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California Air Resources Board
1001 I Street
Sacramento, California 95814
Notice of Public Hearing to Consider Proposed Advanced Clean Fleets Regulations
(Submitted via <https://ww2.arb.ca.gov/applications/public-comments>)

Comments of General Motors on CARB's Advanced Clean Fleets Proposal

General Motors LLC (GM) appreciates the opportunity to offer comments on the California Air Resources Board's (CARB) proposed adoption of sections 2013, 2013.1, 2013.2, 2013.3, and 2013.4, 2014, 2015, 2015.1, 2015.2, 2015.3, 2015.4, 2015.5, and 2015.6, and 2016 the California Code of Regulations, title 13.

If you have any questions, please contact me at 313-665-9967.

Sincerely,

Matthew Rudnick
Director – Climate, Environment & Energy Policy
Global Public Policy
General Motors

General Motors: Working Towards a Zero Emissions Future

General Motors Company (“GM”), headquartered in Detroit, MI, is a global automotive manufacturer committed to positively impacting the communities where its customers live and work. As of September 2022, in the United States GM has roughly 95,000 employees, operates 118 facilities, delivers over 2 million vehicles annually, and works with more than 5,000 suppliers.¹ In California, GM works with over 300 suppliers, and in 2021 GM delivered for sale more than 160,000 vehicles across more than 200 dealers.²

GM is focused on advancing toward a zero emissions future that is inclusive and accessible to all. Electric Vehicles (“EVs”) and heavy-duty work applications powered by fuel cell technology are key enablers of our vision for a world with Zero Crashes, Zero Emissions, and Zero Congestion. GM will invest \$35 billion in the design and manufacture of EVs and Automated Vehicles through 2025.³ GM regularly reports on sustainability metrics,⁴ and endeavors to track and report emissions inventory.⁵ GM has set science-based targets consistent with the goals of the Paris Agreement to support this vision.⁶

Continued Commitments Are Needed to Achieve a Zero Emissions Future

With the Advanced Clean Trucks (ACT)⁷ and Advanced Clean Cars II (ACC2) regulations,⁸ CARB requires manufacturers to increasingly include zero emissions technologies to power products sold or delivered for sale in the California market, and in those states that adopt California’s standards under Section 177 of the Clean Air Act.⁹ GM supports complementary policies and actions that increase the likelihood of success of the ACT and ACC2 regulations, including: (1) increasing the availability of convenient and reliable refueling infrastructure, (2) making available government rebates and tax credits to adopters of zero emissions vehicle (ZEV) technology, and (3) implementing programs that promote the use of ZEVs in the real world. In parallel with ACT and ACC2 regulation, California continues to make sizeable investments in refueling infrastructure and government incentives to support sale and use of ZEVs. These sustained and sizeable investments have put California well ahead of other states on reasonable tracking metrics, like typical distance and time to a suitable refueling point, suitable refueling points per vehicle, and months of future ZEV sales supported with state incentives. GM applauds California’s leadership in complementary actions to support the adoption of ZEV vehicles,^{10,11,12} and GM encourages states adopting California’s standards to commit, similarly, to

¹ <https://www.gm.com/company/usa-operations>

² <https://www.gm.com/company/usa-operations/california>

³ <https://news.gm.com/newsroom.detail.html/Pages/news/us/en/2021/jun/0616-gm.html>

⁴ <https://www.gmsustainability.com/esg-resources-and-downloads.html>

⁵ <https://www.gmsustainability.com/data-center.html>

⁶ https://www.gmsustainability.com/_pdf/resources-and-downloads/GM_2021_SR.pdf (pages 11, 16-17)

⁷ <https://ww2.arb.ca.gov/rulemaking/2019/advancedcleantrucks>

⁸ <https://ww2.arb.ca.gov/our-work/programs/advanced-clean-cars-program/advanced-clean-cars-ii>

⁹ As codified at 42 U.S.C. § 7507.

¹⁰ <https://californiahvip.org/>

¹¹ <https://cleanvehiclerebate.org/en/cvrp-info>

¹² <https://etcommunity.org/assets/files/2ii-NEVISlides.pdf> (slide 3)

widespread complementary actions. Sizeable, continued commitments by all stakeholders will be needed for a decade or more to achieve a zero emissions future.

The Advanced Clean Fleets (ACF) rule proposes to require large owners, operators, and directors of fleets to adopt ZEV technologies and use ZEV technologies increasingly over time. If demand for ZEV technologies does not organically develop to the extent required by ACT for manufacturers, the ACF proposed rule may provide a backstop to promote the use of ZEVs in the real world and increase demand for ZEVs.

Adjustments to the ACF Proposal Will Improve the Regulation

GM generally supports CARB actions that encourage fleet operators to purchase and use zero emissions technologies. GM recommends ACF policy makers consider the following adjustments to the proposal to increase the likelihood that this regulation is successful in lowering real world emissions and delivering societal benefits.

ACF should align with the Clean Air Act and other Federal tailpipe programs where possible and as required. Manufacturers and operators of on-road equipment in these segments need sufficient lead time to prepare to comply with finalized regulations. In the case of the proposed ACF regulation, information technology systems will likely be needed for fleets to track and report VIN level information on vehicles and their usage. Developing such systems will take time, and many fleets are unlikely to be able to meet reporting requirements beginning January 1, 2024. Similarly, the Clean Air Act requires that any standard promulgated and applicable to heavy-duty vehicles or engines shall apply for no less than three model years.¹³ GM appreciates that the ACF proposal provides stable requirements in at least three-year increments and encourages CARB to align with the timing of U.S. EPA tailpipe regulations affecting the same equipment. Aligning the timing of these requirements will likely lower the burden of managing businesses in the context of parallel regulations.

The ACF program proposes that internal combustion engine (ICE) vehicles retire at the end of a specified useful life, typically based on mileage or age; the ACF regulation will be strengthened if this useful life description is clarified in the proposal and aligned with Federal definitions. The U.S. EPA has proposed a sliding scale for the useful life of heavy-duty vehicles based on class and vintage of vehicle. The ACF regulation proposes an alternative schedule and treatment of useful life. ACF should try to practicably align with the useful life schedule EPA will publish in the final rulemaking for the Heavy-Duty Engine and Vehicle Standards, expected in December 2022.¹⁴ While a retirement mechanism for older vehicles without equipment designed to meet modern emissions standards has merit, ACF should carefully consider that older heavy-duty ICE vehicles are commonly rebuilt, and can be rebuilt with zero emissions powertrains. Providing a mechanism for highly customized heavy-duty vehicles to remain in service if converted to ZEVs may significantly lower the costs and burdens of complying with the ACF rule, while providing the air quality benefits. A reporting template, developed as part of the ACF rule, should consider that manufacturers may retrofit existing ICE vehicles with ZEV powertrains.

¹³ 42 U.S.C. § 7521(a)(3)(C).

¹⁴ <https://www.epa.gov/regulations-emissions-vehicles-and-engines/proposed-rule-and-related-materials-control-air-1>

Similarly, ACF should affirm that converting ICE vehicles to ZEV powertrains does not constitute tampering with emissions equipment.

The ACF includes reporting and recordkeeping requirements for high priority and federal fleets, and administrative costs should be accounted for in the regulatory analysis. High priority fleets include entities generating \$50 million or more in annual revenue, and entities that own, operate, or direct more than 50 vehicles. For instance, a business may own vehicles and lease them to fleet operators in California. Operations may direct shipments of vehicles to California dealerships from factories. A business may ship parts from California suppliers to assembly facilities as part of the production process. There are practical concerns with reporting VIN level information on origin and destination of cargo, and daily usage reports for an entity with operations at scale. Additionally, a company that provides equipment for lease may not currently have detailed information about day-to-day operations of lessees, despite holding the title for a vehicle. Clarifications will be needed on reporting requirements for high priority fleets. The currently proposed reporting and recordkeeping requirements to confirm ZEVs are used in the field goes beyond a simple count of ZEVs in the fleet and confirmation that they are frequently used in operations. Annual reports with aggregated fleet reporting may be sufficient to achieve ACF policy objectives, confirming that ZEVs are increasingly being used on California roadways.

GM supports the adoption and use of ZEV technology and supports transparency on emissions inventories related to use of the transportation network. The ACF proposes to further codify the adoption of ZEVs in fleets and document emissions inventory on California roadways, which are ideas GM supports. Updates to the structure of the reporting and recordkeeping requirements may significantly lower the burdens of administering the ACF, while still delivering emissions benefits.

GM again appreciates the opportunity to comment on the ACF rulemaking and looks forward to continued collaboration.