



July 28, 2022

Liane Randolph, Chair
California Air Resources Board
1001 "I" Street
Sacramento, CA 95814

RE: **SUPPORT:** Advanced Clean Cars II Regulation

Dear Chair Randolph & Members of the Board:

The California Electric Transportation Coalition (CalETC) appreciates this opportunity to support the Advanced Clean Cars II (ACCII) proposed regulations. The proposed regulations represent an ambitious set of requirements that would ultimately achieve 100% new EV sales share by 2035 when combined with customer pull and other complementary policies. Regulatory success depends upon 100% buy-in of EV technology by every Californian, far exceeding the current rate of consumer uptake of new ZEVs needed to meet our air quality and climate change goals. It is essential to the success of ACCII, once adopted, that California continue to strengthen and increase complementary policies such as the vehicle incentive programs, infrastructure incentives, building codes, and the Low Carbon Fuel Standard.

CalETC supports and advocates for the transition to a zero-emission transportation future to spur economic growth, increase fuel diversity and energy independence, contribute to clean air, and combat climate change. CalETC is a non-profit association committed to the successful introduction and large-scale deployment of all forms of electric transportation. Our Board of Directors includes representatives from: Los Angeles Department of Water and Power, Pacific Gas and Electric, Sacramento Municipal Utility District, San Diego Gas and Electric, Southern California Edison, Southern California Public Power Authority, and the Northern California Power Agency. In addition to electric utilities, our membership includes major automakers, manufacturers of zero-emission trucks and buses, electric vehicle charging providers, autonomous electric vehicle fleet operators, and other industry leaders supporting transportation electrification.

Complementary policies and programs are essential to the success of California's transition to full electrification of the transportation sector. The ZEV mandate is a crucial element of California's and other states' transition to a zero-emission vehicle future. California's unprecedented market success is a result of the ZEV regulation in combination with other policies and programs, most notably the substantial investments California has made in ZEV technologies and supporting infrastructure and the Low Carbon Fuel Standard.

- Equity investments continue to be a priority for both vehicle and infrastructure incentive programs, including Clean Cars for All and the Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP).
- The Clean Vehicle Rebate Project (CVRP) incentives that benefit middle class Californians are the most effective mechanisms helping middle class Californians to make the decision to

purchase electric, these incentives must be continued. To reach 100% transition, middle class Californians need incentives, many of whom live in multi-family homes and/or are uncertain about access to charging infrastructure.

- CARB data concludes that the CVRP incentive was an important factor for over 90% of middle-class Californians, and over half of those recipients would not have purchased an electric car without the incentive.
 - Cutting middle class families out of eligibility, as was unfortunately done in February of 2022, was a mistake. This should be rectified when the CARB Board considers the Investment Plan in November 2022.
- HVIP incentives provide the greatest environmental benefits to priority communities, including incentives accessible to large, medium, and small fleets. HVIP incentives will ensure equity by maximizing the air quality benefits in priority communities most impacted by truck pollution. California cannot assume large fleets will purchase more expensive new technology electric trucks or that small fleets will discontinue their preference for purchasing used trucks from large fleets. All data suggests incentives will be elemental to any fleet considering a purchase in the initial market for ZEVs, particularly without reliable access to fueling infrastructure in the early years. Cutting large fleets from eligibility to HVIP, specifically for battery-electric trucks, is a mistake and should be rectified when the CARB Board considers the Investment Plan in November 2022.

As the state moves to strengthen the ZEV program, it will be important to also fortify the other complementary policies that have helped make California a leader in electric vehicle adoption.

CalETC thanks CARB staff and the CARB Board for considering modifications to the durability requirements proposed in June 2022. We support CARB staff's 15-day modifications to the durability standards and believe the ramped approach in the modifications will benefit the market for electric cars and help the state meet its ambitious zero-emission vehicle targets. Data and polling consistently demonstrate that cost remains the biggest concern for Californians when considering the purchase of electric cars or trucks. This finding holds across income classes, vehicle types, and locations. In the context of the durability requirements, the 15-day changes balance the need to ensure durability consistent with international standards and consumer concerns about the costs associated with electric vehicles.

CalETC thanks CARB staff and the CARB Board for flexibility in allowing class 2b/3 vehicle credits to be transferable between the Advanced Clean Truck and the ACCII regulations for the purposes of compliance. We support CARB staff's 15-day modifications to the regulation and believe this flexibility will help electrify this difficult market segment more quickly.

CalETC supports CARB's inclusion of plug-in hybrid electric vehicle (PHEV) technologies in the ACCII regulations. We believe PHEVs provide more than a bridge technology option over the next decade. As the state endeavors to build out adequate charging infrastructure and establish building codes and programs that allow all Californians to access affordable home charging solutions (e.g., chargers in parking areas of multi-unit dwellings, streetside chargers for renters or homes without access to off-street parking, or nearby affordable DCFC options) and hydrogen refueling stations, it will be crucial to

ensure that hybrid options are available. Plug-in hybrid options may be the only viable and/or equitable electric solution for some single vehicle households, households with limited access to electricity fueling infrastructure, and/or drivers that use their vehicles for heavy work such as hauling or towing. CARB staff's recommendation to increase the all-electric range for ACCII qualifying PHEVs is appropriate, however the proposed requirements will limit the affordability and access to PHEVs, and CalETC recommends a more gradual increase in all-electric range requirements for PHEVs, to monitor technology development, equity considerations, and consumer experience.

Charging infrastructure that is accessible and affordable for all Californians is key to a full and equitable transition to zero-emission vehicle technologies. California has led the nation in implementing incentive programs and utility investment in EV charging infrastructure. Even with the impressive efforts to build out supporting charging infrastructure, California has lagged in its infrastructure efforts. There is currently insufficient charging infrastructure in place to support EVs on the road today, and the state is far behind in building out sufficient infrastructure to support a full and equitable transition to transportation electrification. Continued public funding, building codes that support charging infrastructure, expedited permitting and interconnection timelines, and consumer and stakeholder support will be needed to accelerate infrastructure build out.

Thank you for your consideration and CalETC looks forward to working with the CARB staff and Board on this important regulation.

Regards,

A handwritten signature in blue ink, appearing to read "Eileen W. Tutt".

Eileen Wenger Tutt, Executive Director
California Electric Transportation Coalition