Suggested Draft

Nevada State Environmental Commission (SEC) Procedure to Petition for a Variance to NRS/NAC Chapter 486A SEC Form #6

Discussion

Generally, NRS Chapter 486A and NAC Chapter 486A relate to the requirements for the state and political subdivisions to purchase alternative fueled vehicles and use alternative fuels in government fleets. **NRS 486A.150** (amended by the Legislature in 2009 through SB 332), effective July 1, 2009, requires the State Environmental Commission (Commission) to establish a procedure for approving variances to the provisions of NRS 486A. In approving variances, the Commission may consider whether compliance with NRS 486A (or the provisions of NAC 486A) would:

- Void or reduce the coverage under a manufacturer's warranty for any vehicle or vehicle component;
- Result in financial hardship to the owner or operator of a fleet;
- Be impractical because of the lack of availability of clean vehicles, alternative fuel or motor vehicles that use alternative fuel; or
- Any other reason which the Commission determines is appropriate.

Any agency requesting a variance from the requirements of the alternative fuels program must submit the following information to the State Environmental Commission for their review. The petition for variance must be received at least 30 days prior to the Commission hearing in order to be heard as an action item. The Division of Environmental Protection will review the request for completeness, request additional information, as necessary, and make a recommendation to the Commission on each variance request.

Procedure for Variance to Requirements of NRS/NAC 486A

Provide a response to Sections A-C, as applicable.

A. <u>For requests being made due to voiding a manufacture's warranty, the</u> request must include the following:

- The length of time requested for the variance.
- The specific vehicle(s) for which the variance is being requested, including the year, make, model and VIN for each vehicle and the portion of the warranty that would be affected.

- Documentation from the vehicle or engine manufacturer or the manufacturer's dealer that complying with the alternative fuel requirements of NRS/NAC 486A will void the vehicle's warranty.
- A discussion of any alternatives considered (i.e. the purchase of other alternative fuel vehicles or the use of other compliant fuels) that would mitigate the need for the variance.
- B. For requests being made due to financial hardship, the request must include the following:
 - The length of time requested for the variance.
 - The portion of the fleet to which the request applies:
 - If the request applies to acquisitions of new alternative fuel vehicles (exemption from NAC 486A.160), the request should state which alternative fuel vehicles purchases are affected and the type of vehicle(s) proposed to be purchased in its place.
 - If the request applies to the use of an alternative fuel, state specific fuel(s) to which the request applies (exemption from NAC 486A.180).
 - A description of the nature and extent of the financial hardship being experienced by the agency and the financial impact that would be experienced by the agency as a result of compliance with the alternative fuels program. Also indicate what has changed to bring about this financial hardship (e.g. loss of revenue, change in market prices for alternative fuels, etc.)
 - The budgetary savings that the fleet expects to realize if the variance is granted. Savings should be broken down by fuel expenditure savings, vehicle acquisition savings, maintenance savings, or any other savings expected.
 - Documentation showing that the applicable local air pollution control agency agrees that granting of the variance would not cause a significant adverse impact to a State Implementation Plan (SIP) control strategy.
 - A discussion of any alternatives considered that would mitigate the need for the variance.
 - A description of how and to what degree financial conditions would have to change before the variance would no longer be needed and the expected time frame for such changes to occur.

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- C. <u>For requests being made due to unavailability of alternative fuel vehicles or</u> <u>fuels, the request must include the following:</u>
 - An explanation of the circumstances surrounding the unavailability of the alternative fuel vehicles or alternative fuels. This explanation should include the types of vehicles and fuels being sought; the agency's unsuccessful attempts to acquire the alternative vehicles or alternative fuels; or, if applicable, the economic impracticality of providing a facility to dispense alternative fuel.
- Documentation showing that the applicable local air pollution control agency agrees that granting of the variance would not cause a significant adverse impact to a State Implementation Plan (SIP) control strategy.
 - Discuss any alternatives considered that would mitigate the need for the variance.
 - Describe the logistical conditions for the acquisition of alternative fuel vehicles and use of alternative fuels that would have to exist before the exemption would no longer be needed and the expected time frame for such changes to occur.

Agencies requesting a variance from the provisions of NAC 486A must submit a written request to the State Environmental Commission at the following address:

State Environmental Commission 901 South Stewart Street, Suite 4001 Carson City, NV 89701