



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

FEB 02 2015

THE INSPECTOR GENERAL

MEMORANDUM

SUBJECT: Close-Out of Report No. 14-R-0130, *Unless California Air Resources Board Fully Complies with Laws and Regulations, Emission Reductions and Human Health Benefits Are Unknown*, issued March 6, 2014

FROM: Arthur A. Elkins Jr. 

TO: Jared Blumenfeld, Regional Administrator
Region 9

We received Region 9's response to the subject report on December 4, 2014. The region concurred with six of the eight recommendations and has completed corrective actions on two of the recommendations. The region provided corrective action plans with milestones for completing the remaining four concurred recommendations. We agree with the planned corrective actions.

The region disagreed with Recommendations 7 and 8. We recommended that Region 9 work with the California Air Resources Board (CARB) to develop a more accurate calculation of project results based on actual fuel usage and adjust the agency's Diesel Emission Reductions Act (DERA) program reporting to reflect the recalculated results. The region and the Office of Transportation and Air Quality (OTAQ) believe that CARB provided the most accurate emission reductions data available, and that the data was sufficient to meet the agency's needs for assuring projected environmental results and human health benefits. The region explained the difference between the locomotives replaced under the CARB project and other vehicles, such as long-haul trucks or school buses. The region also explained why requiring CARB and other grantees for similar DERA projects to track and report actual fuel usage by locomotive is time consuming, costly and seen as a heavy administrative burden.

To address concerns raised in the report, OTAQ revised its programmatic terms and conditions in their grant awards to clarify the term "actual" results and the DERA project's final emission reductions reporting requirements. We believe revisions made by OTAQ addressed our concerns about Recommendations 7 and 8 based on the cooperative agreement requirements.

We will close this report in our tracking system. Please track implementation of your corrective actions in the agency's Management Audit Tracking System until completed.

If you or your staff have any questions regarding this memorandum, please contact Kevin Christensen, Assistant Inspector General for Audit, at (202) 566-1007 or christensen.kevin@epa.gov; or Robert Adachi, Director, at (415) 947-4537 or adachi.robert@epa.gov.

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