

Comments Regarding the Proposed Amendments to the Proposed Advanced Clean Trucks Regulation May 27, 2020

Chair Mary D. Nichols, California Air Resources Board 1001 I Street Sacramento, CA 95814

Dear Chair Nichols and Air Resources Board members,

Etsy is the global marketplace for unique and creative goods, working to empower creative entrepreneurs, and connect them with buyers across the globe. We host 2.8 million active sellers around the world¹ who collectively sold \$4.97 billion worth of goods in 2019. As a global marketplace, Etsy has always been conscious of our ecological impact, both around the globe and in California. Today, we write to express our support for the strengthened Advanced Clean Truck (ACT) rule, and encourage the California Air Resources Board to adopt the proposed rule. By accelerating the decarbonization of the medium– and heavy–duty transportation sector, this rule will pave the way for Etsy, and the carriers in our value chain, to reduce air pollution and climate emissions.

We have made significant progress in minimizing our environmental footprint by reducing waste and powering our operations with renewable electricity. Etsy is also proud to support ambitious climate policies that foster resilience and sustainability, as they bolster our ability to operate successfully in the long term. We are signatories to the We Are Still In declaration in support of the global pact to reduce emissions and stem the causes of climate change, and we participate in groups such as the Ceres Businesses for Innovative Climate and Energy Policy (BICEP) network to advocate for the policies we need to deliver on these commitments.

While Etsy is pleased with the progress within our operations, we also acknowledge that 98 percent of our total emissions stem from items shipped from our sellers to our buyers. Our long-term success is dependent on efficient, and resilient transportation and logistics systems in the markets where we operate.

¹ As of March 31, 2020.

Transportation is the number one source of greenhouse gas emissions in the country and in California, and shipping is projected to play an increasing role in these emissions.² Last year, we became the first global e-commerce company to offset 100% of carbon emissions generated by shipping. While offsets are an immediate step Etsy can take, a long-term solution will require that policymakers and regulators support the transition to a clean transportation sector.

That is why we are pleased to see CARB release a strengthened ACT rule, which positions the state as a leader in transportation decarbonization policy. The proposed rule will accelerate the sales of zero emission and electric trucks in California, and send a clear, long-term economic signal. We are excited by the prospect of increased zero emission truck availability to tackle emissions from the transportation sector, and see the ACT rule as critical for making progress.

We need policies that support aggressive emissions reduction targets, and the proposed ACT rule represents an important step in the right direction. We see the rule as the first in a suite of policies needed to address some of the primary challenges companies face when considering fleet electrification. As a corporate citizen, and an online platform serving markets in California, we are supportive of collaborative measures that move to decarbonize the transportation sector, as they strengthen Etsy's ability to operate sustainably over the long term. We urge you to adopt the updated ACT rule, further elevating California's reputation as a climate leader.

² California Air Resources Board. California Greenhouse Gas Emissions for 2000 to 2017. https://ww3.arb.ca.gov/cc/inventory/pubs/reports/2000_2016/ghg_inventory_trends_00-16.pdf