Title 13. California Air Resources Board

Notice of Public Hearing to Consider Proposed Amendments to the Advanced Clean Trucks Regulation and the Zero-Emission Powertrain Certification Test Procedure

The California Air Resources Board (CARB or Board) will conduct a public hearing at the date and time noted below to consider proposed amendments to the Advanced Clean Trucks (ACT) regulation and the Zero-Emission Powertrain Certification (ZEP Certification) test procedure.

Date: July 24, 2025

Time: 10:00 A.M.

In-Person Location:

California Air Resources Board Byron Sher Auditorium 1001 I Street, Sacramento, California 95814

Remote Option:

Zoom

This public meeting may continue at 9:00 a.m., on July 25, 2025. The public agenda will be posted ten days before the July 24, 2025, Board Meeting. Please consult the public agenda, for other details, including the day on which this item will be considered and how the public can participate via Zoom if they choose to be remote.

Written Comment Period and Submittal of Comments

In accordance with the Administrative Procedure Act, interested members of the public may present comments orally or in writing during the hearing and may provide comments by postal mail or by electronic submittal before the hearing. The public comment period for this regulatory action will begin on May 30, 2025. Written comments not submitted during the hearing must be submitted on or after May 30, 2025, and received **no later than** July 14, 2025. Comments submitted outside that comment period are considered untimely. CARB may, but is not required to, respond to untimely comments, including those raising significant environmental issues. The Board also encourages members of the public to bring to the attention of staff in advance of the hearing any suggestions for modification of the proposed regulatory action. Comments submitted in advance of the hearing must be addressed to one of the following:

Postal mail: Clerks' Office, California Air Resources Board

1001 I Street, Sacramento, California 95814

Electronic submittal: https://ww2.arb.ca.gov/lispub/comm/bclist.php

Please note that under the California Public Records Act (Government Code section 7920.000 et seq.), your written and oral comments, attachments, and associated contact information (e.g., your address, phone, email, etc.) become part of the public record and can be released to the public upon request.

Additionally, the Board requests but does not require that persons who submit written comments to the Board reference the title of the proposal in their comments to facilitate review.

Authority and Reference

This regulatory action is proposed under the authority granted in California Health and Safety Code, sections 38501, 38505, 38510, 38560, 38566, 39500, 39600, 39601, 39650, 39658, 39659, 39666, 39667, 40000, 43013, 43018, 43100, 43101, 43102, 43104, 43105, 43106, and 43806; and California Vehicle Code section 28114.

This action is proposed to implement, interpret, and make specific sections 38501, 38505, 38510, 38560, 38580, 39000, 39002, 39003, 39010, 39017, 39500, 39600, 39601, 39610, 39650, 39655, 39656, 39657, 39658, 39659, 39666, 39667, 39701, 40000, 43000, 43000.5, 43009, 43009.5, 43013, 43016, 43017, 43018, 43100, 43101, 43101.5, 43102, 43104, 43105, 43106, 43202, 43204, 43205, 43205.5, 43206, 43210, 43211, 43212, 43213, and 43806; and California Vehicle Code section 28114.

Informative Digest of Proposed Action and Policy Statement Overview (Gov. Code, § 11346.5, subd. (a)(3))

Sections Affected:

Proposed amendments to California Code of Regulations, title 13, sections 1956.8, 1963, 1963.1, 1963.2, 1963.3, and 1963.4, and proposed adoption of new section 1963.7.

Documents Incorporated by Reference (Cal. Code Regs., tit. 1, § 20, subd. (c)(3)):

The following documents would be incorporated in the regulation by reference as specified by the following sections:

 California Standards And Test Procedures For New 2021 And Subsequent Model Heavy-Duty Zero-Emission Powertrains [Insert date of amendment], in Section 1956.8(a)(8)

The above listed document is also being amended by this regulation and thus the amendment date would be the date that the regulation is adopted by CARB.

Background and Effect of the Proposed Regulatory Action:

CARB initially adopted the Advanced Clean Truck (ACT) regulation in January 2021. The ACT regulation is a central element of California's comprehensive strategy to reduce harmful emissions from medium- and heavy-duty vehicles to the greatest degree feasible. The ACT regulation establishes more stringent emissions standards for medium- and heavy-duty vehicles that will assist California in attaining the State's air quality and climate mitigation targets and requires medium- and heavy-duty manufacturers to produce and sell an increasing portion of their annual sales as vehicles that emit no exhaust emissions of criteria pollutants or greenhouse gas emissions, i.e., zero-emission vehicles (ZEVs) beginning in the 2024 model year. In October 2024, CARB adopted amendments to the ACT regulation and the ZEP Certification test procedure. Those amendments primarily provide manufacturers with greater flexibility to comply with the ACT regulation, including extending the period that manufacturers can offset deficits from one year to three years. Those amendments consisted of minor, administrative changes that have minimal cost impacts and no emissions impact.

Summary of the Proposed Amendments

The proposed amendments to the ACT regulation include the following modifications:

- Add an option for manufacturers to use surplus ZEV and near zero emission vehicle (NZEV) credits generated in one state that has adopted the ACT regulation to assist with meeting their ACT compliance obligations in another state. The proposed pooling flexibility implements a declining annual credit transfer allowance for the 2027 through 2031 model years that dictates how many credits can be transferred in a given year into a state with a deficit. These allowances would begin at 20% in 2027 and decrease by 2% each year, reaching 12% in 2031. The credit transfer allowance would then be constant at 10% for the 2032 through 2035 model years.
- Modify the Low Tractor Volume provision to permit manufacturers to offset a portion of deficits generated in the Class 7-8 tractor group with Class 2b-3 or Class 4-8 group ZEV credits for each model year.
- Decrease the minimum all-electric range threshold for NZEVs after the 2030 model year.
- Provide manufacturers increased flexibility with respect to the order in which they retire ZEV credits.
- Modify the communication protocols with respect to the ZEV connector criteria in the ZEP Certification regulation.

Objectives and Benefits of the Proposed Regulatory Action:

The proposed amendments to the ACT regulation fulfill commitments made by CARB staff in the Clean Truck Partnership agreement by developing a pooling concept under the ACT regulation in collaboration with Section 177 state and manufacturer representatives and proposing this concept to the Board as early as possible. Implementing a pooling provision would introduce additional flexibility in the regulation and will grant manufacturers greater ability to meet the ACT regulation's requirements in all states that have adopted the regulation. Allowing credits generated from the Class 2b-3 and Class 4-8 groups to offset a portion of the deficits generated from the Class 7-8 tractor group will enable manufacturers to more easily

meet their compliance obligations and account for potential fluctuations in ZEV and NZEV sales across all states that have adopted the ACT regulation. Both of these proposed amendments will maintain the ACT regulation's emission benefits while increasing flexibility and decreasing regulatory burden on manufacturers. The remaining proposed modifications consist of generally minor, administrative changes that have no significant cost nor emissions impact, and aim to reduce regulatory and administrative burden on the manufacturers.

Additionally, the proposed amendments to the ZEP Certification will benefit manufacturers by incorporating additional pathways to fulfill communication protocol requirements with respect to ZEV connector criteria.

Comparable Federal Regulations:

There are no federal requirements for manufacturers to sell ZEVs with a gross vehicle weight rating greater than 8,500 lb.

An Evaluation of Inconsistency or Incompatibility with Existing State Regulations (Gov. Code, § 11346.5, subd. (a)(3)(D)):

During the process of developing the proposed regulatory action, CARB conducted a search for similar regulations on this topic and concluded these regulations are neither inconsistent nor incompatible with existing state regulations.

Disclosure Regarding the Proposed Regulation

Fiscal Impact/Local Mandate Determination Regarding the Proposed Action (Gov. Code, § 11346.5, subds. (a)(5)&(6)):

The determinations of the Board's Executive Officer concerning the costs or savings incurred by public agencies and private people and businesses in reasonable compliance with the proposed regulatory action are presented below.

Under Government Code section 11346.5, subdivision (a)(5) and section 11346.5, subdivision (a)(6), the Executive Officer has determined that the proposed regulatory action would not create costs or savings to any State agency, would not create costs or savings in federal funding to the State, would not create costs or mandate to any local agency or school district, whether or not reimbursable by the State under Government Code, title 2, division 4, part 7 (commencing with section 17500), or other nondiscretionary cost or savings to State or local agencies.

Housing Costs (Gov. Code, § 11346.5, subd. (a)(12)):

The Executive Officer has also made the initial determination that the proposed regulatory action will not have a significant effect on housing costs.

Significant Statewide Adverse Economic Impact Directly Affecting Business, Including Ability to Compete (Gov. Code, §§ 11346.3, subd. (a), 11346.5, subd. (a)(7), 11346.5, subd. (a)(8)):

The Executive Officer has made an initial determination that the proposed regulatory action would not have a significant statewide adverse economic impact directly affecting businesses, including the ability of California businesses to compete with businesses in other states, or on representative private persons.

Non-Major Regulation: Statement of the Results of the Economic Impact Assessment (EIA):

(A) The creation or elimination of jobs within the State of California.

The proposed amendments are expected to result in minor increases and decreases in work performed which can be absorbed by the regulated manufacturers. As a result, no jobs are expected to be created or eliminated by these amendments.

(B) The creation of new business or the elimination of existing businesses within the State of California.

No new jobs will be created or eliminated as a result of these proposed amendments, therefore new businesses will not be created, nor eliminated.

(C) The expansion of businesses currently doing business within the State of California.

The proposed amendments are expected to have minimal impact on jobs in regulated businesses and work will likely be absorbed within existing resources.

(D) The benefits of the regulation to the health and welfare of California residents, worker safety, and the state's environment.

These proposed amendments are generally minor, administrative changes that have no quantifiable cost impacts, no emissions impact, and no impact to health and welfare of California residents, worker safety, and the state's environment.

Effect on Jobs/Businesses:

The Executive Officer has determined that the proposed regulatory action would not have a significant effect on the creation or elimination of jobs within the State of California, the creation of new businesses or the elimination of existing businesses within the State of California, or the expansion of businesses currently doing business within the State of California. A detailed assessment of the economic impacts of the proposed regulatory action can be found in the Economic Impact Analysis in the Initial Statement of Reasons (ISOR).

Benefits of the Proposed Regulation:

The primary objective of the proposed regulatory action is to honor commitments made by CARB staff in the Clean Truck Partnership agreement, which includes proposing a credit pooling concept in collaboration with Section 177 state and manufacturer representatives and proposing such concept to the Board as early as possible. The objective of the proposed regulatory action is to also permit credits generated from the Class 2b-3 and Class 4-8 groups to offset a portion of the deficits generated from the Class 7-8 tractor group. These changes would maintain the ACT regulation's emission benefits while increasing flexibility and decreasing regulatory burden on manufacturers.

A summary of these benefits is provided; please refer to "Objectives and Benefits," under the Informative Digest of Proposed Action and Policy Statement Overview Pursuant to Government Code section 11346.5, subdivision (a)(3) discussion on page 2.

Business Report (Gov. Code, §§ 11346.5, subd. (a)(11); 11346.3, subd. (d)):

In accordance with Government Code sections 11346.5, subdivisions (a)(11) and 11346.3, subdivision (d), the Executive Officer finds the reporting requirements of the proposed regulatory action which apply to businesses are necessary for the health, safety, and welfare of the people of the State of California.

Cost Impacts on Representative Private Persons or Businesses (Gov. Code, § 11346.5, subd. (a)(9)):

In developing this regulatory proposal, CARB staff evaluated the potential economic impacts on representative private persons or businesses. CARB is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action.

Effect on Small Business (Cal. Code Regs., title 1, § 4, subds. (a) and (b)):

The Executive Officer has determined under California Code of Regulations, title 1, section 4, that the proposed regulatory action would not affect small businesses as none of the manufacturers subject to the ACT regulation meet the Assembly Bill 1033 (Garcia, Chapter 346, Statutes of 2016) definition of a small business.

Consideration of Alternatives (Gov. Code, § 11346.5, subd. (a)(13)):

Before taking final action on the proposed regulatory action, the Board must determine that no reasonable alternative considered by the Board, or that has otherwise been identified and brought to the attention of the Board would be more effective in carrying out the purpose for which the action is proposed, would be as effective and less burdensome to affected private

persons than the proposed action, or would be more cost-effective to affected private persons and equally effective in implementing the statutory policy or other provisions of law. As explained in Chapter VIII of the ISOR - Evaluation of Regulatory Alternatives, the proposed amendments are the most effective and least burdensome means of achieving the purposes of the regulation.

State Implementation Plan Revision

If adopted, CARB plans to submit the proposed regulatory action to the U.S. EPA for approval as a revision to the California State Implementation Plan (SIP) required by the federal Clean Air Act. The adopted regulatory action would be submitted as a SIP revision with no significant emissions impacts because it amends regulations intended to reduce emissions of air pollutants in order to attain and maintain the National Ambient Air Quality Standards promulgated by U.S. EPA pursuant to the Clean Air Act.

Environmental Analysis

When the original regulation was proposed in 2020, CARB prepared an environmental analysis (EA) under its certified regulatory program (California Code of Regulations, title 17, sections 60000 through 60008) to comply with the requirements of the California Environmental Quality Act (CEQA; Public Resources Code, section 21080.5). The EA, included in Appendix D of the ISOR entitled Final Environmental Analysis for the Proposed Advanced Clean Trucks Regulation, dated June 23, 2020, determined the ACT regulation could result in: beneficial impacts to energy demand, and greenhouse gases; less than significant impacts, or no impacts, to air quality, energy demand, greenhouse gases, land use planning, mineral resources, population and housing, public service, and recreation; and potentially significant adverse impacts to aesthetics, agricultural and forest resources, air quality, biological resources, cultural resources, geology and soils, hazards and hazardous materials, hydrology and water quality, land use planning, mineral resources, noise, transportation and traffic, and utilities and service systems. Staff has determined that no additional environmental review is required for the current proposed amendments because there are no changes that involve new significant environmental effects or a substantial increase in severity of previously identified significant effects previously identified in the prior 2020 EA. The basis for reaching this conclusion is provided in section V of the ISOR.

Special Accommodation Request

Consistent with California Government Code section 7296.2, special accommodation or language needs may be provided for any of the following:

- An interpreter to be available at the hearing;
- · Documents made available in an alternate format or another language; and
- A disability-related reasonable accommodation.

To request these special accommodations or language needs, please contact the Clerks' Office at *cotb@arb.ca.gov* or (916) 322-5594 as soon as possible, but no later than ten business days before the scheduled Board hearing. TTY/TDD/Speech to Speech users may dial 711 for the California Relay Service.

Consecuente con la sección 7296.2 del Código de Gobierno de California, una acomodación especial o necesidades lingüísticas pueden ser suministradas para cualquiera de los siguientes:

- Un intérprete que esté disponible en la audiencia;
- Documentos disponibles en un formato alterno u otro idioma; y
- Una acomodación razonable relacionados con una incapacidad.

Para solicitar estas comodidades especiales o necesidades de otro idioma, por favor llame a la oficina del Consejo al *cotb@arb.ca.gov* o (916) 322-5594 lo más pronto posible, pero no menos de 10 días de trabajo antes del día programado para la audiencia del Consejo. TTY/TDD/Personas que necesiten este servicio pueden marcar el 711 para el Servicio de Retransmisión de Mensajes de California.

Agency Contact Persons

Inquiries concerning the substance of the proposed regulatory action may be directed to the agency representative Paul Arneja, Manager In-Use Control Measures Section, at (279) 208 7342 or (designated back-up contact) Katherine Talamantez, Air Pollution Specialist, at (916) 282-6265.

Availability of Documents

CARB staff have prepared a Staff Report, or the ISOR for the proposed regulatory action, which includes a summary of the economic and environmental impacts of the proposal. The report is entitled: Proposed Amendments to the Advanced Clean Trucks Regulation and the Zero-Emission Powertrain Certification Test Procedure.

Copies of the ISOR and the full text of the proposed regulatory language may be accessed on CARB's website listed below, on May 27, 2025. Please contact <code>regulations@arb.ca.gov</code> if you need physical copies of the documents. Pursuant to Government Code section 11346.5, 0subdivision (b), upon request to the aforementioned Regulations Coordinator, physical copies would be obtained from the Public Information Office, California Air Resources Board, 1001 I Street, Visitors and Environmental Services Center, First Floor, Sacramento, California, 95814.

Further, the agency representative to whom nonsubstantive inquiries concerning the proposed administrative action may be directed is Jennifer Simpson, BARCU Manager, (279) 208-7216. The Board staff has compiled a record for this rulemaking action, which includes all the information upon which the proposal is based. This material is available for inspection upon request to the contact persons.

Hearing Procedures

The public hearing will be conducted in accordance with the California Administrative Procedure Act, Government Code, title 2, division 3, part 1, chapter 3.5 (commencing with section 11340).

Following the public hearing, the Board may take action to approve for adoption the regulatory language as originally proposed, or with non-substantial or grammatical modifications. The

Board may also approve of adoption of the proposed regulatory language with other modifications if the text as modified is sufficiently related to the originally proposed text that the public was adequately placed on notice and that the regulatory language as modified could result from the proposed regulatory action. If this occurs, the full regulatory text, with the modifications clearly indicated, will be made available to the public, for written comment, at least 15 days before final adoption. The public may request a copy of the modified regulatory text from CARB's Public Information Office, Air Resources Board, 1001 I Street, Visitors and Environmental Services Center, First Floor, Sacramento, California, 95814.

Final Statement of Reasons Availability

Upon its completion, the Final Statement of Reasons (FSOR) will be available, and copies may be requested from the agency contact persons in this notice, or may be accessed on CARB's website listed below.

Internet Access

This notice, the ISOR and all subsequent regulatory documents, including the FSOR, when completed, are available on CARB's website for this rulemaking at https://ww2.arb.ca.gov/rulemaking/2025/actpooling

California Air Resources Board

Steven S. Cliff, Ph.D.,

Date: May 13, 2025

The energy challenge facing California is real. Every Californian needs to take immediate action to reduce energy consumption. For a list of simple ways you can reduce demand and cut your energy costs, see CARB's website (ww2.arb.ca.gov).