



Public Hearing to Consider Amendments to the Advanced Clean Car Regulations to Incorporate the New Federal Motor Vehicle Greenhouse Gas Emission Standards



**Sacramento, California
November 15, 2012**

Summary: Today's Proposal

- » **Allows vehicle manufacturers to comply with U.S. EPA GHG requirements in lieu of ARB requirements for MY 2017-2025**
 - > Current ARB regs. allow this for MY 2012-2016
 - > Fulfills a commitment made last year
 - > Will provide equivalent GHG emission reductions
- » **ARB GHG regs. remain on the books**
- » **Doesn't affect other ARB regs.**
 - > LEV 3 criteria emissions
 - > ZEV 2 requirements

Background

- » **May 2010: Presidential Memorandum**
- » **2010-2011: Federal/California technical coordination**
 - > Sept. 2010: Joint report lays out what is feasible and cost effective
 - > July 2011: Agreement on standards reached; announced in Rose Garden and Notice of Intent
 - > Aug. 2011: EPA notice of proposed rulemaking issued
- » **Final rules adopted**
 - > Jan. 2012: ARB
 - > Oct. 2012 EPA



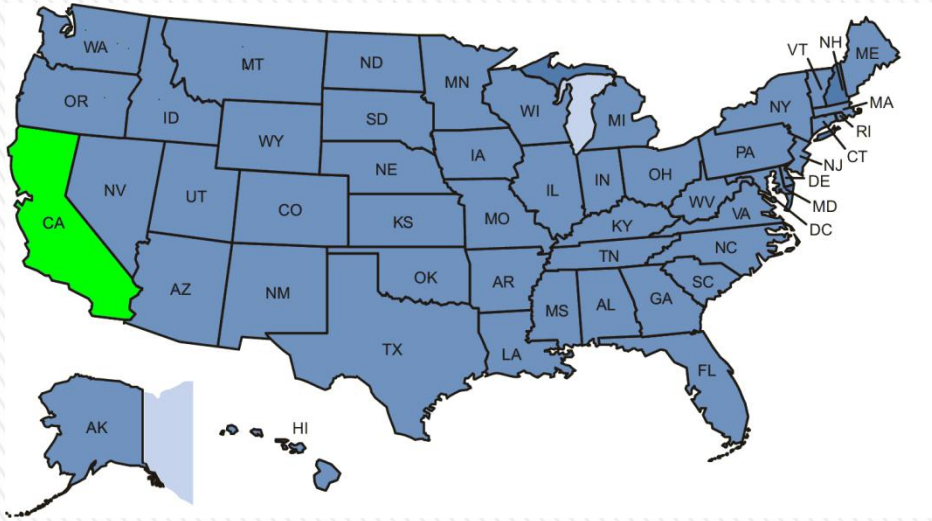
Overview of California's Post-Rose Garden Commitments

1. Not oppose federal 2017-2025 MY GHG standards if substantially same as July 2011 Notice of Intent (NOI) ✓
2. Revisions to ZEV program for the 2018-2021 MYs to allow over-compliance with the federal GHG standards to reduce in part a manufacturer's ZEV obligation ✓
3. Adopt federal GHG standards option for 2017-2025 MYs if substantially same as July 2011 NOI

Differences Between the Federal and California GHG Standards Remain

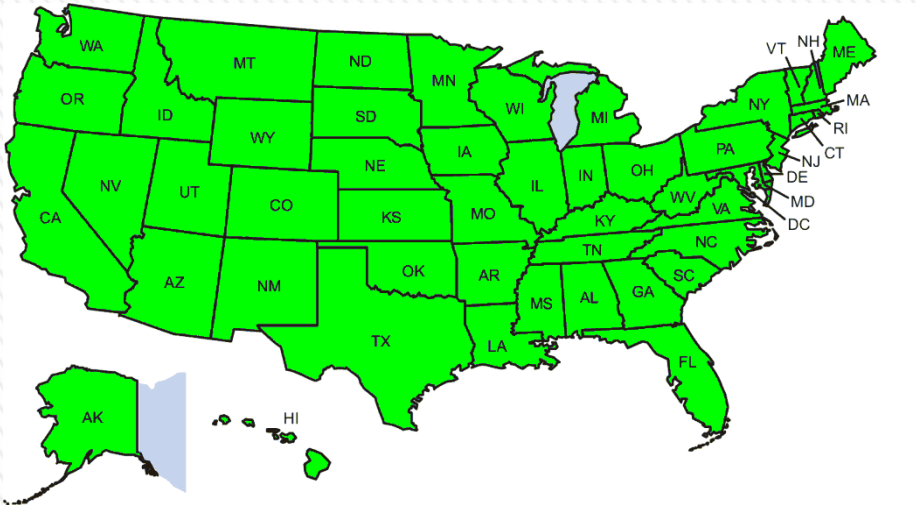
- » Federal program does not account for upstream GHG emissions of advanced vehicle technologies.
- » Federal program provides vehicle multipliers for advanced technology vehicles.
- » Minor differences in how credits are earned for off-cycle and air conditioning technologies.

Cumulative 2050 Nationwide GHG Benefits



California GHG Standards
43 MMT reduction without
“deemed to comply” provision
4.5% loss in benefit in CA with
“deemed to comply provision”

National GHG Standards
569 MMT reduction



Minor Changes to Regulations

- » Changes to the CO Standards for MDVs
- » Changes to the High Mileage Testing Requirements
- » Additional minor modifications to regulations

Proposed 15-Day Changes

- » Additional flexibility for LEV II SULEVs during the transition to LEV III
- » Additional clarifying and non-substantive modifications

Relationship to Pending ACC Waiver

- » Waiver request submitted to U.S. EPA in May, 2012
- » California's program meets waiver test now
- » No basis exists to deny California's request, USEPA must grant a waiver for LEV III/GHG and ZEV for all MYs
- » Nevertheless, if current proposal approved, U.S. EPA may consider its adoption.

Summary

- » Proposal implements final California commitment to the 2017-2025 MY National GHG Program
- » No significant environmental or economic impact of proposal
- » Staff recommends adoption of the staff proposal

