



Rivian Automotive, LLC
4600 Myford Road
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October 29, 2021

Clerk's Office

California Air Resources Board

1001 I Street, Sacramento, California 95814

Re: Rivian's Comments on the Advanced Clean Fleets Rulemaking.

Thank you for the continued opportunity to comment on the Proposed Advanced Fleet Rulemaking ("ACF"). Rivian supports the goals of the ACF and requests that the 100% ZEV sales requirement be moved up to 2035 and that additional compliance credit trading provisions be added.

100% ZEV Sales by 2035

Rivian appreciates California's efforts to add fleet requirements to the manufacturer sales requirements in the Advanced Clean Truck ("ACT") rule to help ensure state electrification and environmental goals are met. To best match ACT requirements and the expected cost effectiveness in CARB's cost study, the 100% fleet sales mandate should be accelerated to 2035.

Additional Compliance Credit Trading

Credit trading is an essential part of averaging banking and trading ("ABT") programs used in regulatory programs ranging from Advanced Clean Cars to light-duty greenhouse gas standards. ABT allows for the most stringent and environmentally beneficial standards for a given technology and implementation cost. While being careful to account for localized air pollution concerns, CARB should allow fleets that over-comply with ACF requirements to earn credits that can then be sold to other fleets. In addition to allowing ACF credit trading, early credit trading should start with model year 2022 to best align with early ACT credit provisions. Postponing early ACF

credit generation could incentivize fleet owners to wait on transitioning to electric trucks.

Cost Study Question

The cost study used to inform the ACF proposal shows declining cost curves for light-duty vehicles, class 2b-3, and class 4+ vehicles. The projected decline in battery costs for class 2b-3 vehicles lags light-duty battery costs and class 4+ battery cost projections lag class 2b-3. While it is a valid point that heavy duty trucks lag light-duty vehicles in electrification, similar battery technology can be used across light and heavy-duty classes. For example, at launch Rivian will be using the same batteries and battery modules in the R1S SUV, R1T pickup, and class 2b-3 delivery vans. It is also important to point out that lower energy density, and generally lower cost, batteries might be acceptable in some heavy-duty applications as compared to light-duty vehicles. For the above reasons, CARB should reexamine heavy-duty battery cost assumptions and closer align them with light-duty vehicles.

Use of Low Carbon Fuels Standards (“LCFS”) Incentives

The cost study was unclear on the extent to which Class 2b vehicles were assumed to receive LCFS incentives. LCFS credits earned through charging represent an important source of value for fleet owners and operators with direct benefits for the total cost of ownership of EV models. However, many commercial Class 2b vehicles are likely to be charged residentially—for example, by contractors who drive their work vehicle home at night—yet these vehicles do not benefit from a clear path to earning LCFS charging credits. This is because the LCFS program only estimates residential charging based on light-duty vehicle registrations. Moreover, fleets that purchase Class 2b pickups do not qualify for the Clean Fuel Reward rebate and face uncertainty and additional restrictions under the Heavy-Duty Voucher Incentive Program (“HVIP”). To support ACF targets, CARB should examine separate LCFS charging incentives for fleet vehicles and vehicles over 8,500 pounds gross vehicle weight rating (“GVWR”) when charged residentially. The use of telematics, for example, would enable an accurate accounting of residential fleet charging and unlock the incentives and important financial benefits created by LCFS for this class of vehicle.

Conclusion

Rivian appreciates all the great work done by CARB staff to ensure rapid electrification in the transportation sector. CARB should adopt the Advanced Clean Fleet rule with expanded credit trading provisions and an accelerated 100% ZEV 2035 sales target. CARB should also reexamine the conservative heavy-duty battery costs and LCFS incentives for the residential charging of vehicles over 8,500 pounds GVWR and fleet vehicles. Rivian looks forward to working with CARB on implementing the proposed ACF rule and other directionally similar efforts such as amendments to the Low Carbon Fuels Standards.

For questions, please contact Tom Van Heeke, Senior Policy Advisor, at tvanheeke@rivian.com or 641-888-0035.

Sincerely,

A handwritten signature in blue ink, appearing to read "Chris Nevers".

Chris Nevers

Senior Director of Public Policy

Rivian Automotive, LLC