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**International Council on Clean Transportation**  
**Testimony on California Air Resources Board**  
**Advanced Clean Cars Midterm Review**

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*Riverside, California*

Chair Nichols and Board Members, thanks for all your work to clean up vehicle emissions. And thanks for the opportunity to say a few words here. I'm Nic Lutsey, with the International Council on Clean Transportation. I just wanted to share a few reflections from our recent work.

**First**, we conducted major new technical study, just released this week, which analyzes the technologies and costs to reduce carbon dioxide emissions in the 2025-2030 timeframe. The study is based on state-of-the-art vehicle simulation modeling, engineering cost teardown analysis, and extensive collaboration with suppliers. Essentially our work parallels and updates all the good work of ARB, EPA, and NHTSA staff in their regulatory analysis. I'll highlight a couple findings:

- We find that previous government assessments, overestimate compliance costs for 2025 standards **by 30-40%**, due to how more low-cost efficiency technologies keep emerging.
- These standards are very cost effective. Consumer fuel savings are **2-3 times** the costs.
- If ARB maintains its 2025 standards, this will help ensure that the U.S. auto market remains globally competitive with Europe, China, and elsewhere.

**Second**, we've done extensive work to analyze electric vehicle market developments around the world. It's clear that California plays an essential role as an incubator for electric vehicles.

- We have found that San Francisco and San Jose areas are among the global leaders, with 6% and 10%, respectively, of their new auto sales being plug-in electrics today.
- 6-10% new EV sales is where the ZEV regulation would get us in California by 2025.
- The market is developing much quicker than ARB anticipated.
- The ZEV program is certainly a critical catalyst – it increases model availability, it nudges automakers to develop and market the cars, it provides a timetable for infrastructure investments and complementary policy, and it drives volume.
- This is the moment to work on 2030 policy to accelerate the shift to ZEVs. Costs are dropping, great new electric cars keep entering the market, and long regulatory lead-time is key.

**Finally**, to close, I'll add further international perspective. California's role as the incubator of the clean car market is also critical globally, as there are many governments around the world with similar climate, air quality, and economic growth goals. Collaborations like the International ZEV Alliance and the U.S.-China ZEV Policy Lab ensure that progressive regions, like California, China, Norway, the Netherlands, Québec, the United Kingdom, Germany, and others, grow from each other's experiences and accelerate the ZEV market on a global scale.

We're glad to follow up to provide any further information on our work. Thanks again for all the great work from the Board and ARB staff cleaning up the air and providing an example for others around the world to do the same.

## **Resources**

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