

October 5, 2017

Scott Pruitt  
Administrator  
U.S. Environmental Protection Agency  
EPA Docket Center  
Air and Radiation Docket  
1200 Pennsylvania Avenue, NW  
Washington, DC 20460  
*Attention: Docket I.D. # EPA-HQ-OAR-2015-0827*

Re: *Request for Comment on Reconsideration of the Final Determination of the Mid-Term Evaluation of Greenhouse Gas Emissions Standards for Model Year 2022-2025 Light-Duty Vehicles; Request for Comment on Model Year 2021 Greenhouse Gas Emissions Standards*

Dear Administrator Pruitt:

The Northeast States for Coordinated Air Use Management (NESCAUM<sup>1</sup>) offers the following comments on the Reconsideration of the Final Determination of the Mid-Term Evaluation of Greenhouse Gas Emissions Standards for Model Year 2022-2025 Light-Duty Vehicles announced by U.S. EPA on March 22, 2017, (Reconsideration) and on the Model Year 2021 Greenhouse Gas Emissions Standards promulgated on October 15, 2012 (2021 Standards).<sup>2</sup>

NESCAUM supported EPA's original January 12, 2017 Final Determination<sup>3</sup> and, for the reasons explained below, we strongly oppose this reconsideration and any relaxation of the existing standards.

EPA's Final Determination followed a thorough and diligent analysis of a broad range of technologies available to automobile manufacturers to reduce greenhouse gas (GHG) emissions over time. Informed by a robust stakeholder process, EPA correctly concluded that the standards currently in place for model year (MY) 2022-2025 are appropriate and achievable. Nothing has changed in the science or the law since then to warrant a different outcome.

NESCAUM has also strongly supported the 2021 standards since their promulgation in 2012. Not only are these standards very clearly outside the scope of the Mid-Term Evaluation, the case

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<sup>1</sup> NESCAUM is the regional association of air pollution control agencies in Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Rhode Island, and Vermont. These comments reflect the majority view of NESCAUM members. Individual member states may hold some views different from the NESCAUM states' majority consensus.

<sup>2</sup> A copy of these comments is also being submitted to docket ID NHTSA-2016-0068.

<sup>3</sup> NESCAUM's comments on the Proposed Determination are attached for submission to this docket.

for their feasibility is settled. Revisiting these standards creates needless uncertainty for industry and states alike. We strongly oppose any attempt to review or revise the 2021 standards.

We also note that all of the standards in question could have been made stronger, and that our states need even greater GHG reductions to avert the worst impacts of climate change. The devastation wrought by hurricanes Harvey and Irma is only the most recent reminder of what is at stake as carbon dioxide levels continue to rise. Any attempt to weaken any of these rules would further endanger the entire U.S. population for the benefit of a handful of special interests.

EPA's proposed actions are at best a waste of resources; at worst they open the door to weakening these important rules at a time when we should be focusing on the many unmet challenges we face with respect to climate change and environmental protection. Our states, the many stakeholders in industry and the public, and surely EPA itself, have better things to do than retread old ground. EPA should cease what is clearly a political exercise and return to its mission to protect public health and the environment.

### **Strong GHG Standards are Needed Now**

Our states are convinced by the overwhelming scientific consensus that global warming is primarily caused by human activity, and that major reductions in emissions are urgently needed across all sectors in order to avert the worst effects of climate change. Accordingly, our states have set science-based goals to reduce state-wide GHG emissions 80 percent by 2050. In three of our states – Connecticut, Massachusetts, and Rhode Island – those targets are statutorily binding.

In the Northeast and across the country, the transportation sector now stands as the single largest source of GHG emissions, comprising roughly 40 percent of our state and national emissions. By necessity, transportation figures prominently in our climate action plans. For example, nearly all of our states have adopted the California Advanced Clean Cars Program, including the Zero Emission Vehicle (ZEV) program, as allowed under Section 177 of the Clean Air Act. In addition, our states are implementing and funding many other innovative measures to reduce transportation GHG emissions. Appendix A provides a list and description of these policies.

We are committed to the successful implementation of our ZEV programs and to accelerating the transition to a low-carbon and electrified transportation sector. But we cannot do it alone. To avoid the worst effects of climate change, we need strong national motor vehicle GHG emission reduction and fuel economy standards that increase in stringency over time to drive development of clean electric technology and transportation sector GHG emission reductions across the nation. In addition to delivering cleaner conventionally fueled cars, these standards are helping to increase the number and diversity of electric vehicle offerings in our states that are essential for widespread electric vehicle adoption by mainstream consumers and the success of our climate programs.

Although the light-duty vehicle GHG standards adopted by California and the Section 177 states are, in fact, more stringent than the federal standards, the Section 177 states supported inclusion of a regulatory provision (the “Deemed-to-Comply” provision) under which compliance with EPA’s requirements is accepted as compliance in California and the Section 177 states. This was part of a carefully negotiated agreement between industry, California, and the federal agencies to effectively harmonize the current California and federal GHG standards. CARB has stated that any reduction in stringency of the federal regulations would be cause for reconsideration of the Deemed-to-Comply provision. The NESCAUM states stand shoulder-to-shoulder with California in pursuing the necessary GHG reductions from the transportation sector. Should CARB deem it necessary to withdraw support for Deemed-to-Comply, it would have the full support of NESCAUM and the Section 177 states in doing so.

### **2021 Standards are Achievable**

The Administrator’s decision to reconsider the 2021 standards is particularly troubling. These standards are very clearly beyond the scope of the mid-term evaluation. We note that while the agencies, automakers, and other stakeholders all agreed, during the initial rulemaking, to a mid-term review of the 2022-2025 standards, these same stakeholders also agreed to the final 2021 standards after a lengthy and thorough public process.

Moreover, it is not clear at this time that any stakeholder has asked for a review of the 2021 standards, or why EPA and NHTSA are now reconsidering something that was a settled issue. The feasibility of the 2021 standards is very well documented. For example, a comprehensive review in 2010 by the National Academy of Sciences (NAS)<sup>4</sup> found that the 2021 standards would be feasible and cost effective. Meanwhile, many of the key technologies have advanced in the market even more rapidly than projected at the time, as more recent analyses by CARB,<sup>5</sup> NAS,<sup>6</sup> and others demonstrate.

Finally with respect to the 2021 standards, we note that it is not just manufacturers, but the entirety of the U.S. auto industry supply chain that would be affected by any last-minute adjustment to the standards. As noted in comments submitted to this docket by the Manufacturers of Emission Controls Association (MECA), suppliers will be bidding on 2021 MY contracts as early as next year.<sup>7</sup>

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<sup>4</sup> Transportation Research Board and National Research Council. 2010. *Technologies and Approaches to Reducing the Fuel Consumption of Medium- and Heavy-Duty Vehicles*. Washington, DC: The National Academies Press. <https://doi.org/10.17226/12845>

<sup>5</sup> California Air Resources Board, January 18, 2017. *California’s Advanced Clean Cars Midterm Review Summary Report for the Technical Analysis of the Light Duty Vehicle Standards*. [https://www.arb.ca.gov/msprog/acc/mtr/acc\\_mtr\\_finalreport\\_full.pdf](https://www.arb.ca.gov/msprog/acc/mtr/acc_mtr_finalreport_full.pdf)

<sup>6</sup> National Research Council. 2015. *Cost, Effectiveness, and Deployment of Fuel Economy Technologies for Light-Duty Vehicles*. Washington, DC: The National Academies Press. <https://doi.org/10.17226/21744>.

<sup>7</sup> MECA Comments to this docket, October 5, 2017.

## **The Record Supports EPA's Final Determination**

EPA's Final Determination is fully supported by a thorough technical assessment and economic analysis and a robust stakeholder input process that included hundreds of meetings with automakers, suppliers, government representatives, and other stakeholders.

As demonstrated in EPA's own analysis and supported by those studies cited above, technologies needed to meet the 2022-2025 standards are here today, and at lower costs than initially projected. 2025-compliant vehicles are already for sale, and other technologies in active development may provide even more cost effective compliance options. EPA's findings suggest that if anything, the rule should be strengthened, not relaxed.

EPA's completion of the midterm evaluation ahead of schedule does not provide grounds to reopen or alter EPA's determination. There is no requirement that EPA delay its final determination until April 2018. Once the analysis was complete, EPA was wholly within its statutory authority to issue a Final Determination, as it did.

## **ZEVs Are an Important Compliance Option**

While compliance with the rule will not require the development and deployment of significant shares of advanced electric-drive vehicles, such as plug-in hybrid, battery-electric, and fuel-cell electric vehicles, these ZEV technologies represent important pathways for GHG compliance. Moreover, these advanced vehicles will be needed in very high volumes for our states to meet their mid- and long-term GHG reduction goals.

The NESCAUM states recognize that by 2050, zero- or near-zero emission vehicles will need to comprise nearly 100 percent of new vehicle sales to meet GHG reduction goals.<sup>8</sup> While the National Program must continue to drive innovation and reduce emissions in the near-term, there must also be continued progress in the development and deployment of the advanced electric-drive technologies that will be needed in 2026 and beyond. The goals of the ZEV Program are complementary to those of the National Program. Moreover, they are achievable, and essential for our states to remain on track to meet their GHG reduction targets.

For these reasons, NESCAUM has been supporting the efforts of our member states and partners in California, Maryland, and Oregon to help accelerate the market for ZEVs. Through the Multi-State ZEV Task Force, our states and partners have identified and are implementing many measures to support increased ZEV sales, including purchase incentives, support for charging infrastructure, and outreach efforts to increase consumer awareness of the benefits of ZEVs.

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<sup>8</sup> California Air Resources Board, January 18, 2017. *California's Advanced Clean Cars Midterm Review Summary Report for the Technical Analysis of the Light Duty Vehicle Standards*. [https://www.arb.ca.gov/msprog/acc/mtr/acc\\_mtr\\_finalreport\\_full.pdf](https://www.arb.ca.gov/msprog/acc/mtr/acc_mtr_finalreport_full.pdf)

However, the effectiveness of these has been limited by a lack of available product. Many of the ZEVs that have been introduced into the California market since 2012 were not made available for sale in our states, or were available only in limited volumes.<sup>9,10</sup> Moreover, in many cases manufacturers' efforts to market ZEVs, even where nominally available, have been inadequate. Appendix B contains an assessment of vehicle availability and ZEV marketing effort in the Northeast.

Despite the lack of manufacturer efforts, multiple recent analyses<sup>11,12</sup> indicate very strong interest in electric vehicles among Northeast consumers, as well as a high degree of compatibility with typical vehicle usage patterns. Where ZEV sales have been lagging to date, we believe this is due primarily to the demonstrated lack of available product and insufficient marketing effort; and not due to any inherent market barriers in our states.

The ZEV programs in effect in our states under Section 177 *complement* the National Program by strengthening the value of investing in advanced technologies that can be used for compliance.

Transitioning the light-duty fleet to electric-drive will provide significant public-health benefits<sup>13</sup> while saving consumers money through reduced fuel use and overall operating costs. Given the serious challenges our states face in meeting their medium-and long-term GHG reduction goals, and considering that technologies are available today to provide even greater improvements than called for in the regulation, we will continue to look for opportunities to encourage the deployment of ZEVs.

## **Conclusion**

NESCAUM emphatically opposes any review of, or revision to, the 2021 standards.

NESCAUM similarly opposes EPA's reconsideration. Its original Final Determination was informed by a thorough and diligent analysis, and EPA rightly concluded that the standards currently in place for MY 2022-2025 are achievable and appropriate. EPA should leave this

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<sup>9</sup> Union of Concerned Scientists, "Electrifying the Vehicle Market: Evaluating Automaker Leaders and Laggards in the United States," August 2016 (<http://www.ucsusa.org/sites/default/files/attach/2016/08/Electrifying-Vehicle-Market-full-report.pdf>).

<sup>10</sup> Sierra Club, "New Data Shows Auto Industry Failing to Advertise Electric Cars," December 2016. (<http://www.sierraclub.org/compass/2016/12/new-data-shows-auto-industry-failing-advertise-electric-cars>)

<sup>11</sup> Union of Concerned Scientists and Consumers Union, "Electric Vehicle Survey Methodology and Assumptions: Driving Habits, Vehicle Needs, and Attitudes toward Electric Vehicles in the Northeast and California," May 2016 (<http://www.ucsusa.org/sites/default/files/attach/2016/05/Electric-Vehicle-Survey-Methodology.pdf>).

<sup>12</sup> Kenneth S. Kurani and Nicolette Caperello, September 2016. *Research Report UCD-ITS-RR-16-16: New Car Buyers' Valuation of Zero-Emission Vehicles: Northeast States for Coordinated Air Use Management*. ([https://itspubs.ucdavis.edu/index.php/research/publications/publication-detail/?pub\\_id=2709](https://itspubs.ucdavis.edu/index.php/research/publications/publication-detail/?pub_id=2709))

<sup>13</sup> American Lung Association in California, "Clean Air Future: Health and Climate Benefits of Zero Emission Vehicles," October 2016 (<http://www.lung.org/local-content/california/documents/2016zeroemissions.pdf>).

determination in place, in order to ensure continued progress in reducing GHG emissions from the light-duty fleet.

We also note the specific need for a new set of light-duty vehicle emission standards for the post-2025 timeframe. Automakers are already capable of producing vehicles that are appealing to consumers while emitting far less GHG pollution than allowed under the 2022-2025 regulations. The industry continues to develop innovative vehicle technologies while driving costs down, and is doing so on a timeline well ahead of predictions, in large part because of the regulations currently in place. With the auto industry's successful track record clearly laid out in the analyses cited above, we continue to believe that this country's longstanding commitment towards achieving cleaner air can – and must – continue.

Sincerely,

A handwritten signature in black ink, appearing to read "Arthur N. Marin". The signature is fluid and cursive, with the first name "Arthur" being the most prominent.

Arthur N. Marin  
Executive Director

cc: NESCAUM Directors  
Chris Grundler – EPA OTAQ  
Mary Nichols, Richard Corey, Steve Cliff – CARB

## Appendix A. Partial list of state policies and programs to support increased ZEV market share.

### Connecticut:

- ZEV Program
- CHEAPR (Connecticut Hydrogen and Electric Automobile Purchase Rebate): This program offers incentives of up to \$5,000 for Connecticut residents who purchase or lease a new eligible battery electric, plug-in hybrid electric or fuel cell electric vehicle. There are currently over 30 eligible vehicles available and the list continues to grow as manufacturers release new models.
- EV Connecticut Charger Incentives: Funds are made available for municipalities, state agencies and private businesses to install EV chargers.

### Maine:

- ZEV Program
- Maine's Revised Statutes Title 35-A Section 3143 provides for deployment and integration into the electric system of advanced electric storage and peak-reduction technologies, including plug-in electric and hybrid electric vehicles.

### Massachusetts:

- ZEV Program
- Massachusetts Offers Rebates for Electric Vehicles (MOR-EV): This program provides rebates of up to \$2,500 for the purchase or lease of zero-emission and plug-in hybrid light-duty vehicles.
- Massachusetts Electric Vehicle Incentive Program (MassEVIP): Administered by Massachusetts Department of Environmental Protection, this open grant program provides incentives to Massachusetts cities, towns, state agencies, and public colleges and universities to acquire electric vehicles and charging stations. Grants help offset the higher initial costs of these advanced technologies. It additionally provides incentives to employers for the acquisition of Level 1 and Level 2 EV charging stations.
- Mass Drive Clean campaign: This campaign is the first statewide test drive program to help educate consumers about the specific benefits of these vehicles and provide opportunities for drivers to experience ZEVs first-hand.

### New Hampshire:

- Executive Order #2016-03 directs state agencies to pursue opportunities to procure electric vehicles (EV) and plug-in hybrid vehicles for use in the state fleet and by installing EV charging infrastructure for use by state agencies.

### New Jersey:

- ZEV Program
- Sales Tax Exemption for Zero Emission Vehicles: The New Jersey Sales and Use Tax Act provides a sales and use tax exemption for ZEVs.

- **It Pays to Plug In Workplace Charging Grant Program:** provides grants to employers to offset the cost of purchasing and installing electric vehicle charging stations. This program is designed to support and encourage employees to purchase and drive electric vehicles to work, which reduces vehicle emissions. Up to \$250 per Level 1 charging station and up to \$5,000 per Level 2 charging station.
- **High Occupancy Vehicle (HOV) Lane Exemption:** if you drive a qualifying hybrid engine vehicle, you can use the stretch of HOV lane from Interchange 11 (in the Township of Woodbridge) to Interchange 14 (in the City of Newark), regardless of how many passengers you have in your car.
- **NJ Charging Challenge - Electrify Your Workplace:** This program recognizes employers in New Jersey that are making their workplaces “Electric Vehicle-Ready”, celebrates their successes, and encourages other employers to follow their lead.

#### New York:

- **ZEV Program**
- **Drive Clean Rebate for Plug-In Electric Cars:** This program offers electric car buyers a rebate of up to \$2,000 for new purchases.
- **ChargeNY:** This program is helping to get more plug-in hybrid and battery-powered cars on the road, by supporting the installation of charging stations. The State aims to install 3,000 EV charging stations to support an expected 30,000-40,000 EVs on the road by 2018.
- **Clean Fleets NY:** This program will ensure that at least 50% of new, administrative-use vehicles will be ZEVs, including battery electric, plug-in electric hybrid, or hydrogen fuel cell vehicles.
- **The Clean Pass Program:** This program allows eligible low-emission, energy-efficient vehicles to use the 40-mile Long Island Expressway High Occupancy Vehicle (LIE/HOV) lanes, regardless of the number of occupants in the vehicle.

#### Rhode Island:

- **ZEV Program**
- **Driving Rhode Island to Vehicle Electrification (DRIVE):** This program is an Electric Vehicle (EV) rebate program designed by the Rhode Island Office of Energy Resources (OER) to support adoption of electric vehicles by Ocean State drivers. Through DRIVE, qualified Rhode Island residents interested in purchasing or leasing an electric vehicle (EV) will be able to apply for a financial rebate of up to \$2,500, based upon vehicle battery capacity.
- **Charge Up!:** This program offers incentives to state agencies and municipalities interested in installing electric vehicle supply equipment (EVSE or charging stations) at publicly-accessible facilities, and supports the purchase or lease of electric vehicles (EVs) for integration into public sector fleets. Qualified public sector applicants may be eligible



to receive a total award of up to \$75,000 to support their adoption of clean transportation solutions.

Vermont:

- ZEV Program
- Vermont ZEV Action Plan: In 2013, Vermont and seven other states agreed to create a collaborative Zero Emission Vehicle program aimed at putting 3.3 million ZEVs on the road by 2025. A Vermont Zero Emission Vehicle Action Plan has been created in response, which includes Vermont-specific actions that address the goals put forth in the eight-state action plan. As a result of the Vermont ZEV Action Plan, the Guidance for Requirements to be Included in State Grants for Publicly Funded Electric Vehicle Supply Equipment (EVSE) was created.
- Drive Electric Vermont: A statewide coalition of stakeholders from the business, nonprofit, and government sectors dedicated to promoting the spread of electric transportation in Vermont. DEV provides information (buying guides, incentives, charging station locator, etc.) and hosts events and demo days around the state to educate Vermonters about electric vehicle technology and its benefits to our transportation sector.

Appendix B. EV Marketing Analysis, December 2016.

### Where are ZEVs Available for Test Drive and Sale?

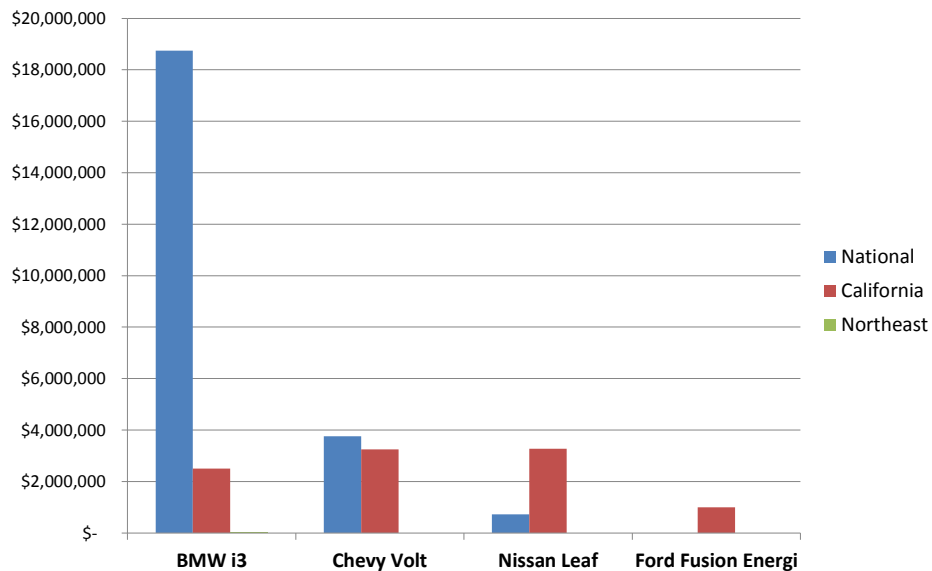
Number of Vehicles at Dealerships  
Within 100 miles of:

| Make and Model      | Sacramento | Boston |
|---------------------|------------|--------|
| BMW i3              | 158        | 65     |
| Chevy Spark EV      | 141        | 0      |
| Fiat 500e           | 182        | 0      |
| Ford Focus EV       | 130        | 1      |
| Honda Fit EV        | 0          | 0      |
| Kia Soul EV         | 83         | 0      |
| Mercedes B-Class EV | 72         | 1      |
| Mitsubishi iMiEV    | 12         | 6      |
| Nissan Leaf         | 826        | 42     |
| Smart for Two EV    | 12         | 1      |
| Toyota Rav4 EV      | 0          | 0      |
| VW eGolf            | 122        | 16     |

Source: Cars.com, accessed 05/13/2016, 2-3pm ET.

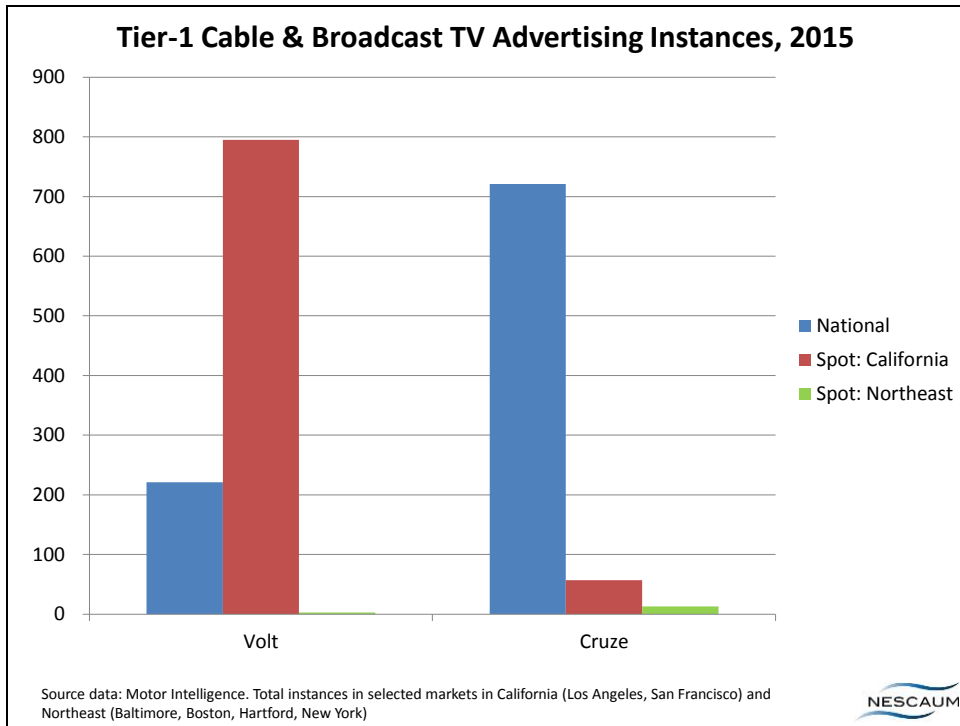
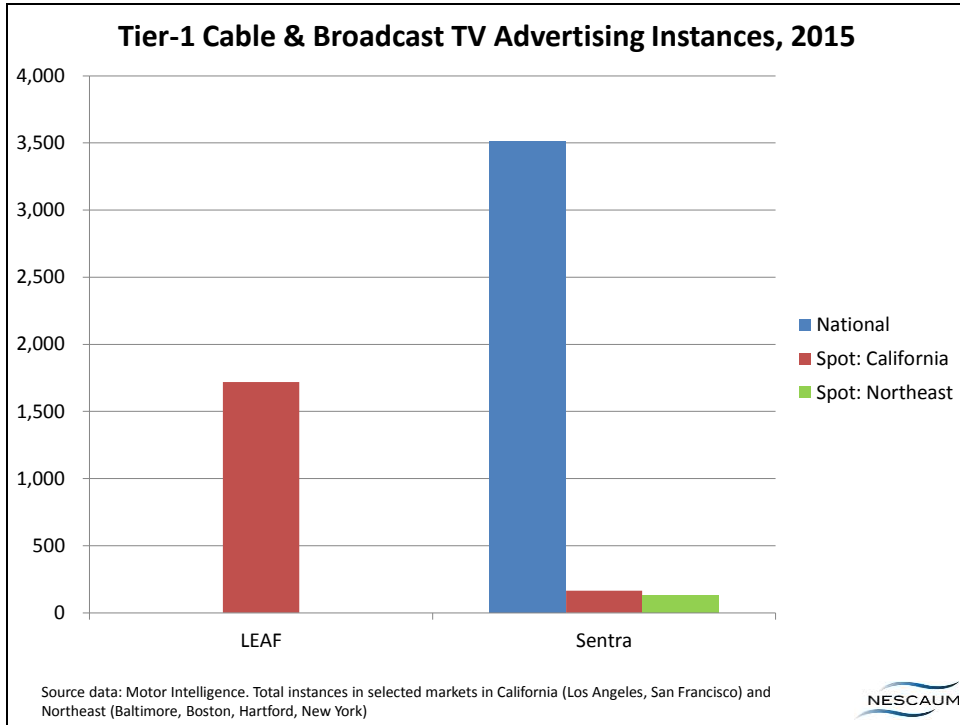


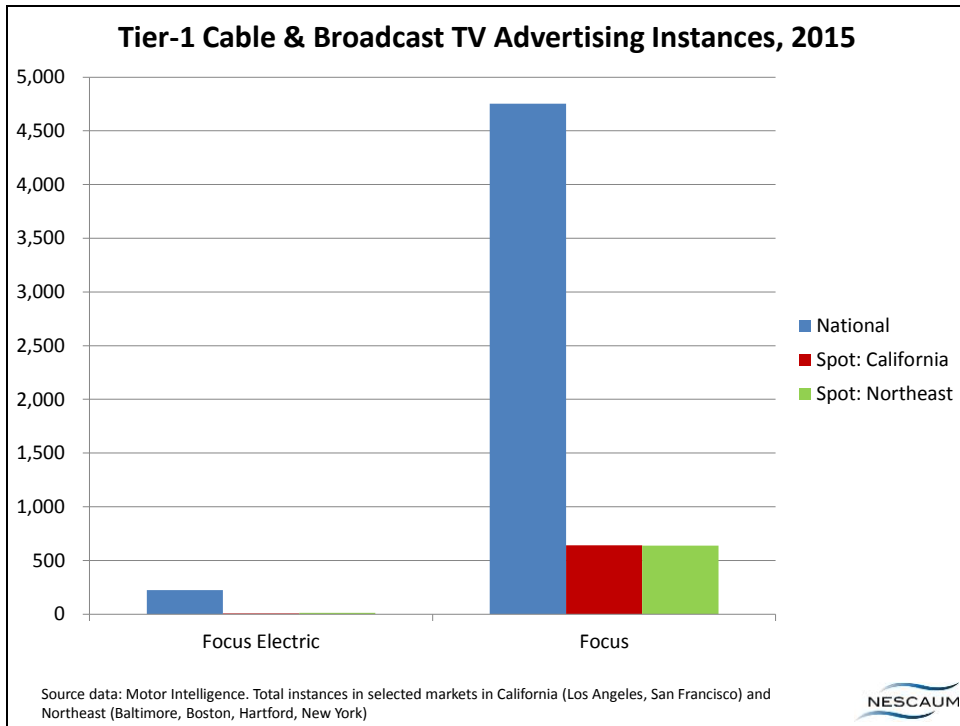
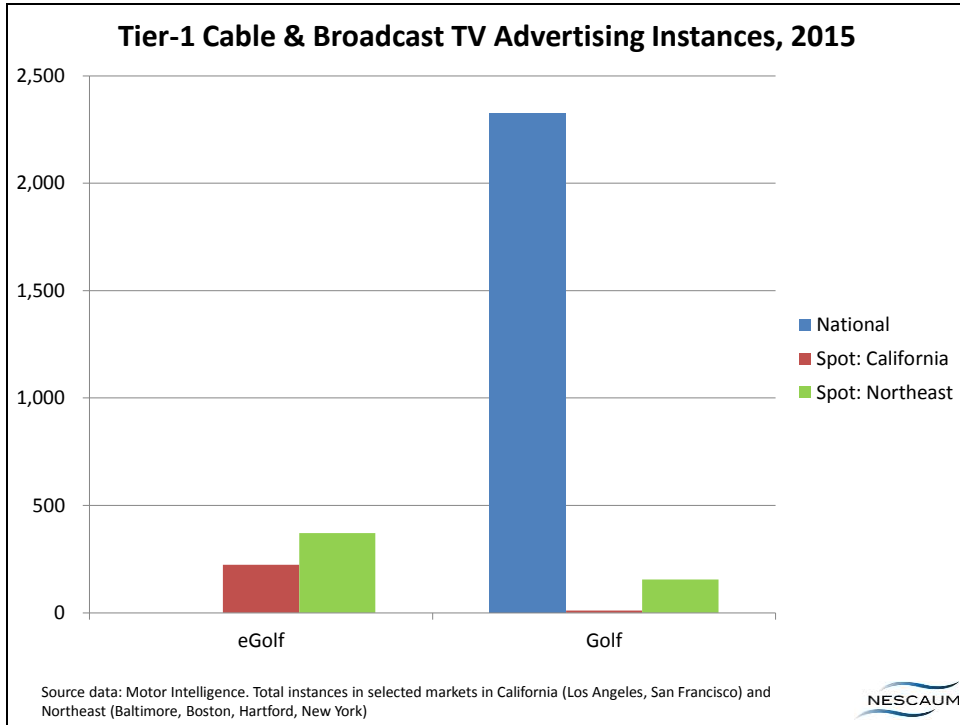
### Ad Spending, 2015

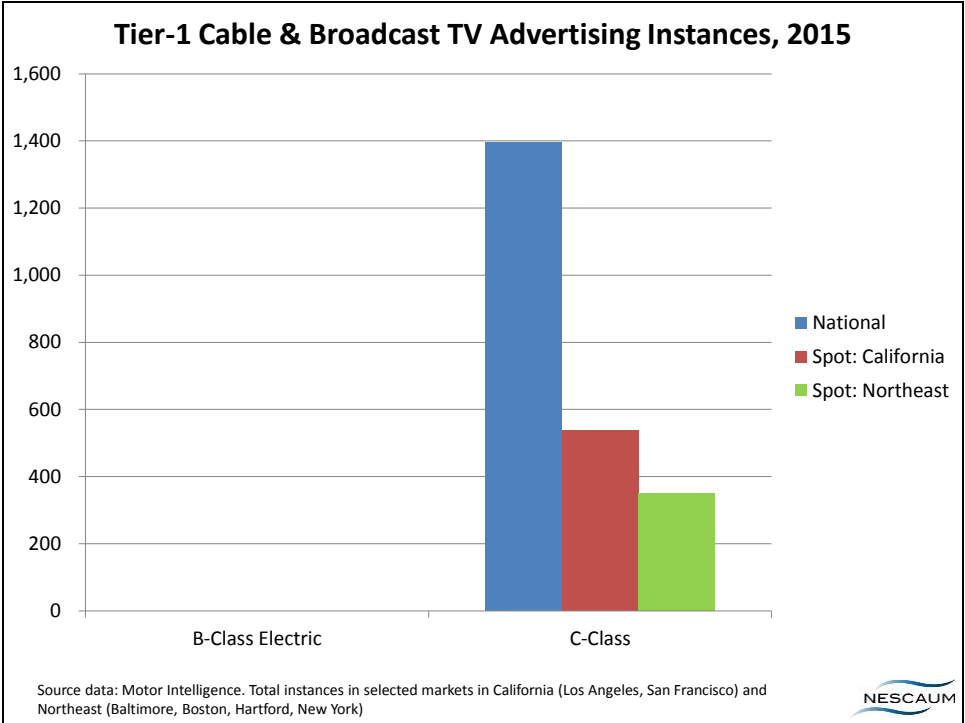


Source data: CompetiTrack. Estimated advertising expenditures in selected Designated Marketing Areas in California (Bakersfield, Fresno, Los Angeles, Sacramento, San Diego, and San Francisco); and Northeast States (Baltimore, Boston, Hartford, New Jersey, New York City, Providence, and Syracuse). Includes TV, radio, print, and online advertising.









Appendix C. NESCAUM Comments on EPA's Proposed Determination, December 2016.

December 30, 2016

Gina McCarthy, Administrator  
U.S. Environmental Protection Agency  
EPA Docket Center  
Air and Radiation Docket  
Mail Code: 28221T  
1200 Pennsylvania Avenue, NW  
Washington, DC 20460  
*Attention: Docket I.D. # EPA-HQ-OAR-2015-0827*

Re: *“Proposed Determination on the Appropriateness of the Model Year 2022-2025 Light-Duty Vehicle Greenhouse Gas Emissions Standards under the Midterm Evaluation”*

Dear Administrator McCarthy:

The Northeast States for Coordinated Air Use Management (NESCAUM) offers the following comments on the “Proposed Determination on the Appropriateness of the Model Year 2022-2025 Light-Duty Vehicle Greenhouse Gas Emissions Standards under the Midterm Evaluation” (Proposed Determination), issued by U.S. EPA on November 30, 2016. NESCAUM is the regional association of air pollution control agencies in Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Rhode Island, and Vermont. These comments reflect the majority view of NESCAUM members. Individual member states may hold views different from the NESCAUM states’ majority consensus.

NESCAUM commends EPA and supports its appropriate and timely determination. Following a thorough and diligent analysis of a broad range of technologies that could be used by automobile manufacturers to improve fuel efficiency and reduce greenhouse gas (GHG) emissions over time, EPA rightly concluded that the standards currently in place for MY 2022-2025 are achievable and appropriate. This determination will help to ensure continued progress in reducing GHG emissions from the light-duty fleet, with commensurate fuel savings for consumers, and benefits to local economies across the country.

We note, however, that EPA’s own analysis showed the potential for even further reductions in emissions. Given the serious challenges our states face in meeting their medium-and long-term GHG reduction goals, and considering that technologies are available today to provide even greater improvements than called for in the regulation, we will continue to look for opportunities to encourage the deployment of ever more efficient vehicles.

### **Importance of the ZEV Program**

While the National Program is successfully driving down GHG emissions from the on-road fleet, opportunities exist to strengthen the rule to bring its outcomes more in line with the original

program goal of a new vehicle fleet-average fuel economy of 54.5 miles per gallon (mpg) by 2025. Because the rule will not necessarily require the development and deployment of advanced electric-drive vehicles such as plug-in hybrid, battery-electric, and fuel-cell electric vehicles, additional complementary policies are needed to ensure that these technologies continue to develop. These advanced vehicles will be needed in very high volumes for our states to meet their mid- and long-term GHG reduction goals.

The NESCAUM states recognize that by 2050, zero- or near-zero emission vehicles will need to comprise nearly 100 percent of new vehicle sales to meet GHG reduction goals.<sup>1</sup> While the National Program must continue to drive innovation and reduce emissions and fuel consumption in the near-term, there must also be continued progress in the development and deployment of the advanced electric-drive technologies that will be needed in the 2025 to 2050 timeframe. The goals of the ZEV Program are unique and complementary to those of the National Program. Moreover, they are achievable, and essential for our states to remain on track to meet their GHG reduction targets.

The transportation sector is the largest source of GHG emissions in the Northeast. Most of the NESCAUM states, along with California, Maryland and Oregon, have adopted regulatory requirements to accelerate commercialization of electric vehicles and collectively are striving to ensure 3.3 million zero-emission vehicles are on the road by 2025, consistent with a Memorandum of Understanding (MOU)<sup>2</sup> signed in 2013 by eight state governors. These states represent 27 percent of the U.S. automobile market. While California has exclusive authority under the Clean Air Act (CAA) to set its own motor vehicle emission standards, CAA Section 177 provides other states with the right to adopt emission standards that are identical to California's in lieu of federal standards.<sup>3</sup> States in the Northeast have been using this authority for over two decades as part of a coordinated effort to reduce air pollution in the region. The ZEV Program has driven unprecedented investment and growth in zero-emission technologies over the past several years. Its implementation in northeast states is helping to lower ZEV costs through economies of scale, and expanding the range of product lines available to consumers.

The ZEV MOU was the start of an ongoing multi-state ZEV initiative to support the automakers in their efforts to promote and sell ZEVs into the markets in the Section 177 states, by helping to accelerate ZEV market growth in the near-term. The initiative is intended to complement a robust regulatory program in order to drive the market toward the transformation needed to help states reduce transportation-related air pollution and GHG emissions, enhance energy diversity, save consumers money, and promote economic growth. The partnerships formed and the ongoing work of this initiative remain critical to achieving the ZEV MOU goals.

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<sup>1</sup> See e.g. California Air Resources Board, "Draft Mobile Source Strategy Document", June 2016, and International ZEV Alliance, "COP21 Announcement", December 2015.

<sup>2</sup> State Zero-Emission Vehicle Programs Memorandum of Understanding (October 24, 2013). (<http://www.nescaum.org/documents/zev-mou-8-governors-signed-20131024.pdf>.)

<sup>3</sup> Section 177 of the Clean Air Act.



Transitioning the light-duty fleet to electric-drive will provide significant public-health benefits<sup>4</sup> while saving consumers money through reduced fuel use and overall operating costs. Opponents of the ZEV rule have argued that Northeast markets are unreceptive to ZEVs and cite low sales to date. However, ZEV sales requirements have not yet taken effect in states outside California,<sup>5</sup> and therefore most manufacturers have not attempted to market ZEVs in the Northeast.<sup>6,7</sup> Another recent study shows that there is much more that dealers can do to promote ZEVs.<sup>8</sup> Meanwhile, a recent survey<sup>9</sup> found very strong interest in electric vehicles among Northeast consumers as well as a high degree of compatibility with typical vehicle usage patterns.

## **Conclusion**

We commend EPA for its timely and well supported determination. We agree with the consensus finding that the 2022-2025 standards are feasible and appropriate. EPA considered a vast number of comments and conducted both its draft analysis and its updated analysis with thoroughness, professionalism, and a careful consideration of the many valid points raised by automakers. The Proposed Determination is an appropriate next step in the mid-term evaluation process, consistent with the requirements as set forth in the 2012 rulemaking, and with appropriate consideration of industry's need for long-term regulatory certainty. These standards are feasible, will reduce GHG emissions and cut oil use, and provide direct and tangible benefits to consumers. Meanwhile, the auto industry has just finished its most profitable year ever and has demonstrated clear capability of meeting or even exceeding these standards.

We thank EPA for noting the critical importance of continued GHG reductions that is consistent with well-established science, international agreements, and the protection of public health and welfare. We also agree with EPA in recognizing the specific need for a new set of light-duty vehicle emission standards for the post-2025 timeframe. The automakers are already capable of producing vehicles that are appealing to consumers while emitting far less GHG pollution than allowed under the 2022-2025 regulations. The industry continues to develop innovative vehicle technologies while driving costs down, and is doing so on a timeline well ahead of predictions, in large part because of the regulations currently in place. With the auto industry's successful track

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<sup>4</sup> American Lung Association in California, "Clean Air Future: Health and Climate Benefits of Zero Emission Vehicles," October 2016 (<http://www.lung.org/local-content/california/documents/2016zeroemissions.pdf>).

<sup>5</sup> ZEV sales requirements in other states are delayed until 2018 due to a clause in the rule known as the "travel provision."

<sup>6</sup> Union of Concerned Scientists, "Electrifying the Vehicle Market: Evaluating Automaker Leaders and Laggards in the United States," August 2016 (<http://www.ucsusa.org/sites/default/files/attach/2016/08/Electrifying-Vehicle-Market-full-report.pdf>).

<sup>7</sup> Sierra Club, "New Data Shows Auto Industry Failing to Advertise Electric Cars", December 2016. (<http://www.sierraclub.org/compass/2016/12/new-data-shows-auto-industry-failing-advertise-electric-cars>)

<sup>8</sup> Sierra Club, "Multi-State Study of the Electric Vehicle Shopping Experience," August 2016 ([http://sierraclub.org/sites/www.sierraclub.org/files/uploads-wysiwig/1371%20Rev%20Up%20EVs%20Report\\_09\\_web%20FINAL.pdf](http://sierraclub.org/sites/www.sierraclub.org/files/uploads-wysiwig/1371%20Rev%20Up%20EVs%20Report_09_web%20FINAL.pdf))

<sup>9</sup> Union of Concerned Scientists and Consumers Union, "Electric Vehicle Survey Methodology and Assumptions: Driving Habits, Vehicle Needs, and Attitudes toward Electric Vehicles in the Northeast and California," May 2016 (<http://www.ucsusa.org/sites/default/files/attach/2016/05/Electric-Vehicle-Survey-Methodology.pdf>).

record clearly laid out in EPA's Proposed Determination, we fully expect that this country's longstanding commitment towards achieving cleaner air can, and will, continue.

Sincerely,

A handwritten signature in black ink, appearing to read "Arthur N. Marin". The signature is written in a cursive style with a large initial "A" and "M".

Arthur N. Marin  
Executive Director

cc: NESCAUM Directors  
Chris Grundler – EPA OTAQ  
Mary Nichols, Richard Corey, Alberto Ayala – CARB