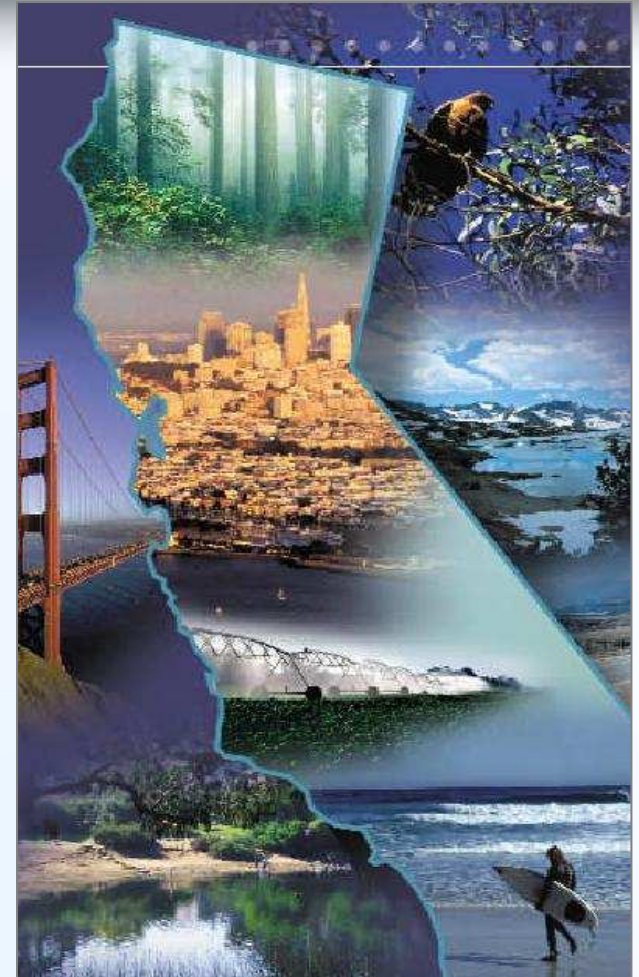




Public Hearing to Consider Amendments to New Passenger Motor Vehicle Greenhouse Gas Emission Standards for Model Years 2012-2016 to Permit Compliance Based on Federal Greenhouse Gas Emission Standards

Sacramento, California
February 25th, 2010





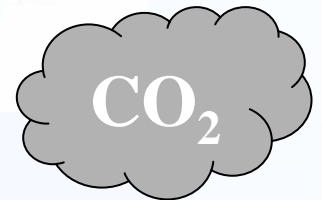
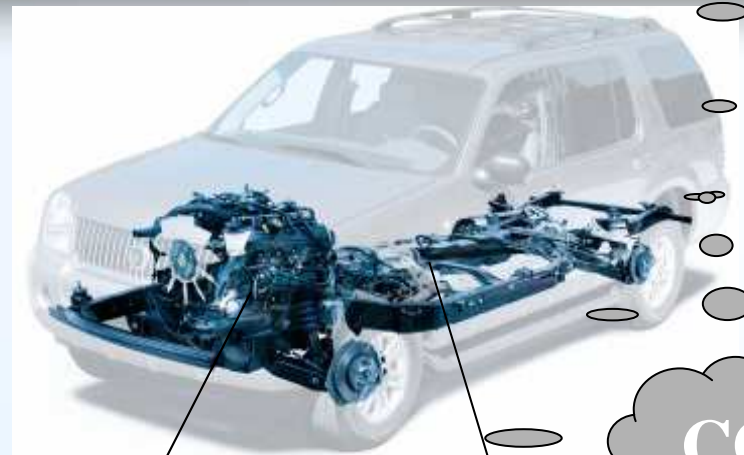
AB 1493 (Pavley) Regulations

- Regulations approved by Board September, 2004, adopted in final form August, 2005
- Maximum feasible and cost-effective reduction of greenhouse gases from new motor vehicles
- Regulations apply to 2009 and subsequent model years
- Waiver granted July 8, 2009



Pollutants Included

- Combined GHG emissions
 - (CO₂, CH₄, N₂O, HFCs)
- All vehicular GHG sources
 - (tailpipe, air conditioner)
- “CO₂-equivalent” emissions
 - (weighted according to “global warming potential”)



A/C compressor



Catalyst



Background

- Lawsuits
- Waiver
- Rose Garden Agreement
 - Mutual commitments made between the Obama administration, the auto makers, and ARB.
 - Announcement by President Obama on May 19, 2009.



Overview of the Commitments

- Automobile manufacturers will:
 - Drop lawsuits challenging the Pavley standards, and not challenge the waiver.
- U.S. EPA will develop national 50-state GHG standards starting in 2012 MY.
 - Equal or greater GHG reduction than California + 177 state program



Implementation of EPA's Commitment

- May 22, 2009 – federal notice of intent for joint rulemaking issued by U.S. EPA and NHTSA.
- NPRM published on September 28, 2009.
- Public comment period through November 27, 2009.
- Final rule expected to be released in March 2010.



California's Commitments

Parts 1 and 2

- Adopted by Board in September 2009
- California will:
 - Allow “pooling” of vehicle emissions in California, Washington D.C., and 177 states.
 - Allow use of CAFE data for compliance demonstration
- California's ongoing authority unaffected under Clean Air Act.

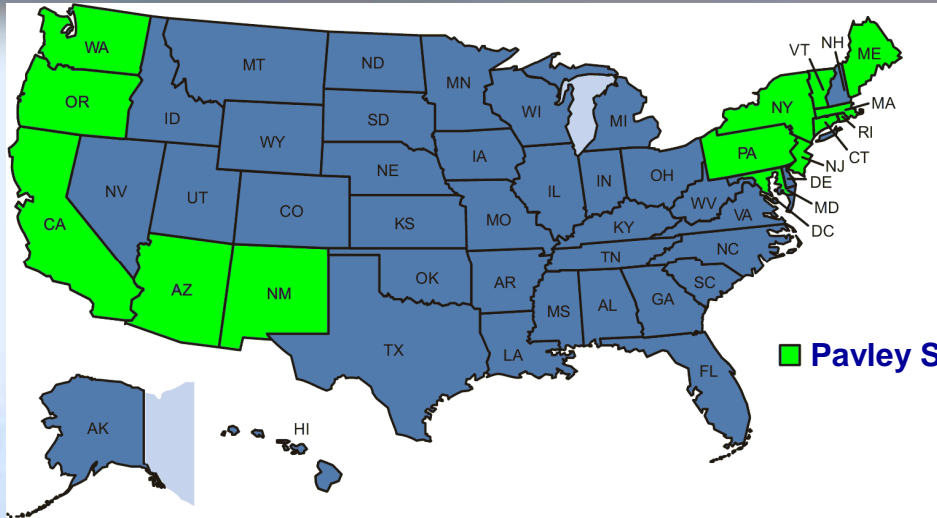


Staff Proposal Implements California's 3rd Commitment

- California will:
 - Allow compliance with national GHG standard between 2012 and 2016 to be recognized as complying with the California requirements.
- Staff has been working with EPA on the development of their rule, and we expect that the final rule will preserve the benefits of the Pavley regulations.



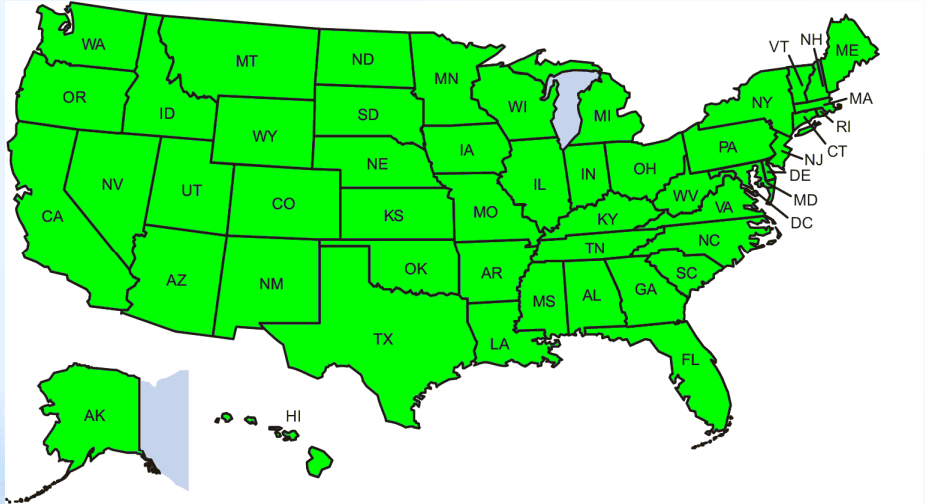
Cumulative 2016 Nationwide GHG Benefits



■ Pavley States

CA+177 States Pavley
Other States CAFE
241 MMT reduction

Proposed National GHG Standards
286 MMT reduction





Summary

- Proposal implements third commitment made by California in May agreement
- No significant environmental or economic impact of proposal
- Staff recommends that the Board adopt the staff proposal