

ACCII SVM GROUP

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COMMENT OF ACCII SVM GROUP ON CARB ACCII AMENDMENTS PRESENTATION AT NOVEMBER, 2023 WORKSHOP

This comment is submitted by the ACCII SVM Group (“the Group”), an ad hoc alliance of the following small volume manufacturers (SVMs):

- Aston Martin
- Bugatti- Rimac
- Czinger
- Gordon Murray
- Koenigsegg
- McLaren
- Pagani

The Group participated in the original 2022 ACCII rulemaking and was grateful that CARB:

- listened to SVM concerns regarding ACCII, and
- addressed many of these concerns in the ACCII final rule.

Significantly, in the 2022 ACCII regulations, California reaffirmed the appropriateness of special SVM provisions as regards flexibility and lead-time given that:

SVMs are different from large volume manufacturers because SVMs have:

- Limited product portfolios
- Limited number of drivetrains
- Limited financial and human resources, and
- Longer product development times and vehicle life cycles

And that the above facts:

- Restrict SVMs’ ability to meet frequent and significant increases in the stringency of standards
- Make it unreasonable to expect SVMs to meet fleet average standards aimed at large OEMs¹

¹ It is also noteworthy that taken together as a group, SVMs have a de minimis impact on air quality.

This comment is submitted following the November 2023 Workshop convened to discuss the upcoming CARB rulemaking to amend the ACCII regulations.

At the Workshop, CARB staff indicated that the following topics are under consideration, among numerous others:

- Development of new GHG standards beyond 2025 model year and consideration of aligning with EPA’s GHG proposal set forth in **EPA’s 2023 Multi Pollutant NPRM**
- Consideration of aligning with the particulate matter standards proposed in **EPA’s 2023 Multi Pollutant NPRM**

The Group wishes to emphasize its concern with the idea of CARB aligning with some of the proposals in EPA’s 2023 Multi Pollutant NPRM. As explained to EPA in the Group’s July 2023 comment to EPA, the NPRM did not sufficiently consider the proposal’s effect on SVMs and Small Businesses. Unlike in past EPA rulemakings, EPA’s Multi-Pollutant NPRM failed to adequately address SVM and Small Business issues.²

IN VIEW OF THE ABOVE, AT THIS EARLY POINT IN THE ACCII AMENDMENT PROCESS, THE GROUP URGES AS FOLLOWS:

1. GHG

- **CARB should adopt the EPA small business GHG exemption applicable to OEMs that meet the EPA definition of small business** in (paragraph (j) of [eCFR :: 40 CFR 86.1801-12 -- Applicability](#). Doing so would once again harmonize CARB with EPA’s treatment of Small Businesses, as was the case when CARB was participating in the One National GHG Program.³
- **For SVMs that are not Small Businesses**, CARB should eliminate company-by-company alternative SVM GHG standards and.
 - Set an SVM phase-in that requires in MY 2032 a 50% GHG reduction compared to MY 25
 - Establish a trajectory from MY 2025 to MY 2032 that has either a reasonable linear reduction or one or more reasonable stepped reductions(The Group has also urged EPA to follow the above approach.)

2. CRITERIA EMISSIONS

As regards SVM fleet average requirements and Bins, CARB should retain the current ACCII SVM provisions (and the Group has urged EPA to harmonize with the current CARB ACCII SVM requirements).

² On the positive side from the SVM viewpoint, the EPA Multi Pollutant NPRM proposes to allow

- SVMs to delay complying with the proposed new Tier 4 OBD requirements until model year 2030;
- OEMs to count BEVs in their Tier 4 fleet average calculations;
- Small Businesses to have certain exemptions from the 86.1815 Battery-related requirements for electric vehicles and plug-in hybrid (but no special provisions for SVMs);
- Small Businesses to continue to be exempted from GHG requirements.

³ Currently, OEM Small Businesses are compelled to use the CARB SVM GHG provisions. But given the de minimis, indeed virtually unmeasurable, effect Small OEM Businesses have on GHG, they should be exempted.

3. **COMMANDED ENRICHMENT AECD** - CARB should maintain the current CARB Commanded Enrichment rules for SVMs (and the Group has urged EPA to harmonize with the current CARB ACCII requirements).
4. **PARTICULATE MATTER** -- CARB should maintain the current CARB PM provisions for SVMs (and the Group has urged EPA to harmonize with the current CARB ACCII SVM PM requirements)

We look forward to participating in the CARB ACCII amendment process.

Respectfully submitted,
ACCII SVM GROUP

Lance Tunick