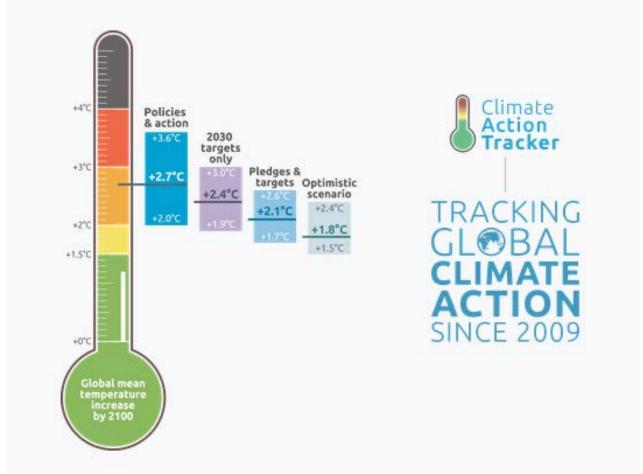


June 9, 2022

Chair Liane Randolph and Members of the Board California Air Resources Board 1001 I Street Sacramento, CA 95814

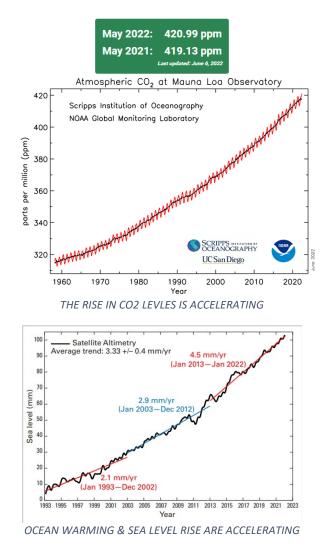


EVEN IF CURRENT POLICIES & ACTIONS ARE IMPLEMENTED THE WORLD IS IN DANGER OF FALLING SHORT WITHOUT GREATER EFFORTS TO FIGHT ACCELERATING GLOBAL WARMING

## Re: Proposed Advanced Clean Cars II regulation: Request for CARB to strengthen interim sales targets for zero emission vehicles to at least 75% of all new light duty vehicle sales by 2030

CEERT appreciates the opportunity to provide comment on the <u>proposed design of the Advanced Clean</u> <u>Cars II (ACC II) regulations</u> released by CARB Staff to the public on April 12, 2022. The ACC II regulations represent one of the most significant opportunities to address a leading source of <u>dangerous air and</u> <u>climate pollutants</u> and to reduce society's <u>damaging dependence</u> on volatilely <u>expensive fossil fuels</u>. The rise in world's <u>CO2 emissions continue their</u> <u>unabated acceleration</u>, and the world is on a trajectory that risks <u>falling well below the</u> <u>targets set out and agreed to by 196 Parties to</u> <u>the 2015 Paris agreement</u>.

California and the world urgently need to address "the dismal litany of humanity's failure to tackle climate disruption," if we are to avoid catastrophic climate change. Continuing ambitious direct action is required to reduce and eliminate the emissions that cause air pollution and climate change if humanity is to minimize the suffering of future generations as the Intergovernmental Panel on Climate Change's Sixth Assessment Report and the United Nations' General Assessment Report have warned. More recent work by climate experts indicates that there is a nearly 50% chance that the global annual average temperature could temporarily cross the 1.5°C threshold in the next five years, and even if emissions could be halted today there is a reasonable likelihood that temperatures will still exceed 1.5°C. California will suffer ever more extreme impacts as a consequence of increased fires and floods and the impacts on the world's oceans and California's coastal systems.



While CEERT applauds CARB Staff's considerable extensive work in developing the proposed ACC II regulatory package – and is heartened to see that Staff have upwardly revised the minimum stringency of their zero emission vehicle (ZEV) sales compliance ramp in the ISOR relative to their original October 2021 proposal – CEERT remains concerned that CARB's proposed target ramps for achieving ZEV sales in the Draft ACC II regulations risks California falling behind recent developments with ZEV sales in other jurisdictions<sup>1</sup> that have historically followed California's lead but are now leading California. It is critically important that California continue its strong leadership on clean cars policy and that it advances a program that can achieve the most ambitious program and goals that other jurisdictions, especially the Section 177 states and Canada<sup>1</sup>, can continue to model and emulate. The Golden State should continue a strong push towards building a continent-wide market for clean cars and clean transportation. Together with partners in Canada and the Section 177 states a market can be built that has the critical mass needed to more rapidly achieve the zero emissions transportation future.<sup>11</sup>

<sup>&</sup>lt;sup>1</sup> According to the IEA Global EV Outlook 2022 "Over the 2016-2021 period, EV sales in Europe increased by a compound annual growth rate of 61%, the world's highest, above China (58%) and the United States (32%)." Europe's increased EV sales have largely been in response to the <u>EU's imposition of more stringent GHG standards</u> under its <u>Euro 6d requirements</u>.

global ZEV sales by 2035 that the <u>IEA's Net Zero Emissions by 2050 Roadmap</u> indicates will be a necessary part of the package of solutions if the world is to arrest further global warming.

Staff's proposed 68% ZEV requirement for 2030 falls below their own "Slow Phase" trajectory of roughly 77-78% in 2030. In proposing their recommended ZEV sales trajectory Staff cite anticipated delays in the conversion of top selling models from fuel cell-oriented manufacturers until their earliest redesign year after 2030. The "Delayed Fuel Cell Deployment scenario" resulting from this is then by Staff in support of their not recommending a more ambitious overall ZEV sales trajectory. While CEERT supports "a rising tide lifts all boats" market development and compliance strategy that includes the development of fuel cell electric vehicles (FCEVs) in the light-, medium- and heavy- duty vehicle classes we note that all the major auto makers that have publicly committed to and are currently championing FCEV passenger vehicles (notably BMW, Hyundai, and Toyota)<sup>2</sup> have also committed to major BEV strategies. Because of the incredibly competitive nature of the auto industry<sup>3</sup> and the pressure on auto makers to gain any first mover advantages in any light-duty vehicle segment, *future FCEV sales should be considered as additive to future overall ZEV sales and their inclusion should not be used as a reason to delay more ambitious ZEV sales targets.*<sup>4</sup>

**CEERT is in agreement with the many organizations partnering in the <u>Clean Cars Campaign</u> in requesting that CARB strengthen the proposed interim sales targets for zero emission cars in the ACC II rule from the 68% to <u>at least 75% new sales by 2030</u>. We expect that such an approach could provide greater assurance that overall ZEV sales requirements do not fall short of 100% ZEV sales by 2035 and can come closer to meeting the more idealized emission reduction targets developed by CARB Staff for the Mobile Source Strategy.** 

## On June 8<sup>th</sup>, 2022, The European Parliament Approved the Goal of Completely Eliminating Car, and Van Emissions from New Vehicles Sold Beginning in 2035

Consistent with what will be the transportation sector's necessary contribution if <u>Europe is to reduce its</u> overall global warming emissions by 55% by 2035 (in order to achieve 2050 net-zero emissions) the European Parliament has just <u>approved</u> a <u>proposal for a</u> requirement that <u>all new cars and vans sold be</u> <u>zero-emissions by 2035</u>.<sup>5</sup> Under the proposed legislation, relative to a 2021 baseline, carmakers will be required to cut their average fleet emissions by 15% in 2025, 55% in 2030, and 100% in 2035.

# Therefore, CEERT does not support CARB adopting a stringency for increased annual ZEV sales compliance targets that falls below the "Slow Phase" trajectory on the way to achieving 100% sales in 2035 and requests that CARB <u>strengthen the proposed interim sales targets for zero emission vehicles in the ACC II rule from the 68% to at least 75% new sales by 2030</u>.

We thank you for your consideration and the opportunity to provide comments on the proposed Draft ACC II regulations. We also look forward to continuing work with our colleagues in the Canadian and

<sup>&</sup>lt;sup>2</sup> See the membership of the <u>California Fuel Cell Partnership</u> for these and other auto makers who, at least in California, are supporting the development of the FCEV market.

<sup>&</sup>lt;sup>3</sup> New entrants will also be entering the FCEV market which will increase market competition and innovation in this technology space eg. <u>Great Wall Motors has just announced that it is Launching a Hydrogen-Only, Luxury</u> <u>Brand</u>

<sup>&</sup>lt;sup>4</sup> Like <u>BMW</u> we view "Hydrogen-Electric Cars as Complimentary to EVs"

<sup>&</sup>lt;sup>5</sup> The proposed legislation must next be ratified by each of the individual EU member countries.

provincial governments and collaboration with California and any other partners to build and accelerate the implementation of a continent-wide zero emissions transportation system.  $^{\mbox{\tiny iii}}$ 

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#### **ENDNOTES**

<sup>ii</sup> In the struggle to fight air and climate pollution, CEERT has been supporting and encouraging Canada to work together with California and <u>the growing number of states</u> who have adopted California's Clean Cars regulations to build a strong and unified North American zero emissions automotive sector. A transition towards zero-emission vehicles contributes to California and Canada's climate change goals and with careful implementation can position North America's workers to benefit economically from this global shift. Canada has <u>annual car sales</u> similar to California's, and taken together with the Section 177 states, combined sales approach 50% of the North American market for passenger vehicles.

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The Climate Action Tracker. (The Climate Action Tracker is an independent scientific analysis that tracks government climate action and measures it against the globally agreed Paris Agreement aim of "holding warming well below 2°C, and pursuing efforts to limit warming to 1.5°C." A collaboration of two organisations, Climate

<sup>&</sup>lt;sup>i</sup> Canada first committed to adopting aggressive policies on clean transportation when, under former Ministers of Environment and Climate Change Catherine McKenna and Jonathan Wilkinson, the Federal government announced that it would align, "... with the most ambitious light-duty vehicle greenhouse gas emission regulations in the United States." The Canadian Government continues to maintain that commitment and has now embarked on its own promising, though challenging, program to fight accelerating global warming. Canada is a participant in the <u>Electric Vehicles Initiative</u>, a signatory to the <u>COP26 declaration on accelerating the transition to 100% zero emission cars and vans</u>, and the <u>Memorandum of Understanding (MOU) on Zero-Emission Medium- and Heavy-Duty Vehicles</u> and is a member of the <u>Zero Emissions Vehicle Alliance</u>.

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