FINDINGS and STATEMENT OF OVERRIDING CONSIDERATIONS FOR THE PROPOSED

Advanced Clean Cars II Program

California Air Resources Board

1001 I Street

Sacramento, California 95814

Date of Release: August 24, 2022

Introduction

The California Air Resources Board (CARB) has proposed a suite of regulatory amendments that comprise the *Proposed Advanced Clean Cars II Program*. This proposal will drive the sales of zero emission vehicles (ZEV) to 100-percent ZEVs in California by the 2035 model year, including battery electric vehicles (BEV) and hydrogen fuel cell electric vehicles (FCEV) and the cleanest-possible plug-in hybrid-electric vehicles (PHEV), while reducing smog-forming emissions from new internal combustion engine vehicles (ICEVs).

As the lead agency for the *Proposed Advanced Clean Cars II Program* (Proposed Program or Proposed Project), CARB prepared a Draft Environmental Analysis (EA) under its certified regulatory program (Cal. Code Regs., tit. 17, §§ 60000 – 60008) to comply with the California Environmental Quality Act (CEQA) (Pub. Resources Code, § 21000, *et seq.*). The Draft EA, entitled *Draft Environmental Analysis prepared for the Proposed Advanced Clean Cars II Program*, included as Appendices E-1, E-2 and E-3 to the Staff Report (Initial Statement of Reasons) for the Proposed Program, analyzed the potential environmental impacts associated with the Proposed Program. Following circulation of the Draft EA for a public review and comment period from April 12, 2022, through May 31, 2022, CARB prepared the *Final Environmental Analysis prepared for Proposed Advanced Clean Cars II Program* (Final EA), which includes minor revisions to the Draft EA. While updates have been made to the EA as reflected in the Final to ensure it accurately reflects the Proposed Program, these changes merely clarify, amplify, or make insignificant modifications to the otherwise-adequate Draft EA. These modifications would not result in any new reasonably foreseeable significant environmental impacts or substantially increase the severity of an identified environmental impact. The Draft EA's findings, overall significance conclusions, mitigation measures, and alternatives adequately address the environmental review for the proposed modifications. Therefore, there is no significant new information that would require the EA to be recirculated. The Final EA was posted on CARB's webpage on August 24, 2022.

This statement of findings and overriding considerations was prepared to comply with CEQA's requirement to address the environmental impacts identified in the Final EA. (Pub. Resources Code, §§ 21081, 21081.6; Cal. Code Regs, tit. 14, §§ 15091, 15093.) The Final EA is based on the expected compliance responses of the regulated entities covered by the Proposed Program. Although the policy aspects and requirements of the Proposed Program would not directly change the physical environment, potential indirect physical changes to the environment could result from reasonably foreseeable actions undertaken by entities in response to the Proposed Program, predominantly manufacturers of passenger cars and light- and medium-duty vehicles. These indirect impacts are the focus of the programmatic-level impacts analysis in the Final EA.

Collectively, across all categories, the Final EA concluded that the reasonably foreseeable compliance responses associated with the Proposed Program could cause the following short-term and long-term impacts. The predominant impacts are beneficial impacts to air quality (long-term due to lower emissions from operating the vehicles regulated under the Proposed Program) and GHG emissions. There are also less than significant impacts, or no impacts, to energy (as distinguished from utility systems, below), land use, mineral

resources, population and housing, public services, recreation, and wildfire. However, there are potentially significant adverse impacts to aesthetics, agricultural and forest resources, air quality (due to short-term, construction-related emissions), biological resources, cultural resources, geology and soils, hazards and hazardous materials, hydrology and water quality, noise and vibration, transportation, tribal cultural resources, and utilities and service systems. The potentially significant and unavoidable adverse impacts are disclosed for both short-term, construction-related activities, and long-term operational activities, which is why some resource areas are identified above as having both beneficial or less-than-significant impacts and potentially significant impacts.

CARB's certified regulatory program requires that before adopting an action for which significant adverse environmental impacts have been identified during the review process, CARB consider feasible mitigation measures and alternatives that could substantially reduce the impacts. (Cal. Code Regs, tit. 17, § 60004.2.) CEQA places the burden on the approving agency to affirmatively show it has considered feasible mitigation and alternatives that can lessen or avoid identified impacts through a statement of findings for each identified significant impact. (Pub. Resources Code, § 21081.) The CEQA Guidelines, in California Code of Regulations, title 14, at section 15091, provide direction on the content of the statement of findings. That section states that one or more of these findings should be identified for each impact:

- Changes or alterations have been required in, or incorporated into, such projects which avoid or substantially lessen the significant environmental effect as identified in the final environmental impact report.

- Such changes or alterations are within the responsibility and jurisdiction of another public agency and not the agency making the finding. Such changes have been adopted by such other agency or can and should be adopted by such other agency.

- Specific economic, legal, social, technological, or other considerations, including provision of employment opportunities for highly trained workers, make infeasible the mitigation measures or project alternatives identified in the environmental impact report.

The potential adverse impacts identified in this programmatic level EA are potential indirect impacts associated with the compliance responses that are reasonably foreseeable, based on available information, in response to the Proposed Program. The ability to determine site- or project-specific impacts of projects carried out by third parties to comply with the Proposed Program and the authority to require feasible mitigation lies with those agencies with authority to approve such actions, e.g., local permitting authorities in city or county governments and local air districts. CARB does not have the ability to determine with any specificity the potential impacts of projects undertaken in response to the Proposed Program, such as construction of particular vehicle charging stations, nor the authority to require mitigation for such projects, in approving the Proposed Program, as discussed in the findings below.

An agency may approve a project with unavoidable (unmitigated) adverse environmental impacts. When doing so, CEQA requires the agency to make a statement in the record of its views on the ultimate balancing of the merits of approving the project despite the environmental impacts in a "statement of overriding considerations." (Pub. Resources Code, § 21081(b); Cal. Code Regs, tit. 14, § 15093.) The following provides the CARB Board's (Board) statement of findings for each significant adverse impact identified in the Final EA, incorporated by reference herein, accompanied by a brief explanation and its statement of overriding considerations.

STATEMENT OF FINDINGS

The Board has independently reviewed and considered the entire record, including the information in the Final EA, public testimony, written comments received, and the written responses to environmental comments, which are incorporated by reference. The Board makes these written findings for each significant adverse impact identified, accompanied by a brief explanation of the rationale for each finding. These findings are supported by substantial evidence in the record.

Aesthetics

Finding and Explanation

The Final EA found that the reasonably foreseeable actions associated with implementing the Proposed Program could result in potentially significant short-term construction-related impacts and long-term- operational impacts on aesthetic resources. Implementing the Proposed Program would cause an increase in manufacturing of ZEVs and PHEVs with a corresponding decrease in the manufacturing and deployment of gasoline-fueled vehicles, all else being equal, as proportions of total new vehicle sales.[1]

Manufacturing needs for new vehicles would largely be met by existing facilities, and no new infrastructure or plants would be required for vehicle manufacturing. Fleet turnover would be largely unaffected because the proposed sales requirement applies to the production and delivery of new vehicles.

The increase in ZEV and PHEV volumes would cause associated increases in lithium, nickel, cobalt, and possibly platinum mining and exports from source countries or other states. Increased demand for lithium-ion batteries could increase battery production and manufacture, which could cause the expansion of or construction of new battery facilities. Implementing the Proposed Program would also result in constructing new hydrogen fueling stations and electric vehicle charging stations to support ZEV operations. Likewise, increased deployment of ZEVs would cause an increase in producing and distributing electricity and hydrogen fuel, while potentially decreasing rates of oil and gas extraction and gasoline refining activities.

[1] Note, the Proposed Program itself does not require the manufacturing of any vehicles. It establishes requirements for vehicles that manufacturers choose to produce. For brevity throughout this document when analyzing the impacts of the Proposed Program, we refer to the change in relative proportions of ZEVs and gasoline-fueled vehicles as an increase in ZEVs and PHEVs and a decrease in gasoline-fueled vehicles, but do not intend to imply the Proposed Program will change total vehicle production.

The Proposed Program would also result in the disposal of lithium-ion batteries that induce increased demand for refurbishing, reusing, and recycling of batteries and fuel cells, and new facilities may be constructed or modifications to existing facilities may occur to perform those functions. For a more detailed discussion of potential aesthetics impacts associated with the Proposed Program, please see the Final EA (as incorporated by reference).

The Final EA includes Mitigation Measure 1-1, which identifies existing statutes and regulations and operating permit requirements, and other recognized practices designed to reduce these potentially significant impacts. The Board finds that the authority to determine site- or project specific- mitigation is within the purview of jurisdictions with land use approval and permitting authority, such as city or county governments. Therefore, the Board finds that the authority to implement Mitigation Measure 1-1 is within the responsibility and jurisdiction of other public agencies, and that the requirements and practices in Mitigation Measure 1-1 should be adopted by those agencies. Public agencies with the requisite authority can and should implement the identified measures to the degree feasible. Because the authority and responsibility to determine project-level impacts and require project-level mitigation lies with land use or permitting agencies for individual projects, and the programmatic level of analysis associated with the Final EA does not address project-specific details of mitigation, there is inherent uncertainty in the mitigation that may ultimately be implemented to reduce potentially significant impacts to this resource.

Impacts may be reduced to a less than significant level by land use or permitting agency conditions of approval at a later stage. But at this stage, the Board lacks full details on the design of potential projects and associated required mitigation. Consequently, the Board takes a conservative approach in its post mitigation significance conclusion and finds the impacts to this resource associated with the Proposed Program would be potentially significant and unavoidable. This potential impact is overridden by the project's benefits as explained in the statement of overriding considerations below.

Agriculture and Forestry Resources

Finding and Explanation

The Final EA found that the reasonably foreseeable actions associated with implementing the Proposed Program could cause potentially significant short-term construction related impacts and long term- operational impacts on agriculture and forestry resources. Implementing the Proposed Program would cause an increase in manufacturing of ZEVs and PHEVs with a corresponding decrease in the manufacturing and deployment of gasoline-fueled vehicles. Manufacturing needs for new vehicles would largely be met by existing facilities, and no new infrastructure or plants would be required for vehicle manufacturing. Fleet turnover would be largely unaffected because the proposed sales requirement applies to the production and delivery of new vehicles.[2]

The increase in ZEV and PHEV volumes would cause associated increases in lithium, nickel, cobalt, and possibly platinum mining and exports from source countries or other states.

[2] See Cal. Code Regs., tit. 13, § 1962.4.

Increased demand for lithium-ion batteries could increase battery production and manufacture, which could cause the expansion of or construction of new battery facilities.

Implementing the Proposed Program would also result in constructing new hydrogen fueling stations and electric vehicle charging stations to support ZEV operations. Likewise, increased deployment of ZEVs would cause an increase in producing and distributing electricity and hydrogen fuel, while potentially decreasing rates of oil and gas extraction and gasoline refining activities.

The Proposed Program would also result in the disposal of lithium-ion batteries that induce increased demand for refurbishing, reusing, and recycling of batteries and fuel cells, and new facilities may be constructed or modifications to existing facilities may occur to perform those functions. Short-term construction-related and long-term operational impacts on agriculture and forestry resources may occur. Increased use of alternative fuels, fuel cells, and lithium-ion and NiMH batteries, could require infrastructure that may be in areas with agriculture or forestry resources. For a more detailed discussion of potential agriculture and forestry resource impacts associated with the Proposed Program, please see the Final EA (as incorporated by reference).

The Final EA includes Mitigation Measure 2-1, which identifies existing statutes and regulations and construction and operating permit requirements and other recognized practices designed to reduce these potentially significant impacts. The Board finds that the authority to determine site- or project-specific mitigation is within the purview of jurisdictions with land use approval and permitting authority, such as city or county governments. Therefore, the Board finds that the authority to implement Mitigation Measure 2-1 is within the responsibility and jurisdiction of other public agencies, and that the requirements and practices in Mitigation Measure 2-1 should be adopted by those agencies. Public agencies with the requisite authority can and should implement the identified measures to the degree feasible. Because the authority and responsibility to determine project-level impacts and require project-level- mitigation lies with land use or permitting agencies for individual projects, and the programmatic level of analysis associated with the Final EA does not address project specific- details of mitigation, there is inherent uncertainty in the mitigation that may ultimately be implemented to reduce potentially significant impacts to this resource.

Impacts may be reduced to a less than significant level by land use or permitting agency conditions of approval at a later stage. But at this stage, the Board lacks full details on the design of potential projects and associated required mitigation. The Board takes a conservative approach in its post mitigation significance conclusion and finds the impacts to this resource associated with the Proposed Program would be potentially significant and unavoidable. This potential impact is overridden by the project's benefits as explained in the statement of overriding considerations below.

Air Quality

Finding and Explanation

The Final EA found that reasonably foreseeable actions associated with implementing the Proposed Program could cause potentially significant short-term construction-related

impacts on air quality. Implementing the Proposed Program would cause an increase in manufacturing of ZEVs and PHEVs with a corresponding decrease in the manufacturing and deployment of gasoline-fueled vehicles. Manufacturing needs for new vehicles would largely be met by existing facilities, and no new infrastructure or plants would be required for vehicle manufacturing. Fleet turnover would be largely unaffected because the proposed sales requirement applies to the production and delivery of new vehicles.

The increase in ZEV and PHEV volumes would cause associated increases in lithium, nickel, cobalt, and possibly platinum mining and exports from source countries or other states. Increased demand for lithium-ion batteries could increase battery production and manufacture, which could cause the expansion of or construction of new battery facilities.

Implementing the Proposed Program would also result in constructing new hydrogen fueling stations and electric vehicle charging stations to support ZEV operations. Likewise, increased deployment of ZEVs would cause an increase in producing and distributing electricity and hydrogen fuel, while potentially decreasing rates of oil and gas extraction and gasoline refining activities.

The Proposed Program would also result in the disposal of lithium-ion batteries that induce increased demand for refurbishing, reusing, and recycling of batteries and fuel cells, and new facilities may be constructed or modifications to existing facilities may occur to perform those functions. For a more detailed discussion of potential air quality impacts associated with the Proposed Program please see the Final EA (as incorporated by reference).

As described in greater detail in the Final EA, it would be expected that the primary sources of construction-related emissions would occur from soil disturbance and use of construction equipment. It is expected that during the construction phase for any new project, criteria air pollutants (e.g., oxides of nitrogen or NOx, oxides of sulfur or SOx, and particulate matter (PM)) and toxic air contaminants (TACs)) could be generated from many activities and emission sources, such as equipment use and worker commute trips.

The Final EA included Mitigation Measure 3-1, which identifies existing statutes and regulations and construction and operational permit requirements, and other recognized practices designed to reduce these potentially significant impacts. The Board finds that the authority to determine site- or project-specific mitigation is within the purview of jurisdictions with land use approval and permitting authority, such as city or county governments. Therefore, the Board finds that the authority to implement Mitigation Measure 3-1 is within the responsibility and jurisdiction of other public agencies, and that the requirements and practices in Mitigation Measure 3-1 should be adopted by those agencies. Public agencies with the requisite authority can and should implement the identified measures to the degree feasible. Because the authority and responsibility to determine project-level impacts and require project-level mitigation lies with land use or permitting agencies for individual projects, and the programmatic level of analysis associated with the Final EA does not address project-specific details of mitigation, there is inherent uncertainty in the mitigation that may ultimately be implemented to reduce potentially significant impacts to this resource.

At this stage without full details on the design of potential projects and associated required mitigation, while impacts could be reduced to a less-than-significant level by land use or permitting agency conditions of approval, the Board takes a conservative approach in its post-mitigation significance conclusion and finds the impacts to this resource associated with the proposed actions in the Proposed Program would be potentially significant and unavoidable. This impact potential is overridden by the project's benefits as explained in the statement of overriding considerations.

Biological Resources

Finding and Explanation

The Final EA found that reasonably foreseeable actions associated with implementing the Proposed Program could cause potentially significant short-term construction-related impacts and long-term- operational impacts on biological resources. Implementing the Proposed Program would cause an increase in manufacturing of ZEVs and PHEVs with a corresponding decrease in the manufacturing and deployment of gasoline-fueled vehicles. Manufacturing needs for new vehicles would largely be met by existing facilities, and no new infrastructure or plants would be required for vehicle manufacturing. Fleet turnover would be largely unaffected because the proposed sales requirement applies to the production and delivery of new vehicles.

The increase in ZEV and PHEV volumes would cause associated increases in lithium, nickel, cobalt, and possibly platinum mining and exports from source countries or other states. Increased demand for lithium-ion batteries could increase battery production and manufacture, which could cause the expansion of or construction of new battery facilities.

Implementing the Proposed Program would also result in constructing new hydrogen fueling stations and electric vehicle charging stations to support ZEV operations. Likewise, increased deployment of ZEVs would cause an increase in producing and distributing electricity and hydrogen fuel, while potentially decreasing rates of oil and gas extraction and gasoline refining activities.

The Proposed Program would also result in the disposal of lithium-ion batteries that induce increased demand for refurbishing, reusing, and recycling of batteries and fuel cells, and new facilities may be constructed or modifications to existing facilities may occur to perform those functions. The Proposed Program could result in construction of manufacturing, production, and recycling facilities as well as new infrastructure and increased mining activity, which would require construction and ground disturbance. It is foreseeable that known or undocumented cultural or paleontological resources could be unearthed or otherwise discovered during ground-disturbing and construction activities. For a more detailed discussion of potential biological resource impacts associated with the Proposed Program, please see the Final EA (as incorporated by reference).

The Final EA included Mitigation Measures 4.-1 and 4.-2, which identify existing statutes and regulations and construction and operational permit requirements, and other recognized practices designed to reduce these potentially significant impacts. The Board finds that the authority to determine site- or project-specific mitigation is within the purview

of jurisdictions with land use approval and permitting authority, such as city or county governments. Therefore, the Board finds that the authority to implement Mitigation Measures 4.-1 and 4.-2 are within the responsibility and jurisdiction of other public agencies, and that the requirements and practices in Mitigation Measures 4.-1 and 4.-2 should be adopted by those agencies. Public agencies with the requisite authority can and should implement the identified measures to the degree feasible. Because the authority and responsibility to determine project-level impacts and require project-level mitigation lies with land use or permitting agencies for individual projects, and the programmatic level of analysis associated with the Final EA does not address project-specific details of mitigation, there is inherent uncertainty in the mitigation that may ultimately be implemented to reduce potentially significant impacts to this resource.

At this stage without full details on the design of potential projects and associated required mitigation, while impacts could be reduced to a less-than-significant level by land use or permitting agency conditions of approval, the Board takes a conservative approach in its post-mitigation significance conclusion and finds the impacts to this resource associated with the proposed actions in the Proposed Program would be potentially significant and unavoidable. This impact potential is overridden by the project's benefits as explained in the statement of overriding considerations.

Cultural Resources

Finding and Explanation

The Final EA found that reasonably foreseeable actions associated with implementing the Proposed Program could cause potentially significant short-term construction-related impacts and long-term- operational impacts on cultural resources. Implementing the Proposed Program would cause an increase in manufacturing of ZEVs and PHEVs with a corresponding decrease in the manufacturing and deployment of gasoline-fueled vehicles. Manufacturing needs for new vehicles would largely be met by existing facilities, and no new infrastructure or plants would be required for vehicle manufacturing. Fleet turnover would be largely unaffected because the proposed sales requirement applies to the production and delivery of new vehicles.

The increase in ZEV and PHEV volumes would cause associated increases in lithium, nickel, cobalt, and possibly platinum mining and exports from source countries or other states. Increased demand for lithium-ion batteries could increase battery production and manufacture, which could cause the expansion of or construction of new battery facilities. Implementing the Proposed Program would also result in constructing new hydrogen fueling stations and electric vehicle charging stations to support ZEV operations. Likewise, increased deployment of ZEVs would cause an increase in producing and distributing electricity and hydrogen fuel, while potentially decreasing rates of oil and gas extraction and gasoline refining activities.

The Proposed Program would also result in the disposal of lithium-ion batteries that induce increased demand for refurbishing, reusing, and recycling of batteries and fuel cells, and new facilities may be constructed or modifications to existing facilities may occur to perform

those functions. For a more detailed discussion of potential cultural impacts associated with the Proposed Program, please see the Final EA (as incorporated by reference).

The Final EA included Mitigation Measure 5-1, which identifies existing statutes and regulations and construction and operational permit requirements, and other recognized practices designed to reduce these potentially significant impacts. The Board finds that the authority to determine site- or project-specific mitigation is within the purview of jurisdictions with land use approval and permitting authority, such as city or county governments. Therefore, the Board finds that the authority to implement Mitigation Measure 5-1 is within the responsibility and jurisdiction of other public agencies, and that the requirements and practices in Mitigation Measure 5-1 should be adopted by those agencies. Public agencies with the requisite authority can and should implement the identified measures to the degree feasible. Because the authority and responsibility to determine project-level impacts and require project-level mitigation lies with land use or permitting agencies for individual projects, and the programmatic level of analysis associated with the Final EA does not address project-specific details of mitigation, there is inherent uncertainty in the mitigation that may ultimately be implemented to reduce potentially significant impacts to this resource.

At this stage without full details on the design of potential projects and associated required mitigation, while impacts could be reduced to a less-than-significant level by land use or permitting agency conditions of approval, the Board takes a conservative approach in its post-mitigation significance conclusion and finds the impacts to this resource associated with the proposed actions in the Proposed Program would be potentially significant and unavoidable. This potential impact is overridden by the project's benefits as explained in the statement of overriding considerations.

Geology and Soils

Finding and Explanation

The Final EA found that reasonably foreseeable actions associated with implementing the Proposed Program could cause potentially significant short-term construction-related impacts and long-term- operational impacts on geology and soil resources. Implementing the Proposed Program would cause an increase in manufacturing of ZEVs and PHEVs with a corresponding decrease in the manufacturing and deployment of gasoline-fueled vehicles. Manufacturing needs for new vehicles would largely be met by existing facilities, and no new infrastructure or plants would be required for vehicle manufacturing. Fleet turnover would be largely unaffected because the proposed sales requirement applies to the production and delivery of new vehicles.

The increase in ZEV and PHEV volumes would cause associated increases in lithium, nickel, cobalt, and possibly platinum mining and exports from source countries or other states. Increased demand for lithium-ion batteries could increase battery production and manufacture, which could cause the expansion of or construction of new battery facilities.

Implementing the Proposed Program would also result in constructing new hydrogen fueling stations and electric vehicle charging stations to support ZEV operations. Likewise, increased deployment of ZEVs would cause an increase in producing and distributing

electricity and hydrogen fuel, while potentially decreasing rates of oil and gas extraction and gasoline refining activities.

The Proposed Program would also result in the disposal of lithium-ion batteries that induce increased demand for refurbishing, reusing, and recycling of batteries and fuel cells, and new facilities may be constructed or modifications to existing facilities may occur to perform those functions. For a more detailed discussion of potential geology and soil impacts associated with the Proposed Program, please see the Final EA (as incorporated by reference).

The Final EA included Mitigation Measure 7-1, which identifies existing statutes and regulations and construction and operational permit requirements, and other recognized practices designed to reduce these potentially significant impacts. The Board finds that the authority to determine site- or project-specific mitigation is within the purview of jurisdictions with land use approval and permitting authority, such as city or county governments. Therefore, the Board finds that the authority to implement Mitigation Measure 7-1 is within the responsibility and jurisdiction of other public agencies, and that the requirements and practices in Mitigation Measure 7-1 should be adopted by those agencies. Public agencies with the requisite authority can and should implement the identified measures to the degree feasible. Because the authority and responsibility to determine project-level impacts and require project-level mitigation lies with land use or permitting agencies for individual projects, and the programmatic level of analysis associated with the Final EA does not address project-specific details of mitigation, there is inherent uncertainty in mitigation that may ultimately be implemented to reduce potentially significant impacts to this resource.

At this stage without full details on the design of potential projects and associated required mitigation, while impacts could be reduced to a less-than-significant level by land use or permitting agency conditions of approval, the Board takes a conservative approach in its post-mitigation significance conclusion and finds the impacts to this resource associated with the proposed actions in the Proposed Program would be potentially significant and unavoidable. This potential impact is overridden by the project's benefits as explained in the statement of overriding considerations.

Hazards and Hazardous Materials

Finding and Explanation

The Final EA found that the reasonably foreseeable actions associated with implementing the Proposed Program could cause potentially short-term construction-related- impacts and long-term operational-related impacts on hazards and hazardous material resources. Implementing the Proposed Program would cause an increase in manufacturing of ZEVs and PHEVs with a corresponding decrease in the manufacturing and deployment of gasoline-fueled vehicles. Manufacturing needs for new vehicles would largely be met by existing facilities, and no new infrastructure or plants would be required for vehicle manufacturing. Fleet turnover would be largely unaffected because the proposed sales requirement applies to the production and delivery of new vehicles.

The increase in ZEV and PHEV volumes would cause associated increases in lithium, nickel, cobalt, and possibly platinum mining and exports from source countries or other states. Increased demand for lithium-ion batteries could increase battery production and manufacture, which could cause the expansion of or construction of new battery facilities.

Implementing the Proposed Program would also result in constructing new hydrogen fueling stations and electric vehicle charging stations to support ZEV operations. Likewise, increased deployment of ZEVs would cause an increase in producing and distributing electricity and hydrogen fuel, while potentially decreasing rates of oil and gas extraction and gasoline refining activities. The Proposed Program would also result in the disposal of lithium-ion batteries that induce increased demand for refurbishing, reusing, and recycling of batteries and fuel cells, and new facilities may be constructed or modifications to existing facilities may occur to perform those functions. For a more detailed discussion of potential hazards and hazardous materials impacts associated with the Proposed Program, please see the Final EA (as incorporated by reference).

The Final EA includes Mitigation Measures 9-1 and 9-2, which identify existing statutes and regulations and construction and operating permit requirements, and other recognized practices designed to reduce these potentially significant impacts. The Board finds that the authority to determine site- or project specific- mitigation is within the purview of jurisdictions with land use approval and permitting authority, such as city or county governments. Therefore, the Board finds that the authority to implement Mitigation Measures 9-1 and 9-2 are within the responsibility and jurisdiction of other public agencies, and that the requirements and practices in Mitigation Measure 9-1 and 9-2 should be adopted by those agencies. Public agencies with the requisite authority can and should implement the identified measures to the degree feasible. Because the authority and responsibility to determine project-level- impacts and require project-level mitigation lies with land use or permitting agencies for individual projects, and the programmatic level of analysis associated with the Final EA does not address project specific- details of mitigation, the mitigation that may ultimately be implemented to reduce potentially significant impacts to this resource is inherently uncertain.

At this stage without full details on the design of potential projects and associated required mitigation, while impacts could be reduced to a less-than-significant level by land use or permitting agency conditions of approval, the Board takes a conservative approach in its post-mitigation significance conclusion and finds the impacts to this resource associated with the proposed actions in the Proposed Program would be potentially significant and unavoidable. This potential impact is overridden by the project's benefits as explained in the statement of overriding considerations.

Hydrology and Water Quality

Finding and Explanation

The Final EA found reasonably foreseeable actions associated with implementing the Proposed Program could cause potentially significant short-term- construction related impacts and long-term- operational impacts on hydrology and water quality resources. Implementing the Proposed Program would cause an increase in manufacturing of ZEVs and

PHEVs with a corresponding decrease in the manufacturing and deployment of gasoline-fueled vehicles. Manufacturing needs for new vehicles would largely be met by existing facilities, and no new infrastructure or plants would be required for vehicle manufacturing. Fleet turnover would be largely unaffected because the proposed sales requirement applies to the production and delivery of new vehicles.

The increase in ZEV and PHEV volumes would cause associated increases in lithium, nickel, cobalt, and possibly platinum mining and exports from source countries or other states. Increased demand for lithium-ion batteries could increase battery production and manufacture, which could cause the expansion of or construction of new battery facilities.

Implementing the Proposed Program would also result in constructing new hydrogen fueling stations and electric vehicle charging stations to support ZEV operations. Likewise, increased deployment of ZEVs would cause an increase in producing and distributing electricity and hydrogen fuel, while potentially decreasing rates of oil and gas extraction and gasoline refining activities.

The Proposed Program would also result in the disposal of lithium-ion batteries that induce increased demand for refurbishing, reusing, and recycling of batteries and fuel cells, and new facilities may be constructed or modifications to existing facilities may occur to perform those functions. For a more detailed discussion of potential hydrology and water quality impacts associated with the Proposed Program, please see the Final EA (as incorporated by reference).

The Final EA included Mitigation Measures 10-1 and 10-2, which identify existing statutes and regulations and construction and operational permit requirements, and other recognized practices designed to reduce these potentially significant impacts. The Board finds that the authority to determine site- or project-specific mitigation is within the purview of jurisdictions with land use approval and permitting authority, such as city or county governments. Therefore, the Board finds that the authority to implement Mitigation Measures 10-1 and 10-2 are within the responsibility and jurisdiction of other public agencies, and that the requirements and practices in Mitigation Measures 10-1 and 10-2 should be adopted by those agencies. Public agencies with the requisite authority can and should implement the identified measures to the degree feasible. Because the authority and responsibility to determine project-level impacts and require project-level mitigation lies with land use or permitting agencies for individual projects, and the programmatic level of analysis associated with the Final EA does not address project-specific details of mitigation, there is inherent uncertainty in the mitigation that may ultimately be implemented to reduce potentially significant impacts to this resource.

At this stage without full details on the design of potential projects and associated required mitigation, while impacts could be reduced to a less-than-significant level by land use or permitting agency conditions of approval, the Board takes a conservative approach in its post-mitigation significance conclusion and finds the impacts to this resource associated with the proposed actions in the Proposed Program would be potentially significant and unavoidable. This potential impact is overridden by the Proposed Program's benefits as explained in the statement of overriding considerations.

Noise and Vibration

Finding and Explanation

The Final EA found that reasonably foreseeable actions associated with implementing the Proposed Program could cause potentially significant short-term construction-related impacts and long-term- operational impacts related to noise and vibration. Implementing the Proposed Program would cause an increase in manufacturing of ZEVs and PHEVs with a corresponding decrease in the manufacturing and deployment of gasoline-fueled vehicles. Manufacturing needs for new vehicles would largely be met by existing facilities, and no new infrastructure or plants would be required for vehicle manufacturing. Fleet turnover would be largely unaffected because the proposed sales requirement applies to the production and delivery of new vehicles.

The increase in ZEV and PHEV volumes would cause associated increases in lithium, nickel, cobalt, and possibly platinum mining and exports from source countries or other states. Increased demand for lithium-ion batteries could increase battery production and manufacture, which could cause the expansion of or construction of new battery facilities. Implementing the Proposed Program would also result in constructing new hydrogen fueling stations and electric vehicle charging stations to support ZEV operations.

Likewise, increased deployment of ZEVs would cause an increase in producing and distributing electricity and hydrogen fuel, while potentially decreasing rates of oil and gas extraction and gasoline refining activities. The Proposed Program would also result in the disposal of lithium-ion batteries that induce increased demand for refurbishing, reusing, and recycling of batteries and fuel cells, and new facilities may be constructed or modifications to existing facilities may occur to perform those functions.

As explained in further detail in the Final EA, implementation of reasonably foreseeable compliance responses could result in the generation of short-term construction noise in excess of applicable standards or that result in a substantial increase in ambient levels at nearby sensitive receptors, and exposure to excessive vibration levels. Operational-related activities associated with mining could produce substantial stationary sources of noise, and new sources of noise associated with implementation of Proposed Program could include operation of manufacturing plants. For a more detailed discussion of potential noise and vibration impacts associated with the Proposed Program please see the Final EA (as incorporated by reference).

The Final EA included Mitigation Measures 13-1 and 13-2, which identify existing statutes and regulations and construction and operational permit requirements, and other recognized practices designed to reduce these potentially significant impacts. The Board finds that the authority to determine site- or project-specific mitigation is within the purview of jurisdictions with land use approval and permitting authority, such as city or county governments. Therefore, the Board finds that the authority to implement Mitigation Measures 13-1 and 13-2 are within the responsibility and jurisdiction of other public agencies, and that the requirements and practices in Mitigation Measures 13-1 and 13-2 should be adopted by those agencies. Public agencies with the requisite authority can and should implement the identified measures to the degree feasible. Because the authority and

responsibility to determine project-level impacts and require project-level mitigation lies with land use or permitting agencies for individual projects, and the programmatic level of analysis associated with the Final EA does not address project-specific details of mitigation, there is inherent uncertainty in the mitigation that may ultimately be implemented to reduce potentially significant impacts to this resource.

At this stage without full details on the design of potential projects and associated required mitigation, while impacts could be reduced to a less-than-significant level by land use or permitting agency conditions of approval, the Board takes a conservative approach in its post-mitigation significance conclusion and finds the impacts to this resource associated with the proposed actions in the Proposed Program would be potentially significant and unavoidable. This potential impact is overridden by the Proposed Program's benefits as explained in the statement of overriding considerations.

Transportation

Finding and Explanation

The Final EA found that reasonably foreseeable actions associated with implementing the Proposed Program could cause potentially significant short-term construction-related impacts and long-term- operational impacts on transportation resources. Implementing the Proposed Program would cause an increase in manufacturing of ZEVs and PHEVs with a corresponding decrease in the manufacturing and deployment of gasoline-fueled vehicles. Manufacturing needs for new vehicles would largely be met by existing facilities, and no new infrastructure or plants would be required for vehicle manufacturing. Fleet turnover would be largely unaffected because the proposed sales requirement applies to the production and delivery of new vehicles.

The increase in ZEV and PHEV volumes would cause associated increases in lithium, nickel, cobalt, and possibly platinum mining and exports from source countries or other states. Increased demand for lithium-ion batteries could increase battery production and manufacture, which could cause the expansion of or construction of new battery facilities. Implementing the Proposed Program would also result in constructing new hydrogen fueling stations and electric vehicle charging stations to support ZEV operations. Likewise, increased deployment of ZEVs would cause an increase in producing and distributing electricity and hydrogen fuel, while potentially decreasing rates of oil and gas extraction and gasoline refining activities. The Proposed Program would also result in the disposal of lithium-ion batteries that induce increased demand for refurbishing, reusing, and recycling of batteries and fuel cells, and new facilities may be constructed or modifications to existing facilities may occur to perform those functions.

Although detailed information about potential specific construction activities is not currently available, it would be anticipated to result in short-term construction traffic (primarily motorized) from worker commute- and material delivery-related trips. Depending on the amount of trip generation and the location of new facilities, implementation could conflict with applicable programs, plans, ordinances, or policies (e.g., performance standards, congestion management); and/or result in hazardous design features and emergency access issues from road closures, detours, and obstruction of emergency vehicle movement,

especially due to project-generated heavy-duty truck trips. In addition, implementation of the Proposed Program could require the operation of new infrastructure to distribute alternate fuels (such as electricity and hydrogen). Additionally, increased demand for lithium-ion storage batteries and fuel cells could result in an increase in lithium and platinum mining. For a more detailed discussion of potential transportation and traffic impacts associated with the Proposed Program please see the Final EA (as incorporated by reference).

The Final EA included Mitigation Measures 17-1 and 17-2, which identify existing statutes and regulations and construction permit requirements, and other recognized practices designed to reduce these potentially significant impacts. The Board finds that the authority to determine site- or project-specific mitigation is within the purview of jurisdictions with land use approval and permitting authority, such as city or county governments. Therefore, the Board finds that the authority to implement Mitigation Measures 17-1 and 17-2 are within the responsibility and jurisdiction of other public agencies, and that the requirements and practices in Mitigation Measures 17-1 and 17-2 should be adopted by those agencies. Public agencies with the requisite authority can and should implement the identified measures to the degree feasible. Because the authority and responsibility to determine project-level impacts and require project-level mitigation lies with land use or permitting agencies for individual projects, and the programmatic level of analysis associated with the Final EA does not address project-specific details of mitigation, there is inherent uncertainty in the mitigation that may ultimately be implemented to reduce potentially significant impacts to this resource.

At this stage without full details on the design of potential projects and associated required mitigation, while impacts could be reduced to a less-than-significant level by land use or permitting agency conditions of approval, the Board takes a conservative approach in its post-mitigation significance conclusion and finds the impacts to this resource associated with the proposed actions in the Proposed Program would be potentially significant and unavoidable. This potential impact is overridden by the Proposed Program's benefits as explained in the statement of overriding considerations.

Tribal Cultural Resources

Finding and Explanation

The Final EA found that the reasonably foreseeable actions associated with implementing the Proposed Program could cause potentially significant short-term construction related and long-term- operational related impacts on tribal cultural resources. Implementing the Proposed Program would cause an increase in manufacturing of ZEVs and PHEVs with a corresponding decrease in the manufacturing and deployment of gasoline-fueled vehicles. Manufacturing needs for new vehicles would largely be met by existing facilities, and no new infrastructure or plants would be required for vehicle manufacturing. Fleet turnover would be largely unaffected because the proposed sales requirement applies to the production and delivery of new vehicles.

The increase in ZEV and PHEV volumes would cause associated increases in lithium, nickel, cobalt, and possibly platinum mining and exports from source countries or other states.

Increased demand for lithium-ion batteries could increase battery production and manufacture, which could cause the expansion of or construction of new battery facilities. Implementing the Proposed Program would also result in constructing new hydrogen fueling stations and electric vehicle charging stations to support ZEV operations.

Likewise, increased deployment of ZEVs would cause an increase in producing and distributing electricity and hydrogen fuel, while potentially decreasing rates of oil and gas extraction and gasoline refining activities. The Proposed Program would also result in the disposal of lithium-ion batteries that induce increased demand for refurbishing, reusing, and recycling of batteries and fuel cells, and new facilities may be constructed or modifications to existing facilities may occur to perform these functions. For a more detailed discussion of potential tribal cultural resource impacts associated with the Proposed Program please see the Final EA (as incorporated by reference).

The Final EA includes Mitigation Measure 18-1, which identifies existing statutes and regulations and construction and operating permit requirements, and other recognized practices designed to reduce these potentially significant impacts. The Board finds that the authority to determine site- or project specific- mitigation is within the purview of jurisdictions with land use approval and permitting authority, such as city or county governments. Therefore, the Board finds that the authority to implement Mitigation Measure 18-1 is within the responsibility and jurisdiction of other public agencies, and that the requirements and practices in Mitigation Measure 18-1 should be adopted by those agencies. Public agencies with the requisite authority can and should implement the identified measures to the degree feasible. Because the authority and responsibility to determine project-level impacts and require project-level- mitigation lies with land use or permitting agencies for individual projects, and the programmatic level of analysis associated with the Final EA does not address project specific- details of mitigation, the mitigation that may ultimately be implemented to reduce potentially significant impacts to this resource is inherently uncertain.

At this stage without full details on the design of potential projects and associated required mitigation, while impacts could be reduced to a less-than-significant level by land use or permitting agency conditions of approval, the Board takes a conservative approach in its post-mitigation significance conclusion and finds the impacts to this resource associated with the proposed actions in the Proposed Program would be potentially significant and unavoidable. This potential impact is overridden by the project's benefits as explained in the statement of overriding considerations.

Utilities and Service Systems

Finding and Explanation

The Final EA found that the reasonably foreseeable actions associated with implementing the Proposed Program could cause potentially significant long-term- operational related impacts on utilities and service systems resources. Implementing the Proposed Program would cause an increase in manufacturing of ZEVs and PHEVs with a corresponding decrease in the manufacturing and deployment of gasoline-fueled vehicles. Manufacturing needs for new vehicles would largely be met by existing facilities, and no new infrastructure or plants would be required for vehicle manufacturing. Fleet turnover would be largely

unaffected because the proposed sales requirement applies to the production and delivery of new vehicles.

The increase in ZEV and PHEV volumes would cause associated increases in lithium, nickel, cobalt, and possibly platinum mining and exports from source countries or other states. Increased demand for lithium-ion batteries could increase battery production and manufacture, which could cause the expansion of or construction of new battery facilities. Implementing the Proposed Program would also result in constructing new hydrogen fueling stations and electric vehicle charging stations to support ZEV operations.

Likewise, increased deployment of ZEVs would cause an increase in producing and distributing electricity and hydrogen fuel, while potentially decreasing rates of oil and gas extraction and gasoline refining activities. The Proposed Program would also result in the disposal of lithium-ion batteries that induce increased demand for refurbishing, reusing, and recycling of batteries and fuel cells, and new facilities may be constructed or modifications to existing facilities may occur to perform these functions.

Reasonably foreseeable compliance responses associated with the Proposed Program could result in new demand for water, wastewater, electricity, and gas services for new or modified facilities. Generally, facilities would be cited in areas with existing utility infrastructure—or areas where existing utility infrastructure is easily assessable. New or modified utility installation, connections, and expansion would be subject to the requirements of the applicable utility providers. At this time, the specific location and type of construction needed is not known and would be dependent upon a variety of market factors that are not within the control of CARB including: economic costs, product demands, environmental constraints, and other market constraints. Thus, the specific impacts from construction on utility and service systems cannot be identified with any certainty, and individual compliance responses could potentially result in significant environmental impacts for which it is unknown whether mitigation would be available to reduce the impacts. For a more detailed discussion of potential utilities and service system impacts associated with the Proposed Program, please see the Final EA (as incorporated by reference).

The Final EA includes Mitigation Measure 19-1, which identifies existing statutes and regulations and construction and operating permit requirements, and other recognized practices designed to reduce these potentially significant impacts. The Board finds that the authority to determine site- or project specific- mitigation is within the purview of jurisdictions with land use approval and permitting authority, such as city or county governments. Therefore, the Board finds that the authority to implement Mitigation Measure 19-1 is within the responsibility and jurisdiction of other public agencies, and that the requirements and practices in Mitigation Measure 19-1 should be adopted by those agencies. Public agencies with the requisite authority can and should implement the identified measures to the degree feasible. Because the authority and responsibility to determine project-level impacts and require project-level- mitigation lies with land use or permitting agencies for individual projects, and the programmatic level of analysis associated with the Final EA does not address project specific- details of mitigation, the

mitigation that may ultimately be implemented to reduce potentially significant impacts to this resource is inherently uncertain.

At this stage without full details on the design of potential projects and associated required mitigation, while impacts could be reduced to a less-than-significant level by land use or permitting agency conditions of approval, the Board takes a conservative approach in its post-mitigation significance conclusion and finds the impacts to this resource associated with the proposed actions in the Proposed Program would be potentially significant and unavoidable. This potential impact is overridden by the project's benefits as explained in the statement of overriding considerations.

Cumulatively Considerable Impacts

The plans containing the appropriate summary of projections for considering cumulative impacts of the Proposed Program that were considered when analyzing cumulative impacts are the 2016 State SIP Strategy and the 2030 Scoping Plan. The analysis of cumulative impacts for the Proposed Program included a summary of the cumulative impacts found for each resource area in this plan, and a conclusion regarding whether the Proposed Program could cause a cumulatively considerable contribution to an existing significant cumulative impact.

The Final EA concluded the Proposed Program could cause a cumulatively considerable contribution to significant cumulative impacts to aesthetics, agriculture and forestry resources, air quality (short-term construction-related), biological resources, cultural resources, geology and soils, hazards and hazardous materials, hydrology and water quality, noise and vibration, transportation, tribal cultural resources and utilities and service systems. While suggested mitigation is provided within the respective resource areas of the Final EA analyses that could address the contribution of the Proposed Program to each of these potentially cumulatively considerable impacts, the Board finds that because these adverse impacts are potential indirect impacts associated with the compliance responses of covered entities, the authority to determine site- or project-specific mitigation is within the purview of jurisdictions with land use approval and permitting authority, such as city or county governments. Public agencies with the requisite authority can and should implement the identified measures to the degree feasible.

Because the authority and responsibility to determine project-level impacts and require project-level mitigation lies with land use or permitting agencies for individual projects, and the programmatic level of analysis associated with the Final EA does not address project-specific details of mitigation, there is inherent uncertainty in the mitigation that may ultimately be implemented to reduce potentially significant impacts to these resources. While cumulative impacts could be reduced to a less-than-significant level by land use or permitting agency conditions of approval, the Board takes a conservative approach in its post-mitigation significance conclusion and finds the cumulatively considerable contribution of the Proposed Program to existing significant cumulative impacts to aesthetics, agriculture and forestry resources, air quality (short-term construction-related), biological resources, cultural resources, geology and soils, hazards and hazardous materials, hydrology

and water quality, noise and vibration, transportation, tribal cultural resources and utilities and service systems to be potentially significant and unavoidable.

Findings on Alternatives to the Project

Besides the No-Project Alternative, the Final EA considered a reasonable range of potentially feasible alternatives that could reduce or eliminate the significant adverse environmental impacts associated with the Proposed Program, while accomplishing most of the basic project objectives.

The Board finds the alternatives analysis will inform the Board and the public regarding the tradeoffs between how much the alternatives could reduce environmental impacts and the corresponding degree to which the alternatives could achieve the project objectives.

Based upon a full evaluation of the alternatives, and the entire record, the Board finds that adopting and implementing the Proposed Program is the most desirable, feasible, and appropriate action for achieving the objectives of the project, and the Board rejects the other alternatives because they either fail to meet most project objectives or are infeasible based on consideration of the factors identified in the Final EA and briefly described below. Please see the Final EA for a more in-depth discussion and analysis regarding project alternatives.

Alternative 1: No Project Alternative

Alternative 1 in the EA describes a reasonably foreseeable scenario if CARB did not approve the Proposed Program. Under Alternative 1, amendments would not occur to the existing LEV and ZEV regulations. The emission requirements for criteria air pollutants in place for model year 2025, the final year for which the existing LEV III regulation increases in stringency, would remain in effect for later model years. There would be no requirement for newly manufactured light and medium-duty vehicles to meet more stringent emission standards or better control for emissions under real-world driving behaviors. The existing requirements of the ZEV regulation would continue without the additional requirement for light-duty vehicle auto manufacturers to fully control emissions by 2035. There would also be no requirement for ZEV assurance measures, which include new durability, warranty, serviceability, data standardization, and battery labeling requirements for ZEVs, to ensure emissions are permanently reduced.

The Board finds that the No Project Alternative fails to meet many of the project objectives in Chapter 2 of the Final EA because criteria pollutant and GHG reductions would not be accelerated in the manner necessary to achieve air quality standards and climate goals. First, there would be no further reductions in criteria air pollutants from light and medium-duty vehicles that would provide public health benefits, assist in the attainment of California and national ambient air quality standards (NAAQS), and meet the goals of the State Implementation Plan (SIP) required under the Clean Air Act. The No-Project Alternative would not fulfill the requirement of Health and Safety Code section 43018(a), which requires CARB to reduce vehicle emissions of criteria air pollutants to the maximum extent feasible. Similarly, the alternative would not further decrease GHG emissions to support the

California Global Warming Solutions Act of 2006, Assembly Bill (AB) 32,[3] or CARB's Scoping Plan required under that legislation. The No-Project Alternative would also significantly hamper California's ability to fulfill the Assembly Bill (AB) 1493[4] mandate to achieve maximum feasible GHG reductions. For these reasons, the Board rejects this alternative.

Alternative 2: Less Stringent ZEV Sales Requirement in the Earlier Years

Alternative 2 is a less stringent alternative for the earlier years of the Proposed Program and applies to the same manufacturers. This alternative includes a lower starting ZEV and PHEV delivered-for-sale requirement in 2026 and a slower ramp rate of ZEV Regulation stringency from 2026 to 2031. However, the overall ZEV stringency still reaches a 100 percent ZEV and PHEV requirement by 2035 as proposed under the ZEV Regulation of the Proposed Program. The LEV requirements and ZEV assurance measures would remain unchanged from the Proposed Program.

The Board finds that alternative 2 meets most of the basic project objectives, though it does so to a lesser extent than the Proposed Program in some cases because it would not require as quick of a reduction of exhaust emissions. Emissions generated by the statewide fleet of light- and medium-duty vehicles would decrease because the LEV standards under this alternative would be more stringent than the existing LEV III regulation standards and the ZEV requirements are higher than what is required under the current ZEV regulation. However, the emissions reductions achieved under this alternative would not be as great as the reductions achieved under the Proposed Program. Under Alternative 2, emissions are expected to reduce as the ZEV sales fraction increases over the years. However, since Alternative 2 allows for a higher proportion of conventional gasoline vehicles to be sold in the state from 2026 to 2030, NOx and fine particulate matter ($PM_{2.5}$) emissions are higher than the Proposed Program. This alternative's emissions reductions would not be the maximum feasible reduction mandated by Health and Safety Code section 43018(a). While Alternative 2 would produce fewer operational impacts in the earlier years as compared to the Proposed Program due to the reduced number of manufactured ZEVs, it would be expected that potentially significant and unavoidable impacts would still occur because the compliance responses to a less stringent ZEV sales requirement would still require similar infrastructure and facility development to serve the introduction of ZEVs into the marketplace. For these reasons, the Board rejects this alternative.

Alternative 3: Less Stringent Overall ZEV Sales Requirement with 70 Percent by 2035

Alternative 3 is a less stringent requirement for ZEV sales with a minimum 70 percent ZEV and PHEV sales by 2035 instead of the proposal of 100 percent. The LEV requirements and ZEV assurance measures would remain unchanged from the Proposed Program.

The Board finds this alternative meets most of the basic project objectives, though it does so to a lesser extent than the Proposed Program because it would not require as complete of an elimination of exhaust emissions from light-duty vehicles. Alternative 3 assumes only 70 percent ZEVs from model year 2035 and beyond, therefore the NOx and $PM_{2.5}$ emissions

[3] Stats. 2006, ch. 488.
[4] Stats. 2002, ch. 200.

would be higher than the Proposed Program, which requires 100 percent ZEVs by model year 2035. This alternative's emissions reductions would not be the maximum feasible reduction mandated by Health and Safety Code section 43018(a). This alternative would limit the ability of various air districts throughout the state to attain the state and national ambient air quality standards in their respective air basins. Similarly, under Alternative 3, the extent of GHG reductions would be less than the reductions needed from an ACC II Program as identified in CARB's Scoping Plan. Thus, this could prevent California from achieving the GHG reduction goal of SB 32.[5] In addition, this alternative would not meet the maximum feasible emission reductions to further the Legislature's direction in AB 1493. While this alternative would help the State become less dependent on petroleum as an energy source, it would not do so to the extent that the Proposed Program would. Alternative 3 would not meet most of the basic project objectives. For these reasons, the Board rejects this alternative.

Alternative 4: No Low Emission Vehicle Regulation Updates

Alternative 4 is a less stringent requirement for the combined ACC II Program where amendments to the Low-Emission Vehicle Regulation would not occur. This alternative would require no future improvements in emissions from internal combustion engine vehicles, even while sales of ZEVs and PHEVs increase. The existing LEV III program would still be effective, but the following LEV IV modifications would not be required: no removal of ZEVs from the existing non-methane organic gas and oxides of nitrogen (NMOG+NOx) fleet-average emission standard; no improvements of emission control during aggressive driving; no improvements to cold-start emission controls; no improvements to the worst emitting evaporative systems; no lowering of the fleet average for medium-duty vehicles; no new standards for aggressive driving for medium-duty vehicles (MDVs); and no Portable Emission Measurement Systems (PEMS) in-use standards for MDVs to control emissions during towing. The ZEV requirements and ZEV assurance measures would remain unchanged from the Proposed Program.

The Board finds this alternative meets most of the basic project objectives, though it fails to maximize emissions reductions because it does not require additional reductions from conventional internal combustion engine vehicles in the light-duty and medium-duty fleet. Emissions generated by internal combustion engine-powered light- and medium-duty vehicles would not decrease further because the LEV standards under this alternative would not change from the existing LEV III regulation standards. Since Alternative 4 assumes no additional reductions from conventional vehicles, NOx and $PM_{2.5}$ emissions are expected to be higher than under the Proposed Program. This alternative's emissions reductions would therefore not be the maximum feasible reduction mandated by Health and Safety Code section 43018(a), and this alternative could limit the ability of various air districts throughout the state to attain ambient air quality standards in their respective air basins. For these reasons, the Board rejects this alternative.

[5] Stats. 2016, ch. 249.

STATEMENT OF OVERRIDING CONSIDERATIONS

CARB expects that many of the significant adverse impacts identified in the Final EA will be avoided or mitigated; however, since uncertainty exists on the extent of mitigation that other agencies will require at the site- and project-specific level, the Board is conservatively considering certain impacts to be potentially significant and unavoidable. The Board finds that despite the potential for adverse environmental impacts associated with the Proposed Program, the benefits of the proposed actions are determined to be overriding considerations that warrant approval of the Proposed Program and outweigh and override its unavoidable significant impacts. Each benefit below constitutes an overriding consideration warranting approval of the project, independent of the other benefits, despite each and every unavoidable impact. These benefits include:

1. Accelerating the deployment of vehicles that achieve the maximum emissions reductions possible from light- and medium-duty vehicles to assist in the attainment of national ambient air quality standards for criteria air pollutants (Health & Safety Code §§ 43000.5(b), 43018(a));

2. Meeting the goals of the State Implementation Plan (SIP) and providing necessary emission reductions from vehicular sources for the federal national ambient air quality standards to be met in all of California (California Air Resources Board, Revised Proposed 2016 State Strategy for the State Implementation Plan;[6] Draft 2022 State Strategy for the State Implementation Plan;[7] Health & Safety Code §§ 39002, 39003, 39602.5, 43000, 43000.5, 43013, 43018);
3. Decreasing GHG emissions to support statewide GHG reduction goals by adopting strategies to deploy light-duty zero-emission vehicles (ZEVs) in California as identified in the 2017 Scoping Plan, which was developed to reduce GHG emissions in California as directed by AB 32 (Ch. 488, Stats. of 2006, Nuñez);
4. Reducing GHG emissions through the requirements for zero-emission vehicles in the mobile source sector in a manner that minimizes costs and maximizes benefits for California's economy, maximizes environmental and economic co-benefits under Health and Safety Code § 38501, and providing further GHG reductions under AB 1493 (Ch. 200, Stats. of 2002, Pavley);
5. Maintaining and continuing reductions in emissions of GHGs beyond 2020, as required under AB 32 (Health & Safety Code §§ 38551(b), 38562, 38562.5), and pursuing measures that implement reduction strategies covering the State's GHG emissions to further California's mandate to reduce GHG emissions to 40 percent below the 1990 level by December 31, 2030 under SB 32 (Health & Safety Code § 38566);

[6] CARB, 2016 State Strategy for the State Implementation Plan for Federal Ozone and PM2.5 Standards, https://ww2.arb.ca.gov/resources/documents/2016-state-strategy-state-implementation-plan-federal-ozone-and-pm25-standards.
[7] CARB, 2022 State Strategy for the State Implementation Plan, https://ww2.arb.ca.gov/resources/documents/2022-state-strategy-state-implementation-plan-2022-state-sip-strategy.

6. Providing a program that complements other 2017 Scoping Plan measures, such as standards for low-carbon fuels, renewable electricity, and energy efficiency;
7. Reducing risk of climate change impacts;
8. Accelerating development and deployment of the cleanest feasible mobile source technologies and improving access to clean transportation;
9. Leading California's light-duty transportation sector to reduced air pollution from the use of zero-emission powertrains;
10. Reducing the State's dependence on petroleum as an energy resource and supporting the use of diversified fuels in the State's transportation fleet (Health & Safety Code § 43000(e), California Public Resources Code (PRC) § 25000.5);
11. Providing market certainty for zero-emission technologies and fueling infrastructure that promotes development of environmentally superior light-duty vehicles that will continue to deliver performance, utility, and safety demanded by the market while saving consumers money;
12. Taking steps to ensure all Californians can live, work, and play in a healthful environment free from harmful exposure to air pollution, including protecting and preserving public health and well-being, and preventing irritation to the senses, interference with visibility, and damage to vegetation and property (Health & Safety Code § 43000(b)) in recognition that the emission of air pollutants from motor vehicles is the primary cause of air pollution in many parts of the State (Health & Safety Code §§ 43000(a); 43013(b));
13. Realizing other related statewide health benefits from the reduction of other co-pollutants by complementing and supporting California's existing efforts and plans to reduce to reduce GHG emissions, criteria pollutants, petroleum-based transportation fuels, and toxic air contaminants;
14. Reducing exposure to criteria pollution and toxic air contaminants in burdened communities by implementing part of CARB's statewide strategy to address emission reduction goals in the Community Air Protection Program Blueprint;
15. Improving access to clean transportation and mobility options for lower-income households and communities most impacted by pollution to provide equity benefits and achieve environmental justice;
16. Spurring economic activity of zero-emission technologies in the light-duty vehicle sector;
17. Incentivizing innovation that will deploy into California's economy greater use of clean and sustainable zero-emission technologies and promoting increased economic and employment benefits that will accompany this transition (AB 1493, § 1(g); Health & Safety Code §§ 38501(e), 43018.5(c));
18. Reducing emissions from vehicles in a manner that is equitable, does not disproportionately impact low-income communities, and minimizes the administrative burden of complying with the regulations (Health and Safety Code §§ 38562, 38562.5, 44391.2.);

19. Improving health of all Californians and providing health benefits relating to avoided hospitalization, reduced mortality, and emergency room visits.

LOCATION AND CUSTODIAN OF THE RECORD

The documents and other materials that constitute the record of proceedings on which these findings are based are at 1001 I Street Sacramento, CA 95814. The custodian for these documents is the California Air Resources Board Legal Office, and inquiries can be submitted to CaliforniaEnvironmentalQualityAct@arb.ca.gov.