>

You can also register using the QR code below.



To register for the meeting, you will need to provide a name and e-mail address. The e-mail address will be used to send you future notices related to the EIR.