

May 31, 2022

Honorable Chairman Liane M. Randolph and Honorable Board Members California Air Resources Board 1001 I Street P.O. Box 2815 Sacramento, CA 95812

Submitted via public comment docket https://ww2.arb.ca.gov/applications/public-comments

Re: SUPPORT Proposed Advanced Clean Cars II Regulations (ACC II 2022)

Dear Chair Randolph and Honorable Board Members:

I am writing to respectfully urge you to strengthen the Advanced Clean Cars II (ACC II) rule as described in detail below.

As the national consumer voice for plug-in electric vehicles (EVs), Plug In America works to promote policies and programs that put more EVs on the road. EVs save consumers money, promote clean air and can be powered with clean, affordable, domestic electricity. An electrified transportation sector is a key part of the solution that will enable California to meet its carbon reduction goals.

ACC II is one of the most significant opportunities to address transportation emissions, California's number one source of dangerous air and climate pollutants and make us less reliant on expensive and volatile fossil fuels that wreak havoc on our family budgets and economy. Advanced Clean Cars II is not only a model program but also a direct policy mechanism that will drive EV adoption in states across the U.S. and must be as strong as possible to benefit Californians and all Americans.

While we commend the California Air Resources Board (CARB) for your long-standing leadership on improving air quality and electrifying transportation, the current proposed Advanced Clean Cars program update falls short on the interim sales targets and leaves under-resourced communities without strong policy considerations that would deliver more affordable, pollution-free transportation options. To continue to reduce emissions and save lives, we recommend that the board:

- 1. Strengthen interim sales targets for electric cars to 75% in 2030.
- Include mandatory equity provisions that ensure automakers increase affordability and access to pollution-free cars in frontline communities and consider removing the additional values automakers receive from equity actions or require automakers to sell more ZEVs.
- 3. Direct staff in the Board Resolution to return in 2-3 years with a technical/progress review (e.g., costs, lagging market segments, adoption by priority communities) and recommendations on ways to strengthen the regulation for battery electric vehicles (BEVs), strong plug-in hybrid electric vehicles (PHEVs) and bidirectional charging.



On our first recommendation, strong, interim, year-over-year sales requirements that overcome loopholes and credits that will leave hundreds of thousands of polluting vehicles on the road for decades are critical to achieving Governor Newsom's target of 100% electric car sales by 2035. In addition, raising the ZEV requirement to 75% in 2030 is consistent with CARB's Mobile Source Strategy which called for 8 million ZEVs and PHEVs by 2030, while the proposed ACC II requires substantially fewer ZEVs and PHEVs.

Electricity prices are more predictable and far less volatile than gas prices. Low-income communities and communities of color bear an unfair burden of <u>fuel costs</u> and <u>harmful pollution</u>, <u>having suffered generations of systematic marginalization</u>. Families on a budget spend as much as <u>20% of their income on fuel</u>, and that's likely more with gasoline still <u>hovering above \$6 a gallon</u> in the state. Ensuring car manufacturers accelerate their EV production and that they're placed in frontline communities is essential to deliver benefits from the transition to EVs. With a stronger rule and increased access to EVs, families will not have to choose between feeding themselves and driving to work.

On our second recommendation, an accelerated shift to EVs and mandatory equity provisions will also result in significant health benefits especially for frontline communities. The American Lung Association finds 98% of Californians live in a county impacted by poor air quality. EVs offer a clear solution to address health issues and deaths caused by poor air quality. Furthermore, electrifying transportation in line with California's climate targets would achieve health benefits from cleaner air for hard hit communities valued at \$2 billion by 2030.

If equity provisions are optional, it can result in less EVs on the road specifically in frontline communities that bear the burden of climate and poor air quality impacts. By making them mandatory, we ensure that frontline communities will benefit from the transition EV. The <u>latest IPCC report</u> clearly states we are running out of time for bold action to address the climate crisis that disproportionately impacts frontline communities. Strengthening ACC II will take advantage of a massive opportunity to mitigate climate impacts and improve public health.

Regarding our third recommendation, we recognize that the ACC II regulation seeks to achieve an ambitious objective of 100% zero emission vehicle sales in 2035 for light duty vehicles, and that there will be many difficult customer market segments to reach. We applaud the ACC II proposed regulation for its many innovations (compared to ACC I) to address this challenge. For example, we support the dramatic shift from a confusing credit-based regulation in ACC I to a simple, vehicle-based value regulation in ACC II, where BEVs, Strong PHEVs and FCEVs (in the 2030s) receive one value per vehicle. We also support the inclusion of Strong PHEVs in ACC II with the many appropriate restrictions that staff has proposed. Strong PHEVs can have the same or better greenhouse gas emissions as long-range BEVs and essentially the same criteria pollution with the more stringent provisions in ACC II. In addition, Strong PHEVs will be key to reaching hard to reach market segments including those in frontline communities, rural areas, and cold weather regions. For trucks, SUVs and vans that tow trailers, boats and campers over mountains (almost 8 million class 2a vehicles in CA alone) and those who need dual fuel vehicles in catastrophes, Strong PHEVs appear to be the leading option.



The world is changing fast with disruptions in supply chains, battery and mineral prices and conflict. To address these challenges and to better determine where progress in ZEV and PHEV adoption is occurring or lagging, we respectfully request that you formally direct staff to come back with recommendations in two or three years. Specifically, the technology and progress review that we are requesting should examine costs and willingness to pay, adoption rates by the various market segments (e.g., type and mass of vehicles, type of consumer), the experience of front-line communities and what CARB can do with incentives or regulation to help commercialize bi-directional charging. The purpose of the review is to find ways to strengthen the regulation for BEVs and Strong PHEVs including finding ways to address consumer market segments that are struggling with adoption of ZEVs and Strong PHEVs.

Overall, we support CARB strengthening ACC II and advise against any motions to decrease stringency through flexibilities, annual targets or otherwise. ACC II, both in its proposed form and if the board accepts our recommendations, is achievable and can be supported by California's electrical grid. Currently, California's grid can support near-term charging infrastructure goals and farther targets with planning that is already taking place. Additionally, the state is already accelerating the development of needed EV charging infrastructure to accommodate increased EV driving in California.

CARB has the opportunity to strengthen the ACC II program to address the climate crisis, help families in need, improve health and save lives. We need bold action that matches this moment of crisis. We strongly encourage the board to seize this opportunity to create a healthier, more just and vibrant economic future for California by strengthening the Advanced Clean Cars program beyond the proposed version with our three recommendations in bold above.

Thank you for your leadership in driving the transition to ZEVs to improve our health and protect our climate and for your consideration of our recommendations to further those efforts.

Sincerely,

Joel Levin
Executive Director, Plug In America