October 21, 2020

California Air Resources Board 1001 I Street Sacramento, CA 95814

## COALITION FOR CLEAN AIR COMMENTS ON WORKSHOP DISCUSSION DRAFT: 2020 MOBILE SOURCE STRATEGY

## **Overall Comments.**

With the vast majority of California's air pollution coming from transportation, the Mobile Source Strategy is a vital tool for planning measures that will deliver the emission reductions essential to allowing our residents to breathe healthy air. The discussion draft includes a number of measures that we support because they will cut pollution that is damaging the health of Californians.

Unfortunately, the draft does not actually show numbers of emission reductions that add up to bringing the state into attainment by the deadlines set by the federal government pursuant to the Clean Air Act. Californians suffering from the worst smog and particle pollution in the country need relief now.

### Shortfall in Incentive Funds.

The draft projects a need of \$15.4 - 29.2 billion through 2025, but presents no plan for actually obtaining the funds. CCA strongly supports the use of incentive funds to advance clean technologies and to hasten the replacement of dirty older engines with new cleaner technologies, and we actively advocate every year for the allocation of incentives to ARB and the air districts for these purposes. But we have cautioned in the past against over-relying on the prospect of future funding that is far from guaranteed, and our fears have been borne out by events.

There is a huge shortfall between the projected need and any realistic forecast of available funds. The largest source of incentive dollars in recent years, the Greenhouse Gas Reduction Fund, waxes and wanes with auction results. Most of the GGRF is continuously appropriated to other programs, and clean transportation has to compete for the scarce remaining dollars with several other worthy programs. The state's General Fund is in a very stressed condition because of the recession caused by the global pandemic.

For these reasons, CARB should expect to have far fewer dollars than the \$3.1-\$5.8 billion per year that the draft projects as needed, and should plan for other measures to achieve the necessary emission reductions.

#### **Fuels: Strengthen and Extend LCFS.**

Executive Order N-79-20 (which we strongly support) says that CARB, "in consultation with other State agencies, shall develop and propose strategies to continue the State's current efforts

to reduce the carbon intensity of fuels beyond 2030 with consideration of the full life cycle of carbon." The EO acknowledges that "California is already working to decarbonize the transportation fuel sector through the Low Carbon Fuel Standard, which recognizes the full life cycle of carbon in transportation emissions including transport into the State," and that "clean renewable fuels play a role as California transitions to a decarbonized transportation sector."

Indeed, the LCFS has proven to be an effective tool in beginning the long transition of transportation fuels away from petroleum, and has successfully stimulated investments in cleaner alternatives like electricity, hydrogen, renewable diesel and biomethane. A stronger LCFS could do more to wean our transportation system away from its oil addiction and reduce the emissions from our trucks, cars and buses. Therefore, the Mobile Source Strategy should include a plan both to strengthen the LCFS' 2030 target and to extend the LCFS past 2030.

# The Advanced Clean Cars Rule Should Tighten Criteria Emissions Standards.

While we strongly support the transition to zero emission technologies as rapidly as is possible, we know that we must also strengthen controls on the combustion fleet and ensure real-world benefits of those stronger standards, and the Advanced Clean Cars rulemaking is the venue for those improvements.

We strongly urge CARB to put an end to program design elements that lead to more on-road emissions and health impacts in California communities. The goal of the ACC II criteria emissions program must be to tighten standards and secure real-world clean air and health benefits for 2026 and beyond. Specifically:

- 1. We encourage CARB to remove zero emission vehicles from the fleet average standards for criteria pollutants. The current inclusion of ZEVs in the fleet average approach allows for non-ZEVs to be certified to higher emission levels to balance out zero emission vehicles, raising concerns of disparities in pollution burdens in communities with lower ZEV penetration rates. All combustion vehicles must be held to tighter standards that drive innovation rather than allowing higher emitting vehicles to counteract the benefits of zero emissions. We are especially concerned that the higher emitting combustion vehicle classes may be concentrated in lower-income communities.
- 2. We support CARB tightening the NOx/NMOG standard from 0.03 to 0.02 grams/mile and eliminating higher-polluting vehicle certification categories. These actions will ensure continued progress in reducing ozone-forming pollutants and ensure that automakers shift production away from higher-polluting vehicle options.
- 3. We support ending emissions certification testing flexibilities that allow excess emissions. At present, the composite emissions testing certification allows manufacturers to meet a weighted average composite test while far exceeding the individual test limits. CARB should eliminate the weighted average composite option that likely increases pollution burdens.
- 4. We urge CARB to tighten the evaporative emissions standard to reflect real-world performance. At present, the evaporative emissions of ozone-forming reactive organic gases from passenger vehicles exceed the tailpipe emissions. Despite the standard for

"running losses" during vehicle operation being set to 0.05 grams per mile, nearly 90 percent of vehicles perform at or below 0.010 grams per mile.

- 5. We support CARB ensuring heavier passenger vehicle emissions are controlled in real-world driving conditions. We appreciate that CARB intends to explore necessary changes in certification and operational impacts of heavier vehicles included in the rule.
- 6. We support strengthening particle pollution standards, testing and real-world performance standards. Because of the well-documented carcinogenic, cardiovascular and respiratory health impacts of fine particle pollution, public health advocates were vocal in support of the establishment of the 1 mg/mile particle pollution standard included in the 2012 Advanced Clean Cars standards. We believe that the next round of California standards should build on that strong standard and address the impacts of real-world driving conditions and other factors that are interfering with attainment of those health-protective levels. We encourage CARB to take the following steps:
  - 1. Set a stronger particle standard on the US06 test cycle to ensure more vehicles achieve the 3 mg/mile standard on the way to the 1mg level by 2027.
  - 2. **Tighten cold start, idling, engine soak testing requirements** to address emissions at vehicle start up.
  - 3. Address high-power cold start emissions from Plug-In Hybrid Vehicles (PHEVs). High-power cold starts (e.g. gas engines kick in on freeway on-ramps under high power demand) can create high emission events, especially in the heavier vehicle classes where these emissions can be far in excess of the certified vehicle levels. These impacts must be addressed to ensure stronger controls for rolling cold starts.

# **Expand Car Scrappage.**

Absent from the draft is any plan for getting older gross-polluting cars off the road. Since it has been estimated that about 50 percent of the light-duty smog in California comes from only 10-15 percent of the vehicles, scrappage of these high emitters is an effective way to reduce pollution.

The Clean Cars 4 All project, funded by CARB and administered by several air districts, has already succeeded in scrapping thousands of older high emitting cars, with most participants replacing those clunkers with advanced clean cars. Expansion of CC4A should be included in the Strategy.

#### Set a Strong Clean Miles Standard.

The Clean Miles Standard (CMS) required by SB 1014 (Skinner, 2018) is a critical opportunity to ensure that an industry with an increasing climate footprint invests in the transition to electrification. The law directed CARB to develop a regulation that increases the deployment of ZEVs by Transportation Network Companies and to reduce greenhouse gas emissions per passenger mile. We are concerned that the draft target being developed by CARB staff falls far short of what is needed, and presumes no investment by companies to support drivers transitioning to EVs.

Since the CMS regulation process has begun, two major TNC companies, Lyft and Uber, have announced their intention to fully electrify fleets to zero-emission beginning in 2030. However, the Standardized Regulatory Impact Assessment (SRIA) released for the Clean Miles Standard indicates that ARB is not currently planning to hold companies to the promises they have publicly made. The draft proposal would require that 60% of vehicle miles traveled by ridehailing vehicles be in a ZEV vehicle by 2030. Because some vehicles travel more miles than others, ARB staff estimates that **only 30% of ride-hailing vehicles would be required to be ZEVs by 2030**. Additionally, the proposed GHG standard would need to be met almost entirely through vehicle electrification and would not require companies to make progress on other strategies, such as reducing deadheading and shifting passengers into pooled rides.

We recommend that the standard rise to the level that the companies have committed, and live up to the ambition of Governor Newsom's target of 100% new EV sales by 2035.

## **Reduce Vehicle Miles Travelled to Achieve Emission Reductions.**

We strongly agree with the draft on the need to curb growth in vehicle miles travelled and reduce auto dependence. As the draft recognizes, the state is not on track to meet the GHG emissions reductions expected under SB 375, because emissions from passenger vehicles are increasing as per capita VMT growth is outpacing technology gains. Many of the solutions to this problem are not available to CARB, but CARB should use SB 375 to bring about land use changes that reduce greenhouse gas emissions from personal transportation, as the law intended.

### **Expedite Heavy-Duty Inspection and Maintenance Rule.**

SB 210 (Leyva, 2019) requires CARB to implement an inspection and maintenance program which will require that all heavy-duty vehicles operating in California have properly functioning emissions controls systems. The draft says that "This program will be implemented beginning in 2023/2024." That timeline is too slow for communities that desperately need these emission reductions from a law that was enacted in 2019. We urge the agencies involved to start the I&M program in 2022.

#### **Retire Dirty Old Diesel Trucks.**

While the Truck and Bus Rule will require retirement of virtually all pre-2010 diesel trucks, attaining the NOx reductions necessary to meet national clean air standards will require additional turnover. In fact, the draft states that "approximately 94,000 heavy-duty vehicles would need to be scrapped and replaced with zero-emission technologies." But the document includes no plan for making that happen. At a minimum, CARB could establish that diesel trucks reaching the end of their useful lives are ineligible to operate in California.

#### Accelerate Zero-Emission Transition for Small Off-Road Engines.

Given the combination of exhaust and evaporative emission impacts from this sector and growing awareness of failure rates coupled with the growing availability of zero emission options today, we urge CARB to accelerate the zero-emission equipment transition to 2023,

a timeline that is technically feasible and brings significant benefits. Despite widespread adoption of zero emission technology at the household level, commercial users are slower to transition, making a forward-looking rule necessary.

#### Establish a Greenhouse Gas Standard for Ocean-Going Vessels.

CARB should add to its off-road strategy a focus on decreasing the carbon equivalent ("CO2e") intensity of OGVs and increasing the range of low/zero-carbon and renewable OGV fuel alternatives in a timeline consistent with the International Paris Climate Agreement. CARB should require linear CO2e improvements per ship of at least 80% by 2030 based on ships' 2008 baseline reported to the International Maritime Organization ("IMO") or an equivalent California baseline.

According to the 2017 San Pedro Bay Ports Clean Air Action Plan, ships are the primary source of emissions at California ports. Fossil fueled OGVs are massive climate polluters that cause significant air pollution globally and acutely in port communities. OGVs emit large amounts of climate-warming carbon dioxide ("CO<sub>2</sub>"), methane ("CH<sub>4</sub>"), and black carbon. Fossil fueled OGVs produce nitrogen oxide ("NOx"), sulfur oxides ("SOx"), and particulate matter ("PM") emissions, all of which cause grave health impacts.

## Focus on Equity and Community Air Protection.

Air pollution and climate change do not affect all Californians equally – their adverse impacts fall disproportionately on low-income communities of color. For this reason, CARB should prioritize reducing pollution in those communities, through investments, enforcement and regulation. The Community Air Protection program established by AB 617 (C. Garcia, 2017) is supposed to provide relief to those communities facing the worst cumulative impacts from air pollution. The Community Emission Reduction Programs adopted so far have included many laudable elements but too few additional emission reductions. The Mobile Source Strategy should include measures that are targeted to reduce emissions in the most impacted communities.

Thank you for considering our views.

Respectfully Submitted,

Bill Magavern

Bill Magavern Policy Director