

October 19, 2012

U.S. Environmental Protection Agency  
EPA West (Air Docket)  
1200 Pennsylvania Avenue, NW  
Room B108, Mail Code 6102T  
Washington, DC 20460  
*Attention Docket ID No. EPA-HQ-OAR-2012-0562*

*Re: California State Motor Vehicle Pollution Control Standards; Advanced Clean Car Program; Request for Waiver of Preemption*

To Whom It May Concern:

The Northeast States for Coordinated Air Use Management (NESCAUM) provides these comments in support of California's request, pursuant to Section 209(b) of the Clean Air Act (CAA), for waiver of federal preemption for its Advanced Clean Car Program. NESCAUM is the association of state air pollution control agencies in Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Rhode Island, and Vermont. These comments reflect the views of the majority of the NESCAUM states.

Seven of our eight member states have exercised their option under CAA Section 177 to adopt and enforce California standards for new motor vehicles because of the added air quality benefits. We request that EPA expeditiously grant California's waiver request so that these states can continue to benefit from this important program.

The criteria for granting or denying a waiver of federal preemption are straightforward, and the California Air Resources Board (CARB) in its submittal to EPA 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 the points made by CARB, the purpose of these comments is to emphasize some of the ways in which the Advanced Clean Car Program benefits manufacturers, consumers, businesses and the environment.

### **The California Standards are More Protective of Public Health**

Populations in the Northeast continue to be exposed to unhealthy levels of ozone and other photochemical oxidants. In order to better protect public health, states must implement additional measures to reduce emissions of the ozone precursors nitrogen oxides (NO<sub>x</sub>) and non-methane organic gases (NMOG). The Advanced Clean Car Program aids in this effort by limiting the amount of these harmful gases that may be emitted by new vehicles. Granting the waiver means that states will continue to have this option in crafting their air quality plans.

As a result of the new requirements, by model year 2025 fleet-average NO<sub>x</sub> and NMOG emissions from new light-duty vehicles will be reduced by 75 percent from 2010 levels. This level of reduction is achieved by reducing fleet-average emissions to levels currently achieved by

vehicles certified to the super ultra-low emission vehicle (SULEV) standard. Under these fleet average requirements, manufacturers will still be able to produce and sell vehicles that are certified to less stringent standards than SULEV.

### **Long Lead Times and Flexibility Mechanisms Facilitate Compliance**

The Advanced Clean Car Program provides manufacturers with a variety of options for achieving compliance and ample time to make the necessary technological changes. For example, zero-emission vehicle (ZEV) 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. In addition, the “travel provision” for battery-electric vehicles (BEVs) has been extended an additional three model years, through 2017. To create even more flexibility, the amendments provide manufacturers an optional compliance path that allows for pooling of credits earned for placement of BEVs and plug-in hybrid electric vehicles (PHEVs) in the Section 177 states from 2015 through 2021. These changes will give manufacturers additional time to ramp up their ZEV and PHEV production volumes, and allow them additional flexibility in their deployment strategies.

The Advanced Clean Cars Program also includes flexibility mechanisms to facilitate compliance with the new fleet-average emission requirements. The separate NMOG and NO<sub>x</sub> 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 exhaust emission requirements is phased in over an 11-year period (2015-2025) and the credit mechanism is expanded to include a 5-year carry-forward and a 3-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, manufacturers are allowed to phase in set percentages of their fleets, beginning with 60 percent in 2018 and increasing to the 100 percent requirement in model year 2022.

### **Consumer Demand is Growing**

The Advanced Clean Car Program, implemented in California and the Section 177 states, is sending positive market signals to the auto manufacturing industry, helping to mainstream advanced emission control and zero-emission technologies. Nearly every major automobile manufacturer has introduced or will be introducing production BEVs and PHEVs within the next three years,<sup>1</sup> and consumers are responding. Year-to-date sales of the Chevy Volt have quadrupled from a year earlier,<sup>2</sup> indicating a strong trend toward increasing consumer acceptance of advanced technology vehicles.

A recent review by the Center for Climate and Energy Solutions<sup>3</sup> found potential for strong growth in demand for plug-in vehicles nationwide, and particularly in the northeast region. According to one study cited in its report, sales of plug-in electric vehicles are expected to grow at an annual rate of over 40 percent between 2011 and 2017, amounting to over 300,000 vehicles

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<sup>1</sup> Center for Climate and Energy Solutions, *Plug-In Electric Vehicle Deployment in the Northeast – A Market Overview and Literature Review*, Georgetown Climate Center (September 2012).

<sup>2</sup> *GM Says Report Calling Chevy Volt Big Money Loser is ‘Grossly Wrong’*, Detroit Free Press (September 11, 2012).

<sup>3</sup> Center for Climate and Energy Solutions, *op. cit.*

sold by 2017 for a cumulative total of 1 million vehicles. Consumers in the NESCAUM 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. The combination of high population densities, urbanization, and short commute distances makes the region especially suitable for widespread deployment of plug-in electric vehicles. Major corporations are also helping to lead the way. General Electric, headquartered in Connecticut, recently announced its intent to purchase 25,000 electric vehicles globally by 2015.<sup>4</sup> Finally, a survey of consumer attitudes by the McKinsey group<sup>5</sup> 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 urge EPA to expeditiously approve 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.

We would be pleased to further elaborate on any of these issues. If you have any questions, please feel free to contact Matt Solomon of my staff at (617) 259-2029.

Sincerely,



Arthur N. Marin  
Executive Director

cc: NESCAUM Directors  
Mary Nichols  
James Goldstene

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<sup>4</sup> *Developing an EV Ecosystem Strategy*, GE EV Experience Tour (2011).

<sup>5</sup> PlaNYC, *Exploring Electric Vehicle Adoption in New York City* (2010). Available at [http://www.nyc.gov/html/om/pdf/2010/pr10\\_nyc\\_electric\\_vehicle\\_adoption\\_study.pdf](http://www.nyc.gov/html/om/pdf/2010/pr10_nyc_electric_vehicle_adoption_study.pdf).