

**Testimony of
Northeast States for Coordinated Air Use Management
On Request for Waiver of Preemption
California State Motor Vehicle Pollution Control Standards
Advanced Clean Car Program
[EPA-HQ-OAR-2021-0562]**

**September 19, 2012
Washington D.C.**

My name is Matt Solomon. I am the Transportation Program Manager for the Northeast States for Coordinated Air Use Management. NESCAUM is an association of the air pollution control agencies in Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Rhode Island, and Vermont. I am speaking today in support of the request by the California Air Resources Board (CARB) for waiver of federal preemption for California's Advanced Clean Car Program. CARB's May 2012 waiver support document provides a solid demonstration that the standards embodied in the Advanced Clean Car Program meet relevant waiver criteria. NESCAUM supports California's effort to move forward with its standards and we ask EPA to expeditiously approve the California waiver request.

The criteria for granting or denying a waiver of federal preemption in accordance with Section 209(b) of the Clean Air Act are straightforward and CARB has done a systematic job of outlining and responding to those criteria in the current waiver request as well as in numerous past requests. Rather than reiterate their arguments, I will briefly emphasize some of the ways in which the Advanced Clean Car Program benefits manufacturers, consumers, and the environment, while at the same time supporting the waiver criteria.

The Advanced Clean Car Program is more protective of public health and welfare than the applicable federal standards. As a result of the new requirements criteria pollutant emissions will be reduced by 75 percent from 2010 levels. Moreover, the requirements for increased numbers of zero emission vehicles will help to facilitate additional reductions both in criteria and GHG pollutants in future years, while putting states on a path towards energy independence.

California needs separate standards in order to meet compelling and extraordinary conditions. California's unique geographical and climatic conditions demand a higher degree of protection from motor vehicle emissions. Numerous waivers have been previously granted on this basis.

The Advanced Clean Car Program incorporates long lead times in conjunction with flexibility mechanisms to facilitate manufacturer compliance. The amendments to the ZEV regulations provide manufacturers with a variety of compliance options. For example, credit requirements for intermediate volume manufacturers for model years 2015 through 2017 have

been reduced and limitations have been removed on carrying ZEV credits forward; The “travel provision” for battery electric vehicles (BEVs) has been extended through model year 2017; and manufacturers may now choose an optional compliance path that allows for pooling of credits earned for placement of plug-in hybrids from 2015 through 2021.

California has also provided additional compliance flexibility to facilitate achieving SULEV emission levels across the light-duty fleet. The separate NMOG and NO_x emission standards have been replaced with a combined standard for these pollutants, allowing manufacturers greater latitude while still ensuring reductions in smog-forming emissions. Implementation of the LEV III exhaust emission requirements for NMOG + NO_x is phased in over an 11-year period (2015-2025) and the credit mechanism for meeting fleet average requirements is expanded to include a five-year carry forward and a three year carry back mechanism. Small manufacturers are given even greater flexibility in terms of stringency of the standards and the phase-in period. Finally, with regard to the evaporative standards under LEV III, manufacturers are allowed to phase in set percentages of their fleets, beginning with 60 percent in 2018 and the 100 percent requirement extended out to model year 2022.

Granting the California waiver gives other states a critical option for reducing emissions to meet air quality goals. As you know, Section 177 of the Clean Air Act allows states to opt-in to California’s new motor vehicle emissions program. This option creates an opportunity for states to achieve additional reductions in criteria and GHG emissions in furtherance of their individual air quality goals. Seven of the eight states in the NESCAUM region have exercised this option, as have other states. Granting the waiver means that states will continue to have these flexibilities in crafting their air quality plans.

The Advanced Clean Car Program will facilitate deployment of advanced technology vehicles. This will expand consumer choice and provide attractive opportunities for citizens and businesses to send less of their money to overseas oil producers. Nearly every major automobile manufacturer has introduced or will be introducing production BEV and PHEV products within the next three years, and consumers are responding. Year-to-date sales of the Chevy Volt have quadrupled from a year earlier, indicating a strong trend toward increasing consumer acceptance of advanced technology vehicles. Moreover, the NESCAUM states have taken, and continue to pursue, measures to facilitate EV commercialization. The Advanced Clean Car Program, implemented in California and the Section 177 states, in conjunction with increasing consumer acceptance of these advanced technologies, will send positive market signals to the auto manufacturing industry, helping to mainstream these technologies.

Customers in our region want to purchase advanced vehicles. A recent review by the Center for Climate and Energy Solutions found potential for strong growth in demand for plug-in vehicles nationwide, and particularly in the northeast region. Consumers in our region have been among the most receptive to advanced vehicle technologies; total hybrid vehicle sales in the northeast region are comparable to those in California. Finally, a survey of consumer attitudes

by the McKinsey group found sufficient consumer demand for plug-in vehicles to comprise up to 16 percent of new vehicle sales in New York City by 2015.

In conclusion, we request expeditious approval of CARB's request, so that the citizens and businesses of California and the Section 177 states can continue to realize the economic and environmental benefits from this important program.

Thank you.