



The Honorable Michael S. Regan, Administrator
U.S. Environmental Protection Agency
1200 Pennsylvania Avenue, NW
Washington, DC 20004

February 23, 2024

Docket ID No. EPA-HQ-OAR-2023-0292

Dear Administrator Regan,

I write to you on behalf of the U.S. Climate Alliance (Alliance), a bipartisan coalition of 24 governors committed to climate action that together represent approximately 60 percent of the U.S. economy and 55 percent of the U.S. population. The Alliance appreciates the opportunity to comment on California's request for a waiver under the Clean Air Act (CAA) for the Advanced Clean Cars II (ACC II) regulation, which accelerates the adoption of zero-emission light-duty vehicles (ZEVs) and supports our shared goals to confront the climate crisis, reduce harmful air pollution, advance environmental justice, promote American manufacturing and good-paying jobs, save consumers money, and protect public health. The Alliance has long supported state flexibility in the CAA that permits California to adopt, and allows other states and territories to follow, regulations that can have more protective emissions standards than the federal standards. We strongly support approval of California's clean cars rule, which was promulgated consistent with CAA requirements, and encourage EPA to grant the waiver without delay.

The Alliance is committed to doing its part to tackle greenhouse gas emissions in the transportation sector — the largest source of climate pollution in the U.S. Our members are leading the nation in deployment of ZEVs and working to put cleaner and more efficient light-duty vehicles on the road. Already, 11 more Alliance states have adopted California's ACC II regulation,¹ 10 Alliance states are collaborating with each other on coordinated actions to support the successful implementation of ZEV programs,² and 15 Alliance states have established lead-by-example state ZEV fleet requirements. Timely approval of California's waiver is essential not only for California, but for all states and territories that choose to adopt the ACC II rule to protect their communities, advance their emissions reduction targets, and lead the market in benefiting from zero-emission technologies.

Importantly, states and territories across the Alliance are also implementing the complementary policies needed to support ZEV deployment on our roadways. This includes offering state-level incentives that can be combined with federal tax credits for the purchase and installation of electric vehicle (EV) chargers, leveraging investments through the National Electric Vehicle Infrastructure program to expand public charging availability, working with utilities to expand investments in ZEV infrastructure and otherwise prepare for vehicle electrification, and establishing EV-ready requirements to ensure new housing and parking facilities will accommodate EV charging infrastructure. Taken together, these efforts will both support implementation of the ACC II regulation and help achieve President Biden's ambitious EV sales goal by 2030.

ACC II advances public health and environmental justice. California's clean cars rule is expected to significantly reduce harmful NOx and PM_{2.5},³ improving public health for tens of millions of residents in the state. For other Alliance states and territories,⁴ granting the waiver would provide a powerful mechanism to ensure compliance with National Ambient Air Quality Standards and protect public health in each of their jurisdictions. Emissions reductions achieved from the rule would avoid premature deaths, hospitalizations for cardiovascular illness, hospitalizations for respiratory illness, and emergency room visits, yielding billions in health benefits.³ ACC II also advances environmental justice by reducing disproportionate exposure to vehicle pollution in frontline communities, while providing automakers with

additional compliance opportunities that can increase affordable access to ZEVs in overburdened and low-income communities.

ACC II reinforces economic benefits for American manufacturers, workers, and consumers. Passage of the Inflation Reduction Act and other federal actions have already spurred more than \$150 billion domestically in private sector investments in EVs and batteries.⁵ With EV sales in the U.S. exceeding 1 million for the first time in 2023 and market demand projected to continue growing,⁶ zero-emission technologies are producing significant economic benefits that can be sustained and accelerated by ACC II, including the creation of good-paying jobs for American workers. ACC II will also help satisfy increasing market demand for and expand the market availability of cost-effective ZEVs, which will only become more affordable and more accessible as battery prices continue to drop.⁷ And across all states and territories that adopt the ACC II regulation, the rule will reduce fuel and maintenance costs for consumers and mitigate exposure to volatile fuel prices.

ACC II is key to tackling the climate crisis. Transportation remains the largest source of greenhouse gas emissions across the Alliance, and approval of the ACC II regulation is critical to our members' collective efforts to decarbonize this sector and meet our Paris Agreement emissions reduction targets. We agree with the Biden administration that a rapid expansion of zero-emission vehicles and trucks must be a central component of the U.S. Long-Term Strategy to confront the climate crisis.⁸ Importantly, the ACC II regulation sets ZEV sales targets to achieve these goals and enables states to support a strong national ZEV marketplace. Granting this waiver will ensure California and other Alliance members can continue to lead on transportation decarbonization – driving significant reductions in transportation emissions at the state level while ensuring the U.S. does not fall behind in our national efforts to limit global warming.

The Alliance stands firmly with California and its authority under the CAA to set its own vehicle emission standards, as well as the other states and territories that choose to voluntarily adopt those standards. Setting ambitious light-duty vehicle standards can play a vital role in a state's ability to improve air quality, protect public health, advance environmental justice, remain economically competitive, protect consumer choice, and tackle climate change. California's waiver request meets the conditions required by the law, and the state's promulgation of the ACC II regulation is consistent with the requirements of the CAA. We support full approval of the waiver application without delay.

Thank you again for the opportunity to comment and for the Administration's collaboration with states and territories to confront the climate crisis.

Sincerely,



Casey Katims
Executive Director
U.S. Climate Alliance

¹ Additional members include Colorado, Delaware, Maryland, Massachusetts, New Jersey, New Mexico, New York, Oregon, Rhode Island, Vermont, and Washington.

² NESCAUM, *State Zero-Emission Vehicle Programs Memorandum of Understanding*, <https://www.nescaum.org/documents/zev-mou-10-governors-signed-20191120.pdf>.

³ California Air Resources Board, *Public Hearing to Consider Advanced Clean Cars II Regulations: Final Statement of Reasons – Attachment F: Updated Costs and Benefits Analysis* (CARB, Sacramento, CA) <https://ww2.arb.ca.gov/sites/default/files/barcu/regact/2022/accii/fsorappf.pdf>.

⁴ Including Vermont, which is in the Ozone Transport Region, but excluding Hawaii.

⁵ The White House, *Investing in America*, <https://www.whitehouse.gov/invest/>.

⁶ National Automobile Dealers Association, *NADA Market Beat: 2023 New Light-Vehicle Sales Reach 15.46 Million Units*, <https://www.nada.org/nada/nada-headlines/nada-market-beat-2023-new-light-vehicle-sales-reach-1546-million-units>; Cox Automotive, *Forecast: 2024*, <https://www.coxautoinc.com/market-insights/forecast-2024/>.

⁷ Goldman Sachs, *Electric vehicle battery prices are falling faster than expected*, <https://www.goldmansachs.com/intelligence/pages/electric-vehicle-battery-prices-falling.html>.

⁸ United States Department of State and the United States Executive Office of the President, *The Long-Term Strategy of the United States: Pathways to Net-Zero Greenhouse Gas Emissions by 2050* (Washington, DC), <https://www.whitehouse.gov/wp-content/uploads/2021/10/US-Long-Term-Strategy.pdf>.