

## Recommendations on EPA's Proposed Light- and Medium-Duty Emissions Standards for MY2027+

The Biden-Harris Administration has a historic opportunity to build on the current momentum behind transportation electrification and decarbonization. Implementing strong emission standards for model year (MY) 2027 and beyond will produce good-paying American jobs, reduce consumer costs, and boost public health. Strong standards will signal robust demand for electric automotive technologies and create further industry investment resulting in domestic job creation. ZETA is pleased to offer the following recommendations to ensure EPA maximizes the value from this significant opportunity.

### **The standards should extend through at least MY2032 and EPA should consider standards through MY2035.**

- MY2032 would align with the tax credit lifespans in the IRA and set the industry on an unambiguous glidepath toward full decarbonization.
- MY2035 would align with California and other Section 177 states' electrification timeline.
- There is precedent for longer-term standards. The Obama-Biden Administration set standards for MY2017-2025 in a single rulemaking.
- Provides regulatory certainty not just for OEMs, but all members of the EV supply chain.
- Less frequent rulemaking means a more efficient use of Agency resources.

### **The standards should be ambitious enough to lock in significant emissions reductions by the end of the decade, putting the country on a trajectory to achieve full transportation electrification.**

- The context for this rulemaking is much different than August 2021 when President Biden signed EO 14037 - "*Strengthening American Leadership in Clean Cars and Trucks.*"
- IIJA and IRA investments will increase the momentum behind electrification.
  - Under this new business-as-usual paradigm, domestic light-duty ZEV sales are estimated to range from 48% to 61% by 2030, increasing to 56%–67% by 2032.<sup>1</sup>
  - There are already more than 50,000 public charging locations with the capacity to charge more than 130,000 EVs when accounting for individual charging ports across locations.<sup>2</sup> The NEVI program is expected to add thousands more over the next five years.<sup>3</sup>
  - Global battery manufacturing capacity is forecast to increase fivefold by 2025 to 4,151GWh/year, with the U.S. market share expected to grow to ~10%.<sup>4</sup>
- If achieved, public OEM commitments would lead to 43 million new EV sales per year globally by 2030.<sup>5</sup>

<sup>1</sup> <https://theicct.org/publication/ira-impact-evs-us-jan23/>

<sup>2</sup> [https://afdc.energy.gov/fuels/electricity\\_locations.html#/find/nearest?fuel=ELEC](https://afdc.energy.gov/fuels/electricity_locations.html#/find/nearest?fuel=ELEC)

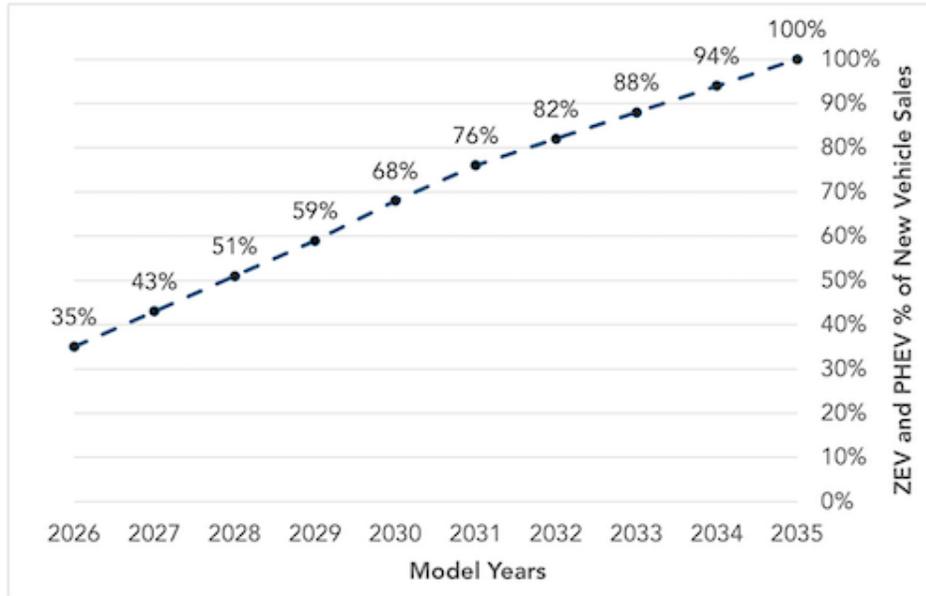
<sup>3</sup> <https://www.evgo.com/blog/building-ev-charging-stations-with-nevi/#:~:text=With%20a%20minimally%20compliant%20NEVI,that's%20not%20incremental%20%E2%80%93%20it's%20revolutionary.>

<sup>4</sup> [https://assets.bbhub.io/professional/sites/24/2022-COP27-ZEV-Transition\\_Factbook.pdf?utm\\_source=newsletter&utm\\_medium=email&utm\\_campaign=newsletter\\_axiosgenerate&stream=top](https://assets.bbhub.io/professional/sites/24/2022-COP27-ZEV-Transition_Factbook.pdf?utm_source=newsletter&utm_medium=email&utm_campaign=newsletter_axiosgenerate&stream=top)

<sup>5</sup> [https://assets.bbhub.io/professional/sites/24/2022-COP27-ZEV-Transition\\_Factbook.pdf?utm\\_source=newsletter&utm\\_medium=email&utm\\_campaign=newsletter\\_axiosgenerate&stream=top](https://assets.bbhub.io/professional/sites/24/2022-COP27-ZEV-Transition_Factbook.pdf?utm_source=newsletter&utm_medium=email&utm_campaign=newsletter_axiosgenerate&stream=top)

**The standards should reflect recently adopted state emission standards, consistent with state authority under the Clean Air Act.**

- California’s Advanced Clean Cars II (ACC II) rules will drive significant investment in and increased deployment of ZEVs.



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- 16 states have adopted at least the original ACC rules meaning that by 2035, at least 36% of all U.S. LDV sales will be ZEVs.<sup>7</sup>

	% of U.S. New LDV Sales by 2035
California + §177 LEV States	40.1%
California + §177 ZEV States	35.9%

- California’s Advanced Clean Truck rule will drive significant electrification in the Class 2b-3 sector by requiring 55% of new vehicle sales to be ZEVs by 2035.<sup>8</sup>
- California’s Advanced Clean Fleets proposed rule can be expected to drive further electrification.

<sup>6</sup> <https://ww2.arb.ca.gov/our-work/programs/advanced-clean-cars-program/advanced-clean-cars-ii>

<sup>7</sup> [https://ww2.arb.ca.gov/sites/default/files/2022-05/%C2%A7177\\_states\\_05132022\\_NADA\\_sales\\_r2\\_ac.pdf](https://ww2.arb.ca.gov/sites/default/files/2022-05/%C2%A7177_states_05132022_NADA_sales_r2_ac.pdf)

<sup>8</sup> <https://ww2.arb.ca.gov/resources/fact-sheets/advanced-clean-trucks-fact-sheet>