

May 31, 2022

Chair Randolph and Members of the Board California Air Resources Board

1001 I Street Sacramento, CA 95814

Re: Advanced Clean Cars II Regulation

Chair Randolph and Members of the Board,

Advanced Energy Economy (AEE) appreciates the opportunity to submit comments in support of robust Advanced Clean Cars II (ACC II) regulations that spur new private investment in zeroemission vehicle (ZEV) technologies and continue to position California as an international clean transportation leader. AEE is a national business association representing over 100 companies across the advanced energy sector, including electric vehicle (EV) manufacturers, EV charging hardware and software providers, aggregators, and other companies engaged in supporting transportation electrification. Through this lens, AEE respectfully requests the Air Resources Board (CARB) approve the strongest possible ACC II regulations that efficiently and equitably enable California to achieve 100% light-duty ZEV sales.

Thanks to existing CARB regulations and programs, EVs have become an engine of economic growth in California and one of the state's <u>top exports</u>. Transportation electrification has also spurred billions in EV charging infrastructure investment and related services needed to support a more comprehensive statewide EV charging network. By setting strong ACC II ZEV sales targets in 2035 and interim years, CARB would reinforce the economic value that EVs provide to the state and grow California's strategic advantage as a national EV leader.

This national leadership is critical as more <u>states</u> adopt California's ZEV standards to boost EV sales. The ACC II regulations that CARB approves will have ripple effects on other states' ability to drive incremental EV adoption, increase model availability, encourage economic growth, and meet state decarbonization goals. For these reasons, AEE requests that CARB maintain a strong focus on achieving 100% ZEV sales targets in the regulation and continue to liaise with "Section 177" state governments and other relevant jurisdictions to support the widest possible ACC II adoption beyond California.

Building on its domestic leadership, California also has the opportunity to showcase bold ZEV action at a global level. While California's recent <u>achievement</u> of 16% light-duty ZEV sales in

2022 is commendable, Europe and China's December 2021 ZEV sales eclipsed 21% and 20% market share, <u>respectively</u>. Model availability in California also lags <u>other jurisdictions</u> where customers have more options available to meet their needs. Several European and Asian countries have also established <u>commitments</u> to phase-out the sale of internal combustion engine vehicles by 2035 or sooner. Robust ACC II regulations will help reposition California as an international clean transportation leader, provide Californians with more choice as they begin to drive electric, and send a strong signal to industry that ZEVs are the core part of the state's transportation future.

Finally, it is imperative that equity be purposefully integrated into any final regulation. Beyond the air quality benefits that disadvantaged communities (DACs) would experience from greater ZEV adoption, AEE supports robust provisions that ensure that access to ZEVs and their benefits will be attainable for these communities. It is therefore crucial that any future ACC II regulations are well-coordinated with existing equity-focused CARB programs; CARB should also closely monitor how manufacturers use environmental justice (EJ) allowances in the regulation and consider strengthening the regulations' EJ provisions if it does not reasonably accelerate equitable ZEV access in DACs.

CARB has a significant opportunity to drive ZEV adoption in a manner that achieves state policy goals and further cements California's status as a leader in EV innovation. AEE and its membership look forward to supporting a robust ACC II in California and in states nationwide, while continuing to invest in the technology solutions necessary to achieve California's clean transportation future.

Respectfully submitted,

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