



New Mexico Environment Department
Environmental Protection Division



City of Albuquerque, Environmental Health Department
Air Quality Program

Clean Cars New Mexico

September 15, 2021
2 p.m.

**2nd Public meeting: Proposed Low-Emission and
Zero-Emission Vehicle Standards**

Investing for tomorrow, delivering today



Virtual Meeting Guidelines

- ❑ All participants in the meeting will remain muted throughout the presentation. You will have an opportunity to ask questions or make statements at the end.
- ❑ Use the chat box to ask questions or use the raise your hand feature.
- ❑ This presentation and other clean car information available at NMED's Clean Car New Mexico webpage at <https://www.env.nm.gov/the-road-to-clean-cars-new-mexico/>
- ❑ Sign up for updates by joining the Clean Cars New Mexico listserv at <https://public.govdelivery.com/accounts/NMED/subscriber/new/>

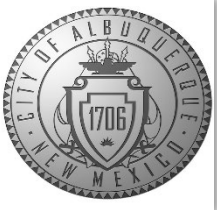




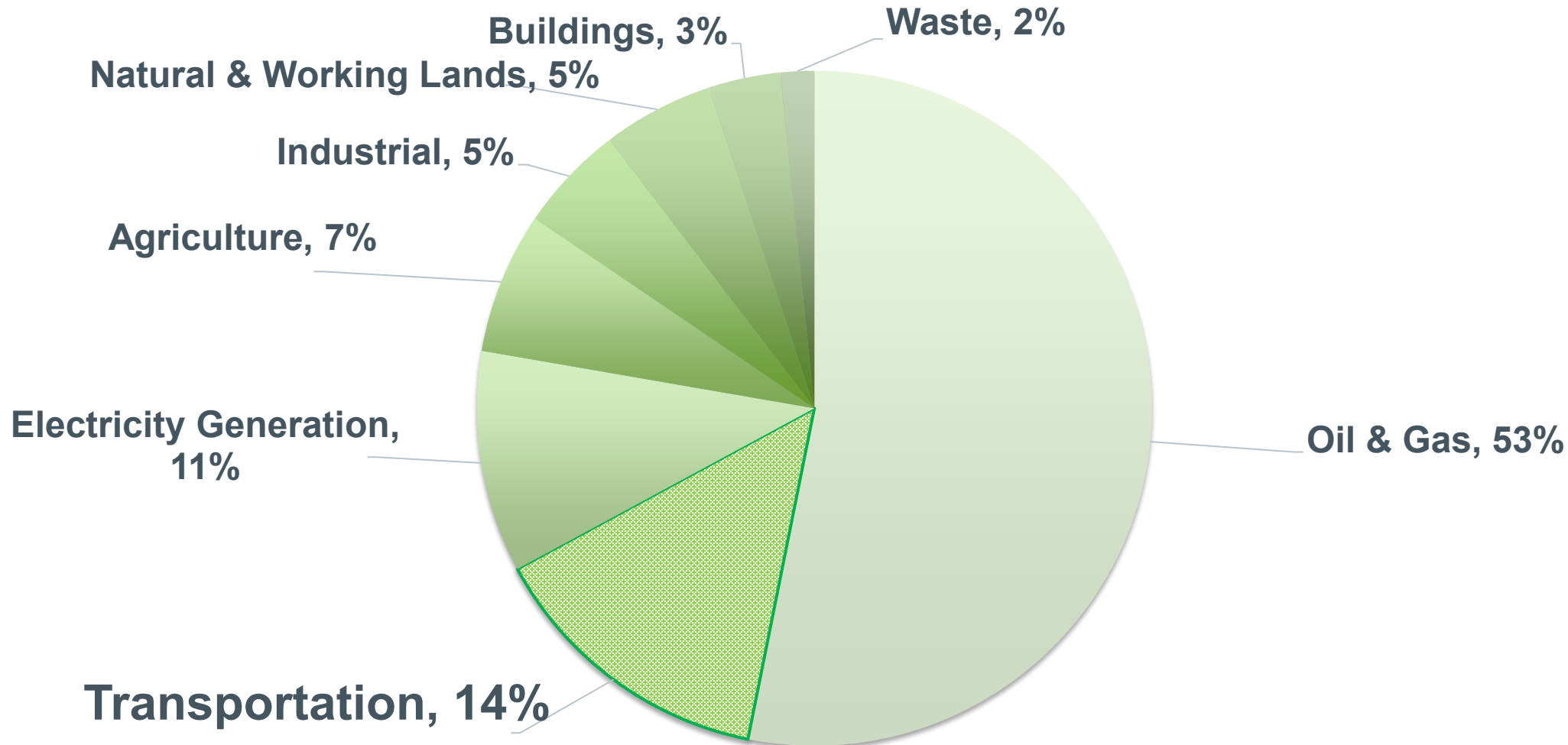
Meeting Agenda

- **Background Information**
- **The Low-Emission Vehicle (LEV) Rules**
- **The Zero-Emission Vehicle (ZEV) Rules**
- **The Rule Adoption Process and Schedule**
- **Your Questions and Comments**





Emissions Reductions: It's Time to Tackle Transportation



Source: New Mexico 2020 Climate Change Report;

https://www.climateaction.state.nm.us/documents/reports/NMClimateChangeReport_2020.pdf



California Clean Car Standards

CA Action: New ZEV Stringency for MY2026

Zero-Emission
Vehicle (ZEV)
Regulation

— Accelerates ZEV
deployment



Low-Emission
Vehicle (LEV)
GHG Regulation

— Reduces climate
change impacts



Low-Emission
Vehicle (LEV)
Criteria Regulation

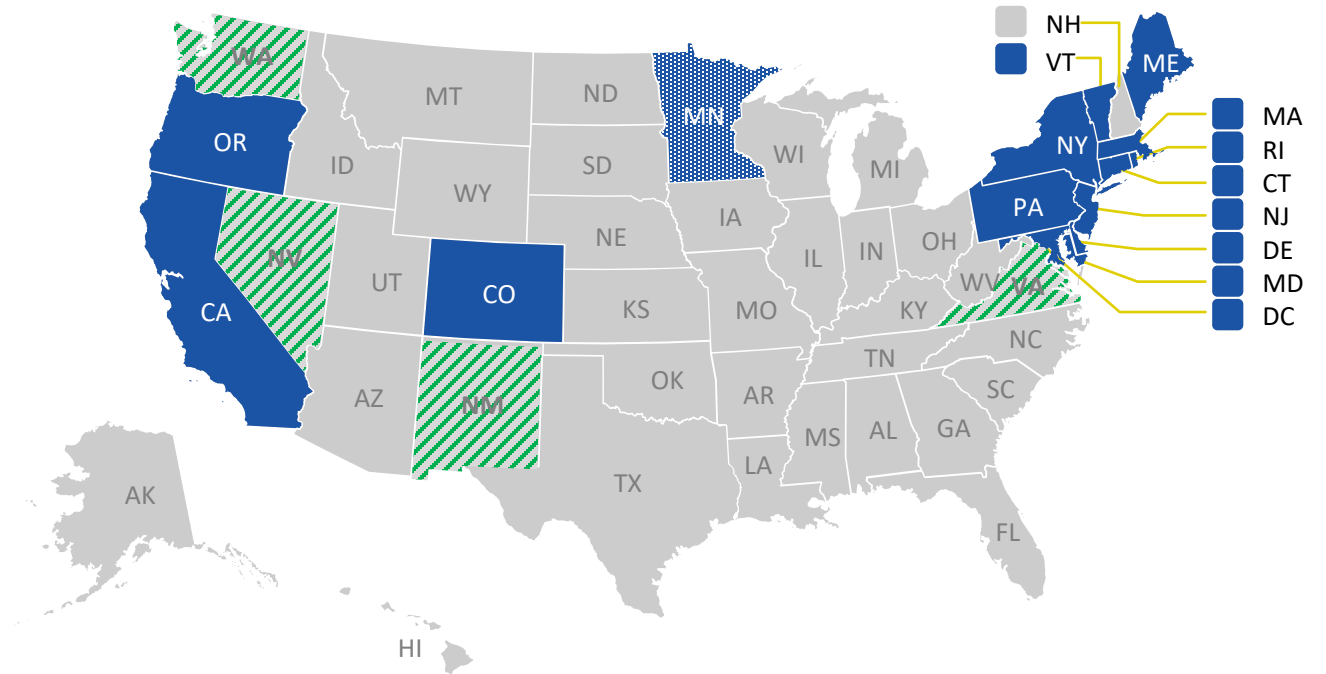
— Reduces air quality
impacts



States with CA Clean Car Standards



- States that follow federal standards
- States that have adopted clean car standards
- States that are currently considering clean car standards

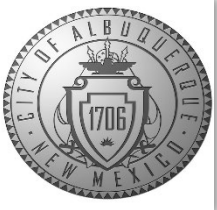




Current Federal Clean Car Actions

- **Environmental Protection Agency (EPA)**
 - ▣ **Increase Greenhouse gas emission stringency: 5% from Model Year 2022-2023; about 5% thereafter**
 - ▣ **Model Year 2023-2026**
 - ▣ **Comments due by September 27**
- **Department of Transportation - National Highway Traffic Safety Administration**
 - ▣ **8% annual increase in corporate average fuel economy (CAFE)**
 - ▣ **Model Year 2024-2026**

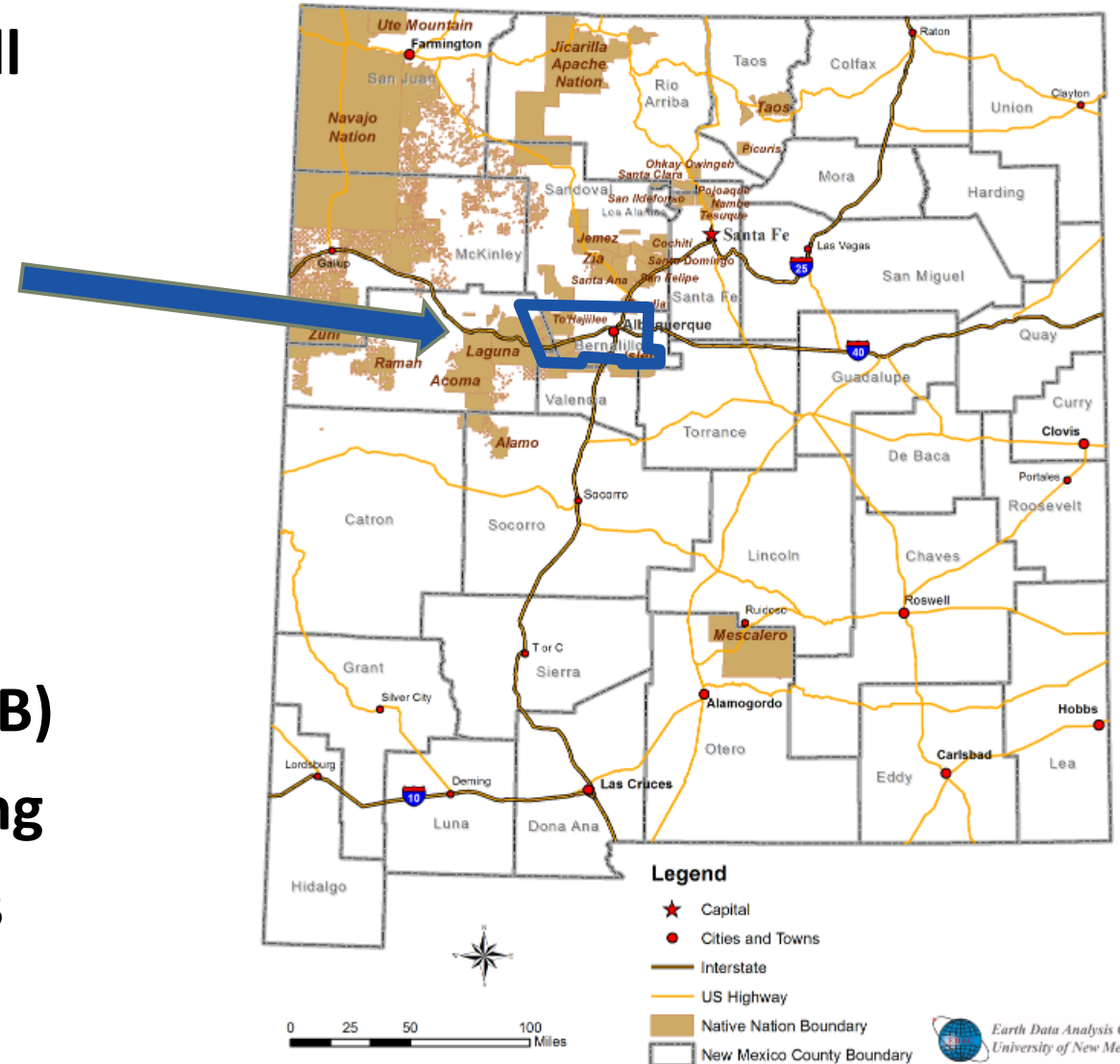




Collaborative Rulemaking in Multiple Air Quality Jurisdictions



- City of Albuquerque will propose rules to the Albuquerque-Bernalillo County Air Quality Control Board
- NMED will propose the same rules to the Environmental Improvement Board (EIB)
- Proposing a joint hearing
- Does not apply to lands of sovereign nations





Statutory Authority



- ❑ **NMED is using its existing statutory authority under state law to adopt emission standards that are in compliance with the federal Clean Air Act (CAA).**
- ❑ **NM law gives the EIB and the local board the authority to adopt clean car standards provided they are consistent with federal law.**
- ❑ **The federal CAA prohibits states from creating their own vehicle emission standards, with the following exceptions.**
 - ▣ **Federal CAA allows California to adopt more protective vehicle emissions standards with a waiver from the U.S. Environmental Protection Agency (EPA).**
 - ▣ **Federal CAA allows states to choose between the federal and the California standards (CAA, section 177).**



CA: Low-Emission Vehicle Standard (LEV)



- ❑ Each manufacturer must meet a state-wide fleet average tailpipe emissions for greenhouse gases, criteria air pollutants, and certain hazardous air pollutants
- ❑ Apply to new light- and medium-duty vehicles (passenger cars, light-duty trucks, medium-duty passenger vehicles)
- ❑ Apply to new vehicles offered for sale or lease in New Mexico beginning with Model Year 2026 (in calendar year 2025)
- ❑ Requirements vary depending if the manufacture is small-volume, medium-volume, large-volume as determined by sales in California
- ❑ More stringent over time which results in consistent, incremental progress toward cleaner cars

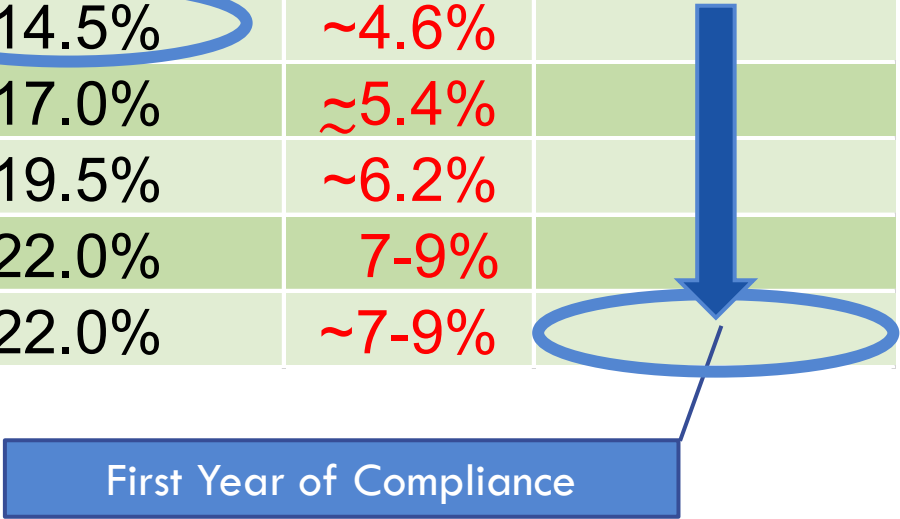


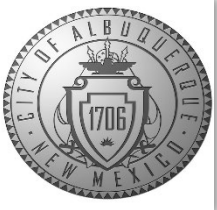
CA: Zero-Emission Vehicle (ZEV) Standard



- Requires auto manufacturers to deliver more zero-emission vehicles for sale in New Mexico
- Qualifying vehicles receive credits
- Qualifying vehicles include all battery electric and plug-in hybrid models

Model Year	Credit Requirement	Vehicle Sales	NM Vehicle Sales
2018	4.5%	~1.4%	0.4%
2019	7.0%	~2.2%	0.8%
2020	9.5%	3%	0.9%
2021	12.0%	~3.8%	1.0%
2022	14.5%	~4.6%	
2023	17.0%	~5.4%	
2024	19.5%	~6.2%	
2025	22.0%	7-9%	
2026+	22.0%	~7-9%	

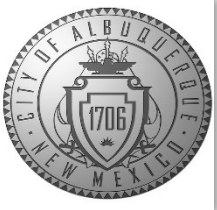




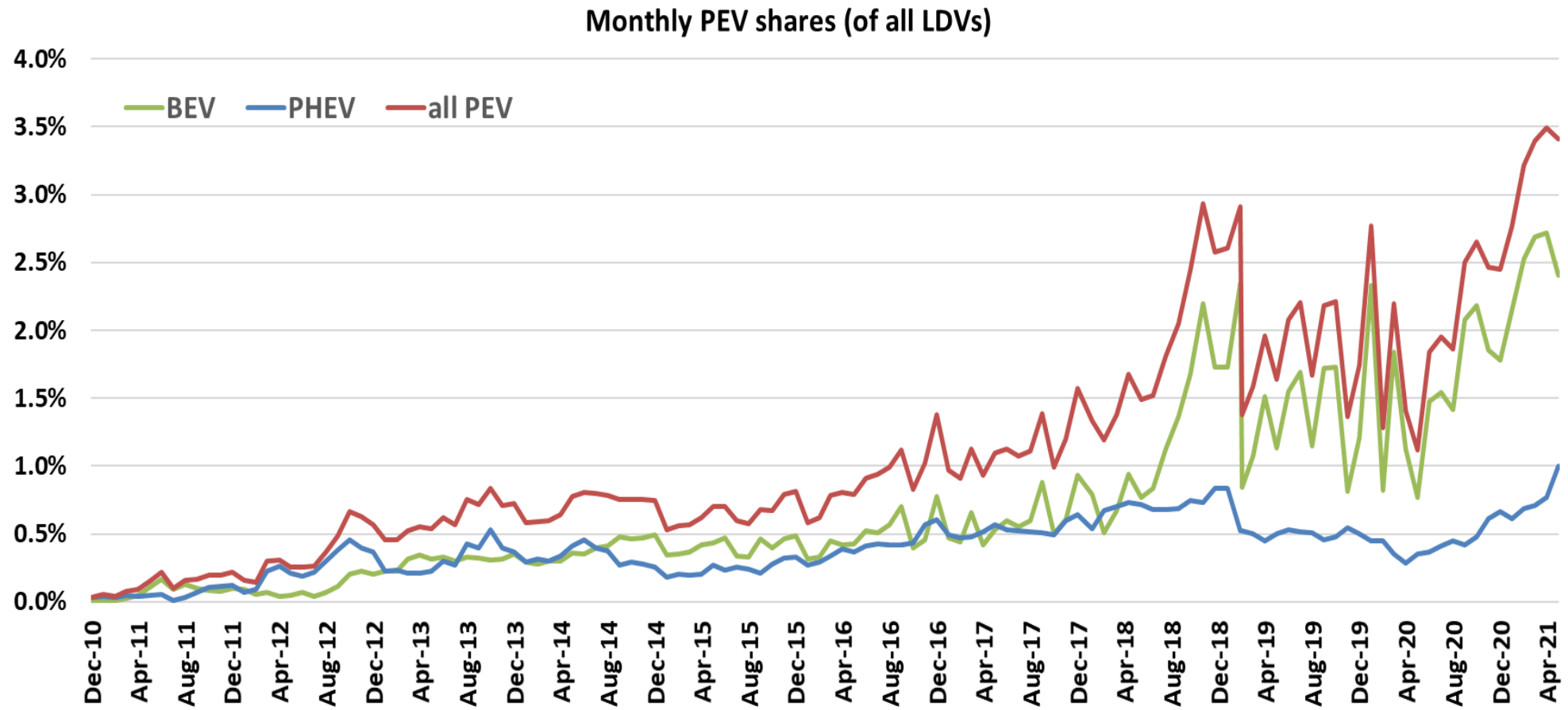
CA: Flexibility in Zero-Emission Vehicle Standards



- **Manufacturers have multiple ways to meet their obligation:**
 - ▣ **Develop and deliver ZEVs themselves**
 - ▣ **Purchase credits from others**
 - ▣ **Carry back or use previously banked credits**
 - ▣ **Carry forward banked credits for future years**
- **The standards do not dictate exact numbers, vehicle types, or locations**



Plug-In Electric Vehicle (PEV) Sales Up Nationally





NM: Credit Options for ZEV Rules

Credit options are designed to help vehicle manufacturers transition into a program that is already underway in other states

- **Early Credits**

- **Manufacturers may receive credits for new battery electric vehicles (BEVs) and plug-in hybrid electric vehicles (PHEVs) delivered for sale before compliance period begins (model year 2026).**

- **One-time Proportional Credits**

- **Give manufactures credits to use instead of delivering ZEVs**
- **Each manufacturer receives credits based on the balance of their California ZEV credit bank, scaled to NM-specific overall sales**
- **We are evaluating the Nevada approach, which makes proportional credits available only for use for future more stringent California standards**





Other Options for NM Rules

- ❑ What fees are needed to cover the costs of running the programs?
- ❑ How can NMED and City of Albuquerque coordinate statewide reporting for two separate air quality jurisdictions?
- ❑ How can NMED and City of Albuquerque collaborate to maximize compliance oversight and minimize agency administrative responsibilities?



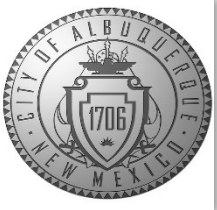


Clean Car Standards *Do*:

Clean Car Standards *Do Not*:

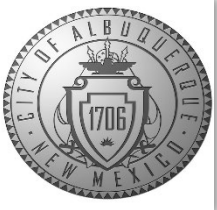
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- ✓ Significantly reduce greenhouse gas emissions
 - ✓ Apply only to new light- and medium-duty vehicles for sale in New Mexico
 - ✓ Improve air quality for New Mexicans
 - ✓ Expand purchase options for New Mexico consumers

- ✗ Apply to existing vehicles or used vehicles for sale
- ✗ Apply to off-road or heavy-duty vehicles or equipment, like farm equipment and semi-trucks
- ✗ Require emissions testing
- ✗ Require anyone to purchase an EV
- ✗ Ban the sale of SUVs or pickup trucks
- ✗ Increase taxes or costs to consumers



Moving forward: Our Schedule





Stay Informed



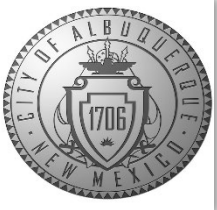
- Sign up for our email listserv for updates and meeting information in English and Spanish at <https://public.govdelivery.com/accounts/NMED/subscriber/new>
- Visit our websites:
 - ▣ NMED Clean Cars New Mexico at <https://www.env.nm.gov/the-road-to-clean-cars-new-mexico/>
 - ▣ City of Albuquerque Clean Cars I Regulation Documents at <https://www.cabq.gov/airquality/regulation-development/clean-cars-i-regulation-documents>
- Follow us on social media: @NMEnvDept, f=NMEnvironmentDepartment



We Want To Hear From *You*



- ❑ **Participate in public meetings like this one**
- ❑ **Invite us to your organization's meeting**
- ❑ **Give us feedback on our draft rules when they come out**
- ❑ **Provide public comment during the formal rulemaking process**
- ❑ **Provide testimony during the rulemaking hearing**



Contact Us

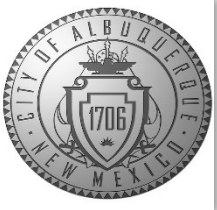
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Investing for tomorrow, delivering today



Questions? Comments?



**Please (virtually)
raise your hand or
type into the chat!**