



June 13, 2022

Clerk of the Board
California Air Resources Board
1001 I Street
Sacramento, CA 95814

SUBMITTED ELECTRONICALLY AT: www.arb.ca.gov/lispub/comm2/bcsubform.php?listname=acf-comments-ws&comm_period=1

Re: Comments on May 2022 Draft Regulations for the Advanced Clean Fleets (“ACF”) Rule

Rivian Automotive, LLC, (“Rivian”) appreciates this opportunity to comment on the latest draft regulation for the ACF rule. ACF represents significant ambition on the part of the California Air Resources Board (“CARB”) and would serve as an important demand-side companion to the Advanced Clean Trucks (“ACT”) rule to which Rivian is subject as an electric vehicle manufacturer. Rivian supports the goals of the ACF but reiterates our view, outlined in our previous public comments on this matter, that the regulation would be stronger if it included a credit-trading mechanism, formally recognized the superior environmental benefits of truly zero emission vehicles (“ZEVs”) versus their counterparts, and set a target for 100 percent medium- and heavy-duty (“MHD”) ZEV sales earlier than 2040.

Keeping the World Adventurous Forever

Founded in 2009, Rivian is an independent company headquartered in California where we maintain office locations in Irvine and Palo Alto, as well as customer-facing service centers in several cities. With approximately 5,000 employees across the state and more than 12,000 around the world, it’s Rivian’s mission to Keep the World Adventurous Forever. Rivian’s focus is the design, development, manufacture, and distribution of all-electric adventure vehicles, specifically pickups, sport utility vehicles, and commercial vans. Key to the success of our mission, these vehicles will displace some of the most polluting passenger vehicles on the road today.

Rivian brought the first electric truck to market last year when we launched the R1T pickup from our manufacturing facility in Normal, Illinois, followed shortly thereafter by the R1S SUV and a commercial fleet electric delivery van for Amazon. All our vehicles are considered MD for regulatory purposes and satisfy ZEV requirements under both Advanced Clean Cars “one” (“ACCI”) and the ACT rules. The R1T and R1S provide all-electric options in segments where added utility is a necessity. The R1T has an EPA-certified 314-mile range and 11,000lbs of towing capacity, while the R1S is a seven-passenger full-sized SUV with a 316-mile range; both are more capable than the conventionally powered vehicles they are displacing. Rivian is also building a network of DC fast and Level 2 chargers across the country, including at sites on public lands such as the Golden Gate National Recreation Area and Yosemite National Park.

Rivian Generally Supports the ACF but Continues to Advocate for Certain Changes to Strengthen the Proposed Regulation

Rivian supports the most ambitious possible policies and regulations to reduce emissions and grow the ZEV market. ACF is an important complement to ACT and can help accelerate the MHD ZEV transition in California. The rule promises to introduce demand certainty to the MHD ZEV market, which is important for new entrants like Rivian.

However, our analysis of the latest rulemaking materials, including draft regulatory text, found that CARB's proposal could be stronger in several key respects.

- **As proposed, ACF does not allow participants to earn, average, bank, or trade compliance credits.** Averaging, banking, and trading (“ABT”) provisions are a proven mechanism for delivering emissions reductions in regulatory programs ranging from ACT to federal light-duty greenhouse gas emissions standards. ABT allows for the most stringent and environmentally beneficial standards for a given technology and implementation cost. Compared to the approach currently proposed by CARB, which allows for compliance exemptions and extensions, an ACF rule with an ABT program would also be more likely to deliver emissions reductions in a timely manner. Unlike the proposed extension/exemption regime, an ABT program incentivizes overcompliance and makes it possible, on average, for the aggregate fleet to achieve its goals even if individual fleets face unique barriers in any given compliance year. To the extent that fleets in a position to over-comply with the regulation operate in communities disproportionately impacted by air pollution, the incentives created by a credit ABT mechanism could even accelerate deployment of ZEVs and the associated air quality benefits into priority locations that are disproportionately affected by truck tailpipe pollution. For these reasons, **CARB should reconsider the benefits of ABT within ACF.** Rivian supports the inclusion of thoughtful extension and exemption provisions, such as those in the draft regulation, but encourages CARB to view these as backstops to an ABT mechanism.
- **Near-Zero Emission Vehicles (“NZEVs”) should not be treated as equivalent to ZEVs.** Consistent with our approach in all regulatory programs, **Rivian believes it is not appropriate for policies to treat NZEVs as equivalent to ZEVs.** This would erode the environmental integrity of the program, as well as its function as a source of demand certainty for “end-state” ZEV technology. To maximize emissions reductions and the benefits of the ACF, CARB should phase out regulatory credit of any kind for vehicles that do not deliver zero tailpipe emissions. To the extent CARB finds allowing for NZEVs necessary as a form of compliance flexibility, fairer treatment of such vehicles would be more feasible within a credit ABT framework. As with plug-in hybrid vehicles in the Advanced Clean Cars program, CARB could proportionately credit NZEVs used for ACF compliance at a value that reflects their greater in-use emissions versus true ZEVs.
- **The 100 percent ZEV sales mandate should be brought forward to accelerate stock turnover and achievement of 100 percent ZEVs on-road.** Rivian appreciates California's efforts to enhance the state's ZEV sales requirements on manufacturers to help meet electrification and climate goals. The current goal of 100 percent MHD ZEV sales in 2040 appears insufficient, however. In fact, CARB's draft Scoping Plan appears to envision 100 percent ZEV sales in the medium-duty segment as soon as 2036 and still foresees substantial residual emissions economywide through the target year of 2045. In this context, accelerating the 100 percent MHD ZEV sales requirement would

appear prudent and necessary. **Rivian has previously commented in support of a 100 percent sales requirement in 2035 and continues to believe such a goal is possible.**

Conclusion

Rivian's mission to Keep the World Adventurous Forever is made manifest in our commitment to the environment and addressing climate change. We strongly support the most ambitious regulatory programs to reduce emissions and achieve 100 percent ZEV transition as soon as possible, of which ACF can be a leading example. To strengthen the rule, we encourage CARB to incorporate credit ABT provisions and revise its treatment of NZEVs under the rule. We also believe an accelerated 100 percent ZEV sales target is appropriate.

Please reach out to me with any questions about these comments. We look forward to continued dialogue in developing this regulation and the remainder of the rulemaking process.

Sincerely,



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