BMW Group

July 26, 2024

Submitted via electronic mail to California Air Resources Board (cleancars@arb.ca.gov).

Subject: Comments on proposed amendments to the CARB Advanced Clean Cars II program after Workshop II on June 26th, 2024

BMW of North America, LLC ("BMW NA") appreciates the opportunity to participate in the development of amendments to the Advanced Clean Cars II (ACC II) regulations. BMW NA supports the comments filed by the Alliance of Auto Innovators regarding the general objective. Aligning the California regulations with the federal requirements from the U.S. Environmental Protection Agency's (EPA's) Multi Pollutant rule to the maximal possible extent is critical to a successful and cost-effective program that benefits the environment and California consumers.

Beyond alignment with EPA's recently finalized rulemaking, CARB has identified several areas to either amend or clarify the existing ACC II regulations.

This letter is divided into several sections addressing the respective topics.

BMW Group's perspective on the proposed amendments to the Advanced Clean Cars II Program

Criteria Air Pollutant Standards

As stated in previous comments, BMW NA would like to encourage CARB to still consider a harmonization between the Federal Tier 4 and ACC II emission bin structures. Our main concern is that maintaining diverging approaches in the United States between Federal regulations and California's regulations will substantially increase the hurdles and certification workload for both agencies and manufacturers. The main focus from a BMW NA perspective should be a harmonized requirement set to avoid diverging technology and testing efforts for either regulation. BMW NA supports the position of the Alliance of Automotive Innovators regarding CARB's proposal to eliminate the "Cleaner Car" provision. In a scenario where the bin structure will not be harmonized, this measure would provide manufacturers with important additional flexibility regarding the certification structure.

Amendments to the California GHG regulation

BMW NA continues to support the Agency's objective to reduce carbon emissions. From a historical perspective, BMW NA's commitment to the reduction of GHG has been shown by its voluntary cooperation with CARB in 2019, in which we committed to California GHG standards far more stringent than those of the Federal SAFE Vehicles rule.

BMW is concerned about CARBs proposal for ICE specific GHG requirements. Separately mandating ICE specific GHG requirements would add regulatory complexity as well as distract from the transition to EVs without commensurate climate benefits.

BMW NA generally supports the position of the Alliance of Automotive Innovators. The progressive increase in stringency within the Federal GHG regulation, both Federal and CA NMOG+NOx fleet requirements and the ACC II ZEV mandate provide no room for a hypothetical ICE backsliding strategy. Addressing CARBs proposal, BMW NA believes that in a first step, the implementation of an ICE-only GHG regulation would require an in-depth analysis of the historical ICE fleet performance to determine an appropriate ICE-only standard level. Secondly, BMW NA believes that such a standard should not be increased in stringency over time and should account for a potential removal/ phase-out of flexibilities such as Off-Cycle and AC credits within the program.

Addressing CARBs comment on available emission reduction technologies for ICE: BMW's fleet has already implemented various engine improvements such as engine downsizing, twin-scroll exhaust turbochargers (100% of ICE fleet is turbocharged), Valvetronic and VANOS, exhaust valve switch-offs, direct and dual injection technology, 48V mild hybrid technologies (through most of the BMW engine portfolio) and engine stop-start systems. Additionally, BMW has continuously improved its vehicles by introducing measures such as improved tire rolling resistance, optimized aerodynamics (e.g., due to Air Performance Wheels, Active air-flap control, Air curtains/breather) and vehicle weight optimization measures to help propel our vehicles more efficiently. From a technological perspective, BMW NA believes that the potential for ICE GHG emission reduction has been exhausted.

ZEV assurance measures

Vehicle and Charging communications and Interoperability

BMW NA appreciates the intent of CARB to ensure successful vehicle-to-charger communication in real world operation but would like to ensure that both the vehicle and the charger are subjected to any testing requirements. BMW NA believes it is important that any conformance testing requirements should not target only vehicle manufacturers, but also the infrastructure manufacturers. Both need to be compliant in order to ensure that customers experience first-time plug-in success when charging. Additionally, such conformance testing requirements are already being worked on in other working groups being led by the ChargeX Consortium from the Joint Office, as well as CharlN incorporating ISO, DIN and SAE standards to ensure that such tests are correctly defined and implemented. BMW NA would like to encourage CARB to consider the developments in these working groups for the amendments to the ACC II program. Additionally, redundant or conflicting requirements to the already implemented measures (CharlN Testivals, test case definitions, existing conformance tests, etc.) should be avoided.

Environmental Performance Label (EPL)

BMW NA supports the general customer communication concept of transparent, accurate and comparable key performance metrics of BEVs. We agree that todays' Monroney label information for BEVs are not ideal. However, BMW NA does have major concerns regarding an additional performance label to the already existing Monroney Label, e.g., practical limitations of steering labelling on a state-by-state-level. Additionally, the communication of differing performance metrics to the customer would harm the mutual efforts in growing the acceptance of the EV technology. Furthermore, BMW NA is concerned that differing performance metrics used for customer communication could create legal problems regarding federal marketing provisions of the Federal Trade Commission (FTC) defined in 16 CFR Part 259. Additionally, BMW NA is concerned about additional testing requirements to the already existing testing burden for BEV.

As stated in the comments of the Alliance of Automotive Innovators, BMW NA supports CARB's engagement with EPA and the Mobile Source Technical Review Subcommittee (MSTRS) to work on an improved federal BEV Monroney Label.

Battery Label Requirements

BMW NA appreciates the proposed updates to the 1962.6 battery label requirements. BMW NA would like to encourage CARB to allow the implementation of the proposed changes already with the first MY (2026) or consider a delay of the implementation of the 1962.6 requirements. This would allow a consistent labelling approach for the upcoming model years.

BMW NA appreciates the opportunity to comment on the proposed Amendments to the Advanced Clean Cars II Program and thank you for your consideration. We look forward to working with CARB staff and other stakeholders on the implementation of these amendments.

Sincerely,

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for Will (deputy)

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BMW of North America, LLC

BMW Group in America

BMW of North America, LLC has been present in the United States since 1975. Rolls-Royce Motor Cars NA, LLC began distributing vehicles in 2003. The BMW Group in the United States has grown to include marketing, sales, and financial service organizations for the BMW brand of motor vehicles, including motorcycles, the MINI brand, and Rolls-Royce Motor Cars; Designworks, a strategic design consultancy based in California; a technology office in Silicon Valley and various other operations throughout the country. BMW Manufacturing Co., LLC in South Carolina is the BMW Group global center of competence for BMW X models and manufactures the X3, X4, X5, X6 and X7 Sports Activity Vehicles as well as the new BMW XM. The BMW Group sales organization is represented in the U.S. through networks of 350 BMW passenger car and BMW Sports Activity Vehicle centers, 146 BMW motorcycle retailers, 105 MINI passenger car dealers, and 38 Rolls-Royce Motor Car dealers. BMW (US) Holding Corp., the BMW Group's sales headquarters for North America, is located in Woodcliff Lake, New Jersey. Journalist note: Information about BMW Group and its products in the USA is available to journalists on-line at www.bmwgroupusanews.com and www.press.bmwna.com