JOE MARTENS
COMMISSIONER

Andrew M. Cuomo Governor



STATE OF NEW YORK DEPARTMENT OF ENVIRONMENTAL CONSERVATION ALBANY, NEW YORK 12233-1010

JAN 2 5 2012

Mary D. Nichols Chairperson California Air Resources Board 1001 I Street Sacramento, CA 95814

Dear Ms. Nichols:

New York State supports and encourages California's efforts to mitigate harmful emissions of criteria pollutants and greenhouse gases through the adoption of the Advanced Clean Cars emissions control program. New York and CARB have established a strong working relationship, particularly in the area of mobile source emissions assessment and control. We look forward to continuing that relationship as we move toward implementing regulations that will result in a significantly cleaner fleet utilizing advanced technology vehicles.

The leadership that California has established in emissions controls is of critical importance to New York and many other states in meeting our air quality objectives. Section 177 of the federal Clean Air Act specifically permits states to adopt California motor vehicle emissions standards. This is a right that New York embraces and fully expects to continue to exercise.

The California motor vehicle emissions control programs have been a tremendous success story. Criteria pollutant emissions are a fraction of what they were in the past and continue to decline. Motor vehicle greenhouse gas emissions are now regulated in a similar manner and California's efforts, combined with those of the Section 177 states, have led to the creation of a single, national emission standard. The technological hurdles have been substantial, but the industry has met the requirements and continues to provide automobiles that meet not only tailpipe standards, but also requirements for increased durability.

The technology forcing elements of the Advanced Clean Cars emissions control program are critical to the long term success of motor vehicle emissions controls and New York urges the Board to continue this course by implementing the program. Continued reductions in criteria pollutants are a critical element of New York's plans for meeting new National Ambient Air Quality Standards (NAAQS) for ozone.

California has consistently led the federal government in implementation of new, stringent automobile tailpipe emissions standards. In recent years, federal standards have been implemented that eventually harmonize with the California standards. We look forward to the

U.S. Environmental Protection Agency implementing standards that catch up with the standards California is proposing in this rulemaking. Further, to the extent that such federal standards require action by California and other Section 177 states to conform these California standards to a de facto national standard, we stand ready to take such action.

New York recognizes that adoption of the program by Section 177 states has an impact on how automobile manufacturers react to changes in the program in California. California's proposed regulations provide the automotive industry with the flexibility necessary to bring compliant vehicles to market. This is accomplished through various mechanisms including the use of phase-in periods, credit banking and trading provisions, and a vast array of existing and emerging technologies that are expected to be widely available within the next decade.

New York is among several Section 177 states that have engaged in discussions with vehicle manufacturers to develop a ZEV compliance alternative. Those discussions have yielded a general agreement between the states and industry for a program alternative that meets the states' interests in placement of battery electric and plug-in hybrid electric vehicles in the Section 177 states earlier than would be required under the California program, while also providing vehicle manufacturers with a smoother ramp-up in the number of vehicles required, and a reduced ZEV obligation over the life of the program. The agreement also provides the manufacturers the ability to combine the compliance requirements for the northeast states into a single compliance pool. This element recognizes that manufacturers' product plans and sales distribution are not uniform among states. We believe that this agreement is an important step in states and industry working together to assure the success of the ZEV program, both in California, and across the nation. We are appreciative of the efforts of ARB staff in helping to bring this effort to fruition.

This alternative ZEV compliance strategy is useful given the current penetration rate of ZEVs in Section 177 states, the availability of sufficient charging infrastructure in the Northeast, and the ability of the industry to produce and deliver the number of vehicles required by the base ZEV program. While battery electric and plug-in hybrid electric vehicles are being produced in increasing quantities, they still require support to ensure that they become a viable, mature technology in California and other states. Therefore, New York strongly supports the creation of this alternative compliance option for the Section 177 states as a way to provide industry with compliance flexibility while ensuring the long-term success of the ZEV program.

New York also supports the proposed optional greenhouse gas over-compliance provision, which has the potential to provide significant greenhouse gas emission reductions. While it will likely reduce the overall number of ZEV and PHEV delivered for sale during the period covered by this regulation, the qualifying vehicle manufacturers would produce greenhouse gas emission reductions for the 2018-2021 timeframe (and for the life of those vehicles) that significantly exceed those which would otherwise be achieved under the base greenhouse gas emissions control program.

In closing, New York State fully supports adoption of the Advanced Clean Cars program and looks forward to working with California and other Section 177 states to achieve our mutual air quality goals.

Sincerely,

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