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December 21, 2023

California Air Resources Board 1001 I Street Sacramento, California 95814 Proposed Amendments to the Heavy-Duty Engine and Vehicle Omnibus Regulation (Submitted via https://www.arb.ca.gov/lispub/comm/bclist.php)

## Comments of General Motors on CARB's Workshop on Proposed Amendments to the Heavy-Duty Engine and Vehicle Omnibus Regulation

General Motors LLC (GM) appreciates the opportunity to offer comments on the California Air Resources Board's (CARB) proposed amendments to the Heavy-Duty Engine and Vehicle Omnibus Regulation, including "Amendments to the Proposed Modifications to the Diesel Engine Test Procedures" and "Amendments to the Proposed Modifications to the Otto-Cycle Engine Test Procedures".

If you have any questions, please contact me at 313-665-9967.

Sincerely,

Matthew Rudnick Director – Climate, Environment & Energy Policy Global Public Policy General Motors General Motors Company ("GM"), headquartered in Detroit, MI, is a global automotive manufacturer committed to positively impacting the communities where its customers live and work. In California, GM works with over 300 suppliers, and in 2022 GM delivered for sale more than 180,000 vehicles across more than 200 dealers.<sup>1</sup>

GM supports California's authority to set state standards that will be at least as protective of public health and welfare as applicable Federal standards, as outlined in section 209(b) of the Clean Air Act.<sup>2</sup> GM appreciates the ability to engage with CARB as California develops, proposes, finalizes, and ultimately seeks a waiver of Federal preemption to implement its regulations.

On June 28, 2023, GM affirmed its continued commitment to achieving significant reductions of air pollutants in California as a signatory to the Clean Truck Partnership Agreement (Agreement).<sup>3</sup> CARB's workshop on proposed amendments to the Low NOx Omnibus rule, and its publication of proposed amendments,<sup>4</sup> are important steps toward CARB fulfilling its commitments in that co-signed Agreement. GM is hopeful that CARB will propose and finalize administrative processes for Low NOx Omnibus initial reporting and certification, and ultimate compliance that are practicable to administer and consistent with CARB issued guidance on initial ACT credit reporting,<sup>5,6</sup> and are not inconsistent with Federal regulations.

GM urges CARB to finalize a Low NOx Omnibus amended rule that uses "delivered for sale" as the sole metric for generating and counting credits and deficits, and determining compliance initially and ultimately. The "delivered to the ultimate purchaser and placed in service in California" language would give rise to <u>extraordinary</u> administrative burden, confusion among dealers and customers, and require extended discussions between regulators and manufacturers to clarify and reinterpret mutually agreed compliance accounting, all for indiscernible emissions inventory benefit vs. "delivered for sale".

GM's concerns with the "delivered to the ultimate purchaser and placed in service in California" include:

- GM has limited influence on dealer inventory decisions, and where customers register their property. Administrative burden for a California rule as proposed would extend to dealers in all 50 states, including states that have not opted into California standards, and even then would include some uncertainty. The choices of independent entities, beyond GM's control or influence and not subject to the Low NOx Omnibus regulation, should not be able to alter GM's compliance status.
- "CA" labels (and other Section 177 state labels) for 50-state certified internal combustion engine vehicles are not practicable against the backdrop of multiple California regulations, with some states opting into some California regulations, but not others. For instance, many states may choose to opt in to ACT and not elect to adopt Low NOx Omnibus in the same year,<sup>7</sup> possibly prompting separate labels for each California regulation. Alternatively, GM may elect to certify Class 2b-3 ZEVs against an Advanced Clean

<sup>&</sup>lt;sup>1</sup> https://www.gm.com/company/usa-operations/california

<sup>&</sup>lt;sup>2</sup> 42 U.S.C. § 7543.

<sup>&</sup>lt;sup>3</sup> Clean Trucks Partnership Agreement: <u>CARB and the Truck and Engine Manufacturers Association Agreement</u>

<sup>&</sup>lt;sup>4</sup> Proposed Amendments to the Heavy-Duty Engine and Vehicle Omnibus Regulation, December 6, 2023: <u>https://ww2.arb.ca.gov/rulemaking/2023/hdomnibus2023</u>

<sup>&</sup>lt;sup>5</sup> https://ww2.arb.ca.gov/sites/default/files/2023-03/ACT-MAC\_2023-01.pdf

<sup>&</sup>lt;sup>6</sup> Clean Trucks Partnership Agreement, Appendix C, section B. "In a show of good faith, in calendar year 2023, CARB issued guidance on ACT credit reporting, clarifying that <u>compliance determination</u> and <u>sales reporting requirements</u> are <u>both</u> <u>defined when vehicles are produced and delivered for sale in California</u>. CARB staff will also propose to initiate a rulemaking action to that effect in calendar year 2024."

<sup>&</sup>lt;sup>7</sup> States that have Adopted California's Vehicle Regulations | California Air Resources Board

Cars II program, possibly further complicating any "CA" label strategy for Class 2b-8 vehicles delivered for sale in California.

- The timeline for determining "delivered to the ultimate purchaser and placed in service in California" is uncertain "ultimate" compliance status could be uncertain for weeks, months, or years after the end of a model year. Availability to registration information varies by state and so too may the timing of the "ultimate" compliance status.
- The terms of the Clean Trucks Partnership Agreement were based on the mutual recognition that an agency compliance determination or company reporting requirement based on anything other than "delivered for sale" would be impractical to administer.

GM maintains its commitment to increasingly bringing to market and delivering for sale vehicles with zeroemissions technologies and affirms its commitment to a successful Clean Trucks Partnership Agreement.