



December 6, 2024

Clerks' Office
California Air Resources Board
1001 I Street
Sacramento, California 95814

Re: Stellantis' Comments to CARB's Second Notice of Public Availability of Modified Text of the Proposed Amendments to the Advanced Clean Trucks Regulation and the Zero-Emission Powertrain Certification Test Procedure

Stellantis respectfully submits the following comments in response to CARB's proposed Amendments to the Advanced Clean Trucks Regulation and the Zero-Emission Powertrain Certification Test Procedure posted on November 21, 2024 (Proposed Amendments).¹

Introduction to Stellantis

On January 16th, 2021, Fiat Chrysler Automobiles N.V. merged with Peugeot S.A to form Stellantis N.V.² The merger allows for the efficient allocation of resources for large-scale investments in platforms, powertrains, and technology. The merged entity makes Stellantis a leading global mobility player guided by a clear mission: to provide freedom of movement for all – through electrified vehicles, autonomous driving and digital connectivity. Stellantis has a U.S. workforce totaling 52,000 employees. Additionally, our manufacturing footprint includes six assembly plants, three engine plants, two stamping plants and four Powertrain plants, some of which are currently supporting the move to electrification by producing next generation multiuse transmissions and power electronics modules.

Our Company's strength lies in the breadth of our iconic brand portfolio and our deep roots and commitment to the communities in which we operate. Stellantis designs, manufactures, and sells vehicles in North America under the Chrysler, Dodge, Jeep, Ram, Fiat, Alfa Romeo and Maserati brands. Since 2009, the Company has created more than 30,000 jobs, including 22,500 hourly positions. Stellantis has committed to invest over €30 billion (euro) globally in vehicle electrification and software to help reduce greenhouse gas emissions – an important consideration for our customers, U.S. energy security, and the environment.

Stellantis is Committed to Developing the Needed Electrified Products

On August 5th, 2021, Stellantis, the UAW, and others from industry joined President Biden at the White House and supported his new call to achieve increased electrified vehicle sales by 2030. In addition, the United States Secretary of Energy signed a non-binding memorandum of understanding for COP27 which calls for 30% zero-emission commercial delivery vehicles, buses, and trucks by 2030.

On March 1st, 2022, Stellantis reconfirmed its commitment to spend over €30 billion globally to support electrification, including a targeted 50% electric vehicle (EV) mix for the passenger car and light truck fleet in the U.S. by 2030 (assuming conducive public policies). This includes investments in developing

¹Proposed Amendments to the Advanced Clean Trucks Regulation and the Zero-Emission Powertrain Certification Test Procedure (November 21, 2024) available at <https://ww2.arb.ca.gov/rulemaking/2024/advancedcleantrucks>

² Despite the merger, FCA US LLC remains the primary subsidiary doing business in the United States. The company is hereinafter referred to as "Stellantis."

four all-new electric platforms. These platforms will unlock new facets of our brands, taking their efficiency and performance to the next level. We are also a front-runner in hydrogen technology and, late in 2021, we were the first to deliver hydrogen fuel cell vans in Europe.

Stellantis generally supports comments submitted by the Alliance for Automotive Innovation (AAI) and the Truck and Engine Manufacturers Association (EMA) to the second set of proposed 15-day changes. Stellantis offers the following comments to the second 15-day changes to the Proposed Amendments that the agency should incorporate into amendments to the ACT regulation:

- Certification of Incomplete Class 2b/3 vehicles
- Three Year Deficit Make-Up Period
- Inclusion of Medium-Duty NZEVs in ACT and ACCII
- Removal of the word “ultimate”
- Include Credit Pooling

Certification of Incomplete Class 2b/3 Vehicles

Stellantis agrees with the proposed change that provides Class 2b incomplete vehicles with the same cert options as complete Class 2b/3 ZEVs under section 1963.2(i).

However, incomplete class 3 vehicles can only certify to ZEP or ACC II 1962.4 pathways. Stellantis requests that CARB also allow ACCI certification through optional inclusion of incomplete Class 3 ZEVs in Section 1963.2(i) with the following change to the regulatory text (changes in **bold** text):

Certification to Receive ZEV Credit for Complete Medium-Duty Vehicles, **and** Incomplete Class 2b Vehicles, **and optionally for incomplete Class 3 Vehicles in lieu of 1963.2 (h)**. On-road complete medium-duty ZEVs from 8,501 through 14,000 pounds GVWR, **and** on-road incomplete medium-duty ZEVs from 8,501 through 10,000 pounds GVWR **and optionally incomplete medium-duty ZEVs from 10,001-14,000 lbs. GVWR** produced and delivered for sale in California must meet the requirements of either the Zero-Emission Powertrain Certification Regulation in 13 CCR section 1956.8(a)(8) and 17 CCR section 95663(d), 13 CCR section 1962.2, 13 CCR section 1962.4, or the certification procedures in sections B, D, and F(1-5) of the “California Exhaust Emission Standards and Test Procedures for 2018 and Subsequent Model Year Zero-Emission Vehicles and Hybrid Electric Vehicles, in the Passenger Car, Light-Duty Truck and Medium-Duty Vehicle Classes” as amended on September 3, 2015, which is incorporated by reference herein, to receive ZEV credit under section 1963.2.

Three Year Deficit Make-Up Period

Stellantis remains concerned regarding section 1963.3(b) of the proposed amendments, where CARB clarifies language regarding how manufacturers should make up deficits over the 3-year carry-over period. The issue is that the updated clarifying language appears to have limited the flexibility of the extended deficit make-up period when there is more than one year with a shortfall in any 3-year period. Stellantis recommends modifying the regulatory language of the make-up period to allow each deficit-generating model year to have its own 3-year make-up period, independent of other deficit-generating model years. Also, Stellantis notes that the example in the regulatory text to reflect 3-year carry back is wrong – a 2024MY deficit should be made up by 20207MY, not 2026MY as shown.

Inclusion of Medium-Duty NZEVs in ACT and ACCII

Stellantis supports CARB's decision to include NZEV in section 1963.2(j) which allows medium-duty NZEVs to generate a credit in either the ACC II or the ACT regulation. Further changes are required in ACC II in order to accept the medium-duty NZEV credits.

Removal of the word "ultimate"

Stellantis recommends that CARB remove the word "ultimate" in section 1963 (g)(2), 1963.4 (a) (13), 1963.4 (d) (1). This aligns with the Clean Truck Partnership agreement to implement a "delivered for sale in California" requirement.

Include Credit Pooling

In the Clean Trucks Partnership, there was an agreement to consider credit pooling across states that adopt the ACT rule. CARB just released an initial draft, but it only applies to Class 7-8 tractors which is unacceptable. All medium and heavy-duty ZEVs subject to the ACT rule need this flexibility. Lack of pooling can lead to market distortions and sales biasing in an attempt to achieve uniform ZEV sales across all ACT states regardless of the infrastructure readiness or other supportive measures (i.e., incentives) in each state. Stellantis supports credit pooling as a means of maximizing ZEV sales and as a compliance enabler to the ACT rule.

Recommendations and Conclusion

Stellantis recommends CARB's final amendments incorporate the regulatory changes detailed above and summarized below to accommodate the Clean Trucks Partnership, potential market fluctuations and other variables outside of manufacturers' control.

- Extend ACC I Certification requirements through adoption of the second 15-day changes that add the ACC I test procedure to ACT as a Medium-Duty Certification option.
- Support a three-year carryback period without additional constraints.
- Modify regulations to ensure medium-duty PHEVs can optionally generate an ACC II ZEV credit as intended in the ACT rule.
- Support credit pooling for all medium and heavy-duty classes.

Stellantis appreciates CARB Staff's consideration of our comments and recommendations. Stellantis believes these changes are a win-win for CARB and the medium and heavy-duty vehicle industry. Stellantis stands ready to answer questions and work with the CARB towards feasible amendments to the ACT regulation.

ON BEHALF OF STELLANTIS

A handwritten signature in black ink, appearing to read "Gary Oshnock".

Gary Oshnock
Director of Environmental Regulation
Stellantis