NESCAUM
www.nescaum.org

Northeast States for Coordinated Air Use Management
89 South Street, Suite 602 Boston, MA 02111
Phone 617-259-2000 Fax 617-742-9162
Arthur N. Marin, Executive Director

Matt Solomon
17-3-8

March 24, 2017

Mary Nichols
Chairman
California Air Resources Board
1001 "I" St
Sacramento, CA 95691
Attention: accmidterm2017

Re: *Advanced Clean Cars Program: Midterm Review*

Dear Chairman Nichols:

The Northeast States for Coordinated Air Use Management (NESCAUM) offers the following comments on the "Advanced Clean Cars Midterm Review Report" (Report), released by California Air Resources Board (ARB) on January 18, 2017[1]. NESCAUM is the regional association of air pollution control agencies in Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Rhode Island, and Vermont.[2]

NESCAUM thanks and commends California Air Resources Board (ARB) staff for its thorough and diligent review of the current 2022-2025 light duty vehicle particulate matter, greenhouse gas (GHG), and zero emission vehicle (ZEV) standards. The NESCAUM states have been implementing ARB's clean-car rules, as allowed under Section 177 of the Clean Air Act, for more than two decades as part of a coordinated effort to reduce air pollution in the region. For the reasons discussed below, the NESCAUM states concur with the Report and strongly support its findings to maintain these standards through 2025.

2022-2025 GHG Emission Standards

Staff's review of the 2022-2025 GHG emission standards is rooted in the findings of the comprehensive Draft Technical Assessment Report (TAR)[3] that was jointly released in July 2016 by ARB, the US Environmental Protection Agency (EPA), and the National Highway Transportation Safety Agency (NHTSA). That report evaluated a broad range of vehicle technologies currently available to improve fuel efficiency and reduce GHG emissions over time, and found that the GHG and fuel economy standards set in 2012 for model years 2022-2025 are likely to be achievable using existing technologies at similar or lower cost than first projected. As NESCAUM noted in comments on the TAR,[4] those findings suggest

---

[1] California Air Resources board, Advanced Clean Cars Midterm Review
https://www.arb.ca.gov/msprog/acc/acc-mtr.htm

[2] These comments reflect the majority view of NESCAUM members. Individual member states may hold views different from the NESCAUM states' majority consensus.

[3] EPA, NHTSA, ARB: Draft Technical Assessment Report
https://www.epa.gov/regulations-emissions-vehicles-and-engines/midterm-evaluation-light-duty-vehicle-greenhouse-gas-ghg

[4] NESCAUM, Letter to EPA Acting Assistant Administrator McCabe, NHTSA Administrator Rosekind, and ARB Chairman Nichols, September 26, 2016
http://www.nescaum.org/documents/nescaum-comments-on-draft-tech-assess-rept-epa-nhtsa-arb-20160926.pdf

the potential for even greater reductions than those currently required under the standards. Like California, our states have aggressive GHG emission reduction goals, and transportation electrification is a key strategy to achieving these goals because the transportation sector is the largest source of emissions. Thus, we strongly agree with staff's recommendation to stay the course on GHG emission standards through 2025.

ZEV Program

The transportation sector is the largest source of GHG emissions in the Northeast, and electrification is the only strategy that will achieve the mid- and long-term GHG reductions that are needed from this sector. Because the 2022-2025 GHG rule will not require development and deployment of advanced electric-drive vehicles such as plug-in hybrid, battery-electric, and fuel-cell electric vehicles, additional complementary policies remain necessary to ensure that these technologies continue to develop. Accordingly, we emphatically support staff's recommendation to maintain the existing ZEV program requirements through 2025, and to adopt more stringent standards for 2026 and later years to ensure that our states, and manufacturers, remain on track to do their part to avert the worst impacts of climate change.

The ZEV Program has driven unprecedented investment and growth in zero-emission technologies over the past several years. Its continued implementation in the Northeast will help to lower ZEV costs through economies of scale and by expanding the range of product lines available to consumers. As discussed in more detail below, our member states have been planning intensively, and investing substantially in supporting programs, in anticipation of increased volumes of ZEVs beginning with model year 2018.

While the National Program must continue to drive innovation and reduce emissions and fuel consumption in the near-term, there must also be continued progress in the development and deployment of the advanced electric-drive technologies that will be needed in the 2025-2050 timeframe. The goals of the ZEV Program are unique and complementary to those of the National Program. Moreover, they are achievable, and essential for our states to remain on track to meet their GHG reduction targets.

The Multi-State ZEV Initiative

In an effort to accelerate electric vehicle adoption, the governors of five NESCAUM states (Connecticut, Massachusetts, New York, Rhode Island and Vermont), joined with the governors of California, Maryland and Oregon to execute a Memorandum of Understanding (MOU) in 2013 by which they committed to collectively deploy 3.3 million ZEVs on their roads by 2025 and implement a suite of market enabling initiatives to achieve their goal.[5] Together, these eight states represent 27 percent of the U.S. automobile market.

The ZEV MOU further committed the states to establish a multi-state ZEV Task Force, composed of state officials and facilitated by NESCAUM, to serve as a forum for coordination and collaboration with key stakeholders on ZEV program development, support, and implementation issues. In May 2014, the ZEV Task Force released the Multi-State ZEV Action Plan, which identifies both collaborative actions and

[5] State Zero-Emission Vehicle Programs, Memorandum of Understanding, signed October 24, 2013. Available at http://www.nescaum.org/documents/zev-mou-8-governors-signed-20131024.pdf.

individual state actions needed to address the full range of barriers to widespread adoption of electric vehicles, such as consumer incentives, infrastructure deployment, electrification of public and private fleets, workplace charging, and consumer education and outreach. The ZEV MOU states have successfully implemented many of the recommended action items. Moreover, these states have all adopted renewable energy standards or goals to decarbonize the grid that will result in even greater emission reductions from ZEVs over time.

Continuing Air Quality Concerns

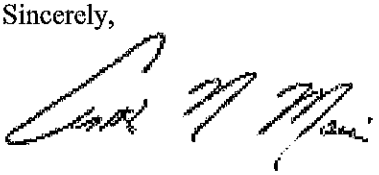
Many states rely on strong light-duty vehicle programs to attain or maintain air quality standards. The NESCAUM region, home to over 42 million people, is subject to episodes of poor air quality resulting from ground-level ozone and fine particle pollution. During severe events, the scale of the problem can extend beyond NESCAUM's borders and include over 200,000 square miles across the eastern United States. Included as an appendix to these comments is a letter to US EPA from the chief environmental regulators in states that are implementing California's Advanced Clean Cars rules, stressing the continued importance of vehicle emission standards.

In reviewing the 2025 1-mg PM standard and measurement method, staff's analysis was robust, and conclusively demonstrates that the standards are achievable, and that manufacturers are on track for compliance in 2025. Accordingly, we support staff's recommendation to leave this standard unchanged.

Conclusion

NESCAUM commends ARB staff for a diligent and thorough analysis, and we strongly support its recommendations on all three aspects of its review. We look forward to continuing to work together as partners to promote clean air and economic growth, and to fight climate change for the benefit of the citizens of our states, and across the country, in the years ahead.

Sincerely,



Arthur N. Marin
Executive Director

Attachment: States/DC Letter

Cc: Alberto Ayala, CARB
Richard Corey, CARB
Chris Grundler, OTAQ

March 22, 2017

Scott Pruitt
Administrator
U.S. Environmental Protection Agency
1200 Pennsylvania Avenue, N.W.
Mail Code 1101A
Washington, D.C. 20460

Re: 2022-2025 Model Year Light-Duty Vehicle Greenhouse Gas Emission Standards

Dear Administrator Pruitt:

As the environmental agency heads for the states of Connecticut, Delaware, Maryland, Massachusetts, New York, Oregon, Pennsylvania, Rhode Island, Vermont and Washington, and the District of Columbia, we write to urge you to maintain the U.S. Environmental Protection Agency's (EPA's) "Final Determination on the Appropriateness of the Model Year 2022-2025 Light-Duty Vehicle Greenhouse Gas Emissions Standards." While the record suggests that more stringent standards may be appropriate, we agree with EPA's January 13, 2017 decision to keep the current national greenhouse gas (GHG) standards for model year (MY) 2022-2025 to provide automobile manufacturers with regulatory certainty. We also support maintaining these national standards in order to maximize environmental and economic benefits and to ensure that the United States continues as a world leader in advanced vehicles. In addition, we strongly urge you to respect the independent authority of California to implement its own standards and the right of other states to opt into those California standards to meet the environmental challenges we face.

As part of the 2012 rulemaking establishing the MY 2017-2025 light-duty vehicle GHG standards, which the automobile manufacturers strongly endorsed, EPA made a commitment to conduct a Midterm Evaluation of the standards for MY 2022-2025. After conducting a robust evaluation of an extensive technical record and providing multiple opportunities for public input, EPA determined that the standards for MY 2022-2025 are still appropriate under section 202(a) of the federal Clean Air Act. EPA's completion of the Midterm Evaluation ahead of schedule does not provide grounds to reopen or alter EPA's determination, nor does it change the facts supporting the decision. The record clearly shows that technologies needed to meet the standards are here today, automakers are expected to meet the standards at lower costs than previously estimated, and many other technologies in active development may provide even more cost effective compliance options. The record also establishes that the standards will save consumers money on fuels that will then be available to invest in other areas of the economy, provide public health and welfare benefits, and will not negatively impact the economic viability of the automobile industry or vehicle safety.

In addition, we strongly urge you to resist industry lobbying to attempt to revoke the waiver issued to California to implement its own GHG standards. You have often spoken of the importance of states' rights, and the right of California to establish and enforce standards that are needed to meet its environmental challenges is fundamental to the Clean Air Act, as is the right of other states to opt into the California standards. California's authority to adopt its own standards has been recognized for the past half century by EPA Administrators on a bipartisan basis. Any effort to revoke EPA's waiver decision for California's standards would be unprecedented, run afoul of the statutory criteria for granting or denying a waiver in section 209(b) of the federal Clean Air Act, and undermine our state rights. In granting a waiver for California's GHG standards, EPA determined that California met its burden and an even stronger waiver case could be made today. Moreover, our states continue to have broad bipartisan support for the authority Congress granted to states in section 177 of the Clean Air Act to adopt and enforce California standards that are more protective of public health and welfare.

For these reasons, we respectfully request that you preserve EPA's current GHG standards for MY 2022-25 and leave California's waiver intact.

Sincerely,

Robert Klee
Commissioner
Connecticut Department of Energy and Environmental Protection

Shawn Garvin
Secretary
Delaware Department of Natural Resources and Environmental Control

Tommy Wells
Director
D.C. Department of Energy and Environment

Ben Grumbles
Secretary
Maryland Department of the Environment

Martin Suuberg
Commissioner
Massachusetts Department of Environmental Protection

Basil Seggos
Commissioner
New York Department of Environmental Conservation

Richard Whitman
Director
Oregon Department of Environmental Quality

Patrick McDonnell
Acting Secretary
Pennsylvania Department of Environmental Protection

Janet Coit
Director
Rhode Island Department of Environmental Management

Maia Bellon
Director
Department of Ecology
State of Washington

Emily Boedecker
Commissioner
Vermont Department of Environmental Conservation

cc: Christopher Grundler, Director
Office of Transportation and Air Quality
U.S. Environmental Protection Agency
1200 Pennsylvania Avenue, N.W.
Washington. D.C. 20460

Mary Nichols
Chairman
California Air Resources Board
1001 "I" Street
Sacramento, California 95814