



September 1, 2021

Mr. Richard Corey  
Executive Director  
California Air Resources Board  
1001 I St., Sacramento, CA 95814

**RE: Advanced Clean Cars II Rulemaking Should Include Light-Duty Vehicle Fleet Purchase Requirements**

Dear Mr. Corey,

We, the undersigned organizations, are writing to request that the Air Resources Board (CARB) consider the development of a fleet purchase requirement for light-duty zero-emission vehicles (ZEVs). We believe that developing a fleet purchase requirement alongside the development of the updated manufacturer ZEV sales requirement being developed in the ACC II Rulemaking will lead to greater and more rapid ZEV sales, thus allowing California to improve air quality, reduce greenhouse gas emissions (GHGs) and meet the goal of 100% light-duty ZEV sales in California by 2035, as detailed in Governor Newsom's Executive Order N-79-20. Moreover, California/CARB has long used the traditional approach of designing its cutting-edge regulatory programs with an eye towards their being adopted by other jurisdictions within and without the United States. Given the many challenges that remain in achieving the widest and deepest market adoption of ZEV vehicles in order to fight the dire climate emergency facing humanity, adding a supplemental fleet purchase requirement for light-duty zero-emission vehicles (ZEVs) would not only assist California in pursuing its climate goals but also provide other jurisdictions with the option of employing another critical tool in their sometimes nascent efforts to fight the worsening climate crisis.

CALSTART has developed a regulatory concept that would require California fleets operating Class 1-2a vehicles to reach 100% Zero Emission Vehicle (ZEV) purchases by 2030. The proposal specifically targets three fleet types with a minimum of 50 vehicles per fleet: government fleets, commercial fleets, and rental fleets. Within government fleets, we recommend including state and federal fleets, and considering county and municipal fleets. It is also recommended that commercial fleets include light-duty utility fleets and exclude taxi fleets.

California is in a position to achieve significant decarbonization in the transportation sector, and is on its way to having a comprehensive package of regulations to deliver those results, yet we assert that a key piece is missing.

In comments on the development and adoption by the Board of the Advanced Clean Trucks (ACT) rule, our organizations emphasized the need for a fleet rule to be developed concurrently, so that timelines can act in concert with the manufacturer requirement, strengthening the rule and its likelihood of success. CARB Staff is currently developing the Advanced Clean Fleets (ACF) regulation, aiming to require medium and heavy-duty large fleet owners to purchase ZEVs. Together, these two regulations will work to push manufacturers to produce more ZEVs by ensuring demand for ZEVs from the fleets that use them.

The current Advanced Clean Cars regulation features several components, including a Zero Emission Vehicle Regulation which requires auto manufacturers to offer specific numbers of battery-electric, hydrogen fuel cell, and plug-in hybrid electric vehicles. CARB Staff has been working on updating the regulation through the development of Advanced Clean Cars II (ACCII). However, there is no light-duty counterpart to the Advanced Clean Fleets regulation that would require light-duty fleets to purchase ZEVs. Therefore, our proposal for a Light-Duty Vehicle Fleet Rule addresses a major gap in California's regulatory landscape. Just as the Advanced Clean Fleets regulation will complement the Advanced Clean Truck rule, we need a Light-Duty Vehicle Fleet

regulation to complement Advanced Clean Cars II.

We encourage CARB Staff to develop a Light-Duty Vehicle Fleet rule that seeks to reach 100% ZEV purchases by large fleets for Class 1-2a vehicles by 2035, and to bring it to the Board in 2022. This target would be reached by increasing the percentage of new vehicle purchases that must be ZEVs. Our recommended incremental targets are 30% by 2025, 45% by 2026, 60% by 2028, 75% by 2028, 90% by 2029, before finally reaching 100% in 2030. Using the proposed timeline, such a rule could add nearly two million ZEVs to the road by 2030. We would recommend that certain categories of fleets such as public fleets are fleets of >50 vehicles could either be added to the Advanced Clean Fleets rule, or this sales mandate could be promulgated as part of ACC II rulemaking. There would be overlap with the existing scope of the ACF rule due to the prevalence of pick-up trucks, because the EV pickups coming to market are mostly in classes 1b-2b due to the increased weight of their batteries. ACF is also proposing to regulate public fleets and large corporate fleets, which are large purchasers of light duty vehicles as well, so these provisions could simply be expanded to include light-duty.

A Light-Duty Vehicle Fleet Rule would create demand for ZEVs from large fleets, which in California are primarily made up of rental (62%), commercial (29%), and government fleets (9%). A purchase mandate would give OEMs certainty regarding sales volumes, thus accelerating ZEV production, bringing down costs, and growing our used ZEV market. This would contribute to cleaner air for Californians, by avoiding nearly a billion gallons of gasoline and preventing more than 10.5 MMT of CO<sub>2</sub> and 26,000 metric tons of NO<sub>x</sub> emissions.

A purchase requirement for light-duty ZEVs is an essential piece of regulation needed to push California towards our clean air mandates and necessary reductions in greenhouse gas emissions. We urge CARB to consider initiating a rulemaking to develop such a regulatory framework, or finding ways to incorporate such purchase mandates into rulemakings that are currently underway.

Sincerely,

Meredith Alexander  
Policy Director, CALSTART

Bill Magavern  
Policy Director, Coalition for Clean Air

Daniel Barad  
Policy Advocate, Sierra Club California

John Shears  
Consultant on Air Quality, Climate & Clean  
Transportation  
CEERT (the Center for Energy Efficiency and  
Renewable Technologies)