

CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE  
Fuel Specifications and Labeling of Natural Gas  
CCR Title 4, New Sections 4192.1 and 4192.2; and Sections 4206 and 4207  
April 26, 2024

**NOTICE OF PROPOSED RULEMAKING ACTION**

The California Department of Food and Agriculture (Department) proposes to adopt California Code of Regulations (CCR) Title 4, Sections 4192.1 and 4192.2 relating to fuel quality specification requirements for natural gas used as motor vehicle fuel. The Department proposes to amend CCR Title 4, Section 4206 relating to labeling requirements for natural gas motor vehicle fuel dispensers. The Department also proposes to relocate Federal Trade Commission (FTC) natural gas motor vehicle fuel dispenser labeling requirements from CCR Title 4, Section 4207 to Section 4206.

**PUBLIC HEARING**

The Department did not schedule a public hearing. One will be scheduled if any interested person or his or her duly authorized representative submits a written request to the Department no later than 15 calendar days prior to the close of the written comment period. Address the request for a hearing to the primary contact person below.

**WRITTEN COMMENT PERIOD**

Any interested person or his or her authorized representative may submit to the Department written comments relevant to the proposed regulatory action by email, fax, or mail addressed to the primary contact person listed below. Please include "Fuel Specifications and Labeling of Natural Gas" in the subject line of any email, fax, or letter regarding this rulemaking. The written comment period begins on April 26, 2024, and closes at 5:00 p.m. on June 11, 2024.

**AUTHORITY/REFERENCE**

The secretary of the Department is granted authority to adopt such regulations as is reasonably necessary to carry out the provisions of Division 5 of the Business and Professions Code (BPC) Section 12027. Pursuant to BPC Section 13440, the Department is required to establish specifications for automotive spark-ignition engine fuels and to adopt by reference the latest standards established by a recognized consensus organization, i.e., ASTM International or SAE International. This includes natural gas motor vehicle fuels. BPC Section 13440 further stipulates that natural gas motor vehicle fuels shall meet the latest specification set forth by ASTM International or the SAE International. BPC Section 13480 (a) requires that any person selling any

motor vehicle fuel at retail must display a plainly visible statement that includes both the product name and grade designation. BPC Section 13480 (c) requires the Department to adopt regulations as are reasonably necessary to define and enforce motor vehicle fuel antiknock index or other labeling requirements. BPC Section 13484 requires that the displayed statements described in BPC Section 13480 must be placed on each customer-facing side of a dispenser.

## **INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW**

### *Natural Gas Fuel Quality Specifications*

Currently, BPC Section 13440 requires that the Department establish fuel specifications for natural gas sold as a motor vehicle fuel and adopt by reference the latest specifications set forth by ASTM International or SAE International. The Department has yet to adopt fuel specifications for natural gas sold as motor vehicle fuel. On May 4, 2021, ASTM International published *ASTM D8080 Standard Specification for Compressed Natural Gas (CNG) and Liquefied Natural Gas (LNG) Used as a Motor Vehicle Fuel*. Additionally, on July 17, 2023, ASTM International published *ASTM D8487 Standard Specification for Natural Gas, Hydrogen Blends for Use as a Motor Vehicle Fuel*. With this rulemaking and pursuant to BPC Section 13440, the Department proposes to adopt and incorporate by reference the latest versions of *ASTM D8080* and *D8487* with the exception that natural gas motor vehicle fuel must not be sold with a total sulfur content of more than 16 parts per million by volume (ppmv) to remain consistent with existing state law.

### *CNG and LNG Dispenser Labeling Requirements*

In 2018, the Department adopted interim labeling requirements for CNG and LNG motor vehicle fuel dispensers in CCR Section 4206, and Federal Trade Commission fuel rating label requirements in CCR Section 4207. These requirements are not compatible with the proposed adoption of *ASTM D8080* and *D8487*. With this rulemaking and pursuant to BPC Sections 13480 and 13484, the Department proposes to adopt new labeling requirements that align with *ASTM D8080* and *D8487* and to relocate and consolidate the FTC labeling requirements into Section 4206. The Department proposes to limit the fuel grade designations as determined in *ASTM D8080* and *D8487*.

### *Anticipated Benefits of the Proposed Regulation*

Adoption and enforcement of *ASTM D8080* and *D8487* by the Department will immediately benefit owners of CNG and LNG vehicles because the fuel that meets either of these specifications sold at retail will help assure these vehicle owners that it will not impair their vehicle's engine performance and durability. Fuel grade labeling

requirements will give customers a benchmark of comparison when choosing a natural gas fuel that meets their specific engine performance requirements. Updating and clarifying fuel grade and unit price labeling requirements further helps customers make informed value-based decisions.

Adopting both fuel specifications will permit the sale of a larger variety of natural gas fuels and allow for higher levels of hydrogen in retail-available natural gas fuel. This may benefit natural gas producers because blending in hydrogen produced from renewable resources could improve natural gas marketability in a future energy market focused on decarbonization.

#### *Consistency and Compatibility with Existing State Regulations*

The Department has determined that this proposal is consistent and compatible with existing California regulations.

#### **DOCUMENT INCORPORATED BY REFERENCE**

This proposed rulemaking will adopt and incorporate by reference the latest versions of *ASTM D8080 Standard Specification for Compressed Natural Gas (CNG) and Liquefied Natural Gas (LNG) Used as a Motor Vehicle Fuel* and *ASTM D8487 Standard Specification for Natural Gas, Hydrogen Blends for Use as a Motor Vehicle Fuel*, in accordance with BPC Section 13440. These documents are under copyright by ASTM International and the latest versions are available for purchase at <https://www.astm.org/d8080-21.html> and <https://www.astm.org/d8487-23.html>.

#### **MANDATED BY FEDERAL LAW**

The Federal Trade Commission (FTC) adopts CNG/LNG motor vehicle fuel dispenser labeling requirements in the Code of Federal Regulations (CFR), Title 16, Section 306.12 for LNG and Sections 309.15 and 309.17 for CNG. The Department has already adopted the FTC labeling requirements for CNG and LNG motor vehicle fuel. However, there is no federal requirement that the State of California adopt a fuel specification for natural gas motor vehicle fuel.

#### **OTHER STATUTORY REQUIREMENTS**

No other statutory requirements apply to this proposed rulemaking.

#### **LOCAL MANDATE/FISCAL IMPACT/HOUSING COSTS**

The Department determined that this proposed regulation:

1. does not impose a mandate on local agencies or school districts;

2. does not incur costs to any local agency or school district requiring reimbursement pursuant to Government Code Sections 17500 et seq.;
3. does not incur costs or savings to any state agency;
4. does not incur other non-discretionary costs or savings imposed on local agencies;
5. does not incur costs or savings in federal funding to the state; and
6. does not have a significant effect on housing costs.

## **STATEWIDE ADVERSE ECONOMIC IMPACT**

The Department determined that the proposed regulation will not have a significant, statewide adverse economic impact directly affecting California businesses, including the ability of California businesses to compete with businesses in other states.

## **RESULTS OF ECONOMIC IMPACT ASSESSMENT/ANALYSIS**

The Department determined that the proposed regulation:

1. does not create or eliminate jobs in California;
2. does not create new businesses or eliminate existing businesses in California;  
and
3. does not affect the expansion of businesses in California.

The proposed regulation simply adopts natural gas fuel specifications and updates CNG/LNG dispenser labeling requirements that result in businesses incurring a nominal cost to meet regulatory compliance. This proposed regulation does not provide any pathways, barricades, or incentives to the expansion of businesses or to the creation or elimination of jobs and businesses.

### *Other Anticipated Benefits of the Proposed Regulation*

Compared to other fossil-based motor vehicle fuels such as gasoline and diesel, natural gas fuels are a lower-carbon alternative fuel with significantly lower pollution forming emissions and greenhouse gas (GHG) emissions. Continued support of low-carbon alternative fuels will help in the reduction of GHG emissions as California transitions to a net-zero carbon future. Furthermore, lowering emissions promotes public health by improving air quality, particularly for communities located near high-traffic transport corridors. This reduction in emissions is further attained by increasing the concentration of hydrogen blended into natural gas. Water is the only emission of hydrogen combustion. Another benefit of natural gas fuels is that they can be produced from renewable biomass-based sources such as capturing and refinement of emissions from dairies. Renewable natural gas (RNG) can be wholly used as motor vehicle fuel or

blended with non-renewable natural gas fuel and can help further reduce GHG and pollution forming emissions.

### **COST IMPACTS ON A REPRESENTATIVE PRIVATE PERSON OR BUSINESS**

The Department is aware of cost impacts that a representative business, affected by this rulemaking, would necessarily incur in reasonable compliance with the proposed action. The proposed regulation protects the interests of and does not incur additional costs to private persons who use natural gas to fuel their natural gas vehicles. The Department does not anticipate any costs or savings to private persons who purchase natural gas motor vehicle fuel.

### **BUSINESS REPORTING**

No reporting requirements apply to this proposed rulemaking.

### **EFFECT ON SMALL BUSINESS**

The Department is not aware of any small businesses involved in the retail sale of natural gas motor vehicle fuel to the public. The Department is not aware of any financial cost or benefit impacts that representative small businesses would incur to reasonably comply with the proposed regulation.

### **CONSIDERATION OF ALTERNATIVES**

Government Code Section 11346.5 (a)(13) requires the Department to determine that no reasonable alternative it considered or that has otherwise been identified and brought to its attention would be more effective in carrying out the purpose for which the action is proposed, would be as effective and less burdensome to affected private persons than the proposed action, or would be more cost effective to affected private persons and equally effective in implementing the statutory policy or other provision of law.

The Department invites interested persons to present statements or arguments with respect to alternatives to the proposed regulation at the scheduled public hearing or during the written comment period.

### **CONTACT INFORMATION**

*Primary and Secondary Contacts:*

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### **AVAILABILITY OF DOCUMENTS IN THE RULEMAKING FILE**

The Department will have the entire rulemaking file available for inspection and copying throughout the rulemaking process at the above address. As of the date this notice is published in the California Regulatory Notice Register, the rulemaking file consists of this notice, the proposed text of the regulation, the Initial Statement of Reasons, and all supporting documents and information relied upon in the development of this proposed regulation. Please submit a request to the address above to receive a copy of the rulemaking file.

### **AVAILABILITY OF MODIFIED TEXT**

After receiving and considering all timely and relevant comments, the Department may adopt the proposed regulation substantially as described in this notice. If, however, the Department makes modifications which are sufficiently related to the originally proposed text, it will make the modified text (with changes clearly indicated) available for public comment for at least 15 calendar days before the Department adopts the modified regulation. Please submit a request to the above address for a copy of the modified text of the regulation. Include "Fuel Specifications and Labeling of Natural Gas" in the subject line of any email, fax, or letter regarding this rulemaking.

### **AVAILABILITY OF THE FINAL STATEMENT OF REASONS**

Upon its completion, a copy of the Final Statement of Reasons may be obtained by submitting a request to the address above.

### **AVAILABILITY OF DOCUMENTS ON THE INTERNET**

The Department posts electronic copies of this rulemaking file on its website at [www.cdfa.ca.gov/dms/regulations.html](http://www.cdfa.ca.gov/dms/regulations.html)