

Testimony

by

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on

California State Motor Vehicle Pollution Control Standards;
Greenhouse Gas Regulations;
Reconsideration of Previous Denial of a Waiver of Preemption

U.S. Environmental Protection Agency

March 5, 2009

Arlington, Virginia

Good morning. I am David Cash and I serve as the Assistant Secretary for Policy at the Massachusetts Executive Office of Energy and Environmental Affairs. In addition to this testimony today, our Department of Environmental Protection will be submitting written comments. Both the oral and written comments supplement previous comments made on this topic.

The Commonwealth of Massachusetts applauds the Administration's reconsideration of the denial of the California greenhouse gas (GHG) waiver, and it is an honor to be testifying today on a topic that is at the cutting edge of EPA's climate agenda.

As a state that has had the California Low Emission Vehicle (CALEV) standards in place since the early-1990s, and as a New England state where 5 of 6 states are in the CALEV program (representing over 95% of the car market in New England), we understand the importance of the authority granted to California under the federal Clean Air Act to regulate vehicle emissions, and the importance of the ability of other states to opt in to the California program under Section 177. These provisions of the Clean Air Act have enabled our states to effectively improve local and regional air

quality and public health, and we believe, will allow us to take steps to combat climate change. The program will also allow us to catalyze growth of a clean vehicle technology sector that will no doubt provide low carbon transportation solutions to a world-wide growing market. We are at a turning point on our path to a clean car future and while California has certainly been a leader in clean car R&D, New England also has university research centers and clean energy companies that are growing, even in this economy. In Massachusetts, there are battery manufacturers, hybrid and super-efficient engine R&D companies already producing the batteries used in plug-in hybrid and electric vehicles. Connecticut is advancing fuel cell technology, and Maine, New Hampshire and Massachusetts all have a growing advanced biofuels sector.

With these public health, clean energy and green economy benefits of the CALEV program, Massachusetts fully supports California's request for a waiver. We have consistently been a part of the team of states that has supported California in the legal arena, and we now urge EPA to expeditiously reverse its earlier denial of the waiver, and grant a waiver without conditions that could blunt the program's effectiveness.

Implementing the CALEV program is only one of the many tools that will be required to address climate change. Governor Deval Patrick's Administration is clearly committed to reducing greenhouse gas emissions and spurring the growth of the clean energy economy. Over the last 2 years, 5 major pieces of legislation have been passed that will significantly reduce greenhouse gases, unleash energy efficiency, and ramp up renewable energy. The Global Warming Solutions Act, for example, requires that we reduce our economy-wide emissions by between 10% and 25% by 2020 and by 80% by 2050. And tomorrow, in Massachusetts, final regulations will become effective that adopt the California Environmental Performance Label for vehicles. These new labels on cars in the

showroom will provide consumers with important information on greenhouse gas emissions when they make vehicle purchasing decisions.

However, we know that we cannot effectively address climate change as one state. Our commitment to actions on climate has also been demonstrated by the array of regional activities in which Governor Patrick has been engaged. In 2007, Massachusetts rejoined the Regional Greenhouse Gas Initiative, committing to auction 100% of its allowances. We have also rejoined the New England Governors' Conference and have collaborated on a range of energy, climate and transportation policies. Recently, we have begun working closely with the RGGI states in a regional process to develop a Low Carbon Fuel Standard. Building on the work of the California Air Resources Board, the states are working with the Northeast States for Coordinated Air Use Management (NESCAUM) and are aiming to have a proposal on the desks of the region's Governors by the end of this year.

While some of these initiatives are relatively new, it is important to note that there is a long history in which the northeast states have worked in concert on implementing the CALEV program regionally. Some in the automotive industry have stated that there is a patchwork of programs among the states that have adopted the California program. But, as the Clean Air Act requires, all the states that have adopted the California program have adopted the exact same emission standards as California. Second, the states that are already committed to adopting the CALEV greenhouse standard are on the order of 35% of the car market. If states that are in the process of joining and considering joining are added, the share of the market jumps to about 65% -- hardly a niche or patchwork market. Third, as is detailed in this letter that I am hand-delivering from our Attorney General, Martha Coakley, "...the automakers' having to comply with two sets of emissions standards is far less burdensome than it might first appear." Finally, over the past several

years states in the region have expressed a willingness to develop a regional compliance program for the California standards, and we are currently exploring this possibility.

In 2005, when Massachusetts adopted the California GHG standards, we considered EPA's Tier 2 vehicle emissions program as well as CAFE standards and concluded that the California GHG standards are more protective than the federal program. Under Massachusetts law, we are required to adopt California's standards as long as the standards achieve greater emissions reductions than the federal standards. Based on studies by the Northeast States Center for a Clean Air Future (NESCCAF) we predict that in Massachusetts, and in New England, implementation of the California standards will result in the reduction in CO₂ emissions by 18% in 2020 and 24% in 2030 from the regulated vehicle classes -- all with proven, existing, cost-effective, off-the-shelf technologies.

In closing, the Commonwealth of Massachusetts is encouraged by EPA's reconsideration of the California waiver for the motor vehicle greenhouse gas standards. As California has convincingly argued today in oral testimony and in its written submissions, as is required in section 209(b), California's request, and other states' ability to follow suit, is fully consistent with the Clean Air Act: it addresses an environmental problem that requires immediate action and innovative solutions because of its compelling and extraordinary nature; and it does so more aggressively than federal standards alone. Finally, it provides states with the tools to reap not only environmental benefits, but the economic development benefits of growing the clean energy future...now.

Thank you again for the opportunity to testify today, and we stand poised to assist EPA as you move forward.