

State of California
AIR RESOURCES BOARD

FINAL STATEMENT OF REASONS

**AMENDMENTS TO NEW PASSENGER MOTOR VEHICLE
GREENHOUSE GAS EMISSION STANDARDS FOR MODEL YEARS
2017-2025 TO PERMIT COMPLIANCE BASED ON FEDERAL
GREENHOUSE GAS EMISSION STANDARDS AND ADDITIONAL
MINOR REVISIONS TO THE LEV III AND ZEV REGULATIONS**

December 2012

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State of California
AIR RESOURCES BOARD

**Final Statement of Reasons for Rulemaking,
Including Summary of Comments and Agency Response**

PUBLIC HEARING TO CONSIDER THE PROPOSED AMENDMENTS TO NEW PASSENGER MOTOR VEHICLE GREENHOUSE GAS EMISSION STANDARDS FOR MODEL YEARS 2017-2025 TO PERMIT COMPLIANCE BASED ON FEDERAL GREENHOUSE GAS EMISSION STANDARDS AND ADDITIONAL MINOR REVISIONS TO THE LEV III AND ZEV REGULATIONS

Public Hearing Date: November 15, 2012
Agenda Item No.: 12-8-3

I. GENERAL

The Staff Report: Initial Statement of Reasons for Rulemaking (staff report), entitled "INITIAL STATEMENT OF REASONS FOR PROPOSED RULEMAKING, PUBLIC HEARING TO CONSIDER THE PROPOSED AMENDMENTS TO NEW PASSENGER MOTOR VEHICLE GREENHOUSE GAS EMISSION STANDARDS FOR MODEL YEARS 2017-2025 TO PERMIT COMPLIANCE BASED ON FEDERAL GREENHOUSE GAS EMISSION STANDARDS AND ADDITIONAL MINOR REVISIONS TO THE LEV III AND ZEV REGULATIONS", released September 14, 2012, is incorporated by reference herein. The staff report, which is incorporated by reference herein, contained a description of the rationale for the proposed amendments. Also on September 14, 2012, all references relied upon and identified in the staff report were made available to the public.

On November 15, 2012, Air Resources Board (ARB or Board) conducted the public hearing to consider the proposed amendments to new passenger motor vehicle greenhouse gas emission standards for model years 2017-2025 to permit compliance based on federal greenhouse gas emission standards and additional minor revisions to the Low-Emission Vehicle III (LEV III) and Zero-Emission Vehicle (ZEV) regulations. At this hearing, the Board received oral and additional written comments. At the conclusion of the hearing, the Board approved Resolution 12-35, in which it directed the Executive Officer to make the originally proposed amendments to the LEV III and ZEV regulations and test procedures with a number of proposed modifications available for formal public comment.

Staff suggested these modifications in response to public comments made after issuance of the original proposal. The proposed modified regulatory and test procedure language and the text or narrative description of each modification was contained in a 25-page document entitled, "Staff's Suggested Changes to

the Original Proposal,” which was distributed at the beginning of the hearing and included as Attachment J to Resolution 12-35.

Resolution 12-35 directed the Executive Officer to incorporate the modifications described in Attachment J into the originally proposed regulatory text, with such other conforming modifications as may be appropriate. The Executive Officer was directed to make the modified regulation (with the modifications clearly identified) and any additional documents or information available for a supplemental public comment period. He was also directed to consider any comments on the modifications received during the supplemental comment period. The Executive Officer was then directed to (1) adopt the modified regulation as it was made available for public comment, with any appropriate conforming additional modifications; (2) make all modifications available for public comment for an additional period of at least 15 days; and (3) present the regulation to the Board for further consideration if he determined that this is warranted.

In preparing the modified regulatory language, the staff proposed one additional conforming revision in response to public comments received during the 45-day comment period. This post-hearing modification was incorporated into the text of the proposed regulation, along with the modifications specifically identified in Attachment J to Resolution 12-35.

The text of the proposed modifications to the regulation, with the modified text clearly indicated, was made available for a 15-day comment period starting on November 19 and ending on December 5, 2012 at 5:00 p.m., by issuance of a Notice of Public Availability of Modified Text and Availability of Additional Documents, which included two enclosures: Enclosure A - Proposed Modified Text of the Proposed Amendments to the New Passenger Motor Vehicle Greenhouse Gas Emission Standards for Model Years 2017-2025 to Permit Compliance Based on Federal Greenhouse Gas Emission Standards and Additional Minor Revisions to the LEV III and ZEV Regulations and Enclosure B - Summary of 15-Day Changes to Proposed Regulation Order and Incorporated Test Procedures; and one additional document added to the rulemaking record - the “2017 and Later Model Year Light-Duty Vehicle Greenhouse Gas Emissions and Corporate Average Fuel Economy Standards” final rule, published in the Federal Register on October 15, 2012.

The modified text changes included:

1. Revisions to the sections of the regulations and test procedures that reference the 2017 – 2025 model year National Greenhouse Gas Program to reference the date that this rule was published in the Federal Register;
2. Allowing 2015-2019 model year Low-Emission Vehicle II (LEV II) super-ultra-low-emission vehicles (SULEV) that receive a partial zero-emission

vehicle (ZEV) allowance and 2015 – 2016 model year vehicles that are allowed to certify to LEV II SULEV standards using “carryover” of emission test data to certify to combined non-methane organic gas plus oxides of nitrogen (NMOG+NOx) standards instead of separate NMOG and NOx standards;

3. Clarifying that LEV II vehicles that certify to combined NMOG+NOx standards must meet the combined standards at 150,000 miles;
4. Clarifying that determination of a manufacturer’s compliance with the 2018 and subsequent model year partial ZEV anti-backsliding requirement is based on a three year average of the manufacturer’s partial ZEV production will start with the 2020 model year;
5. Clarifying that fleet average emission credits provisions that apply to LEV III will be applicable starting in the 2015 model year, which is when the LEV III program begins; and
6. A number of nonsubstantive modifications to the regulations and test procedures.

With respect to the notice of modified text, on the Internet posting date the notice and all attachments were electronically distributed to other parties identified, per section 44(a), title 1, CCR, in accordance with Government Code section 11340.85, and to all persons that have subscribed to the following six ARB listserves: clean_cars, fuels, leviiidtc12, levprog, ms-mailings, zev-program. The notice of modified text and attachments were not mailed to any additional parties, because ARB staff had electronic mail addresses for all parties, as required by section 44(a), title 1 CCR.

This Final Statement of Reasons (FSOR) updates the Staff Report by identifying and providing the rationale for the modifications made to the originally proposed regulation. The FSOR also contains a summary of the comments received on the proposed new regulation during the formal rulemaking process and ARB’s responses to those comments.

The Board has determined that this regulatory action will not result in a mandate to any local agency or school district the costs of which are reimbursable by the state pursuant to Part 7 (commencing with section 17500), Division 4, Title 2 of the Government Code.

No alternatives were considered to lessen the impact on small business, because small businesses will not be impacted by these proposed amendments and new documents.

The Board has further determined that no alternative considered by the agency would be more effective in carrying out the purpose for which the regulatory action was proposed or would be as effective and less burdensome to affected private persons than the action taken by the Board.

II. SUMMARY OF COMMENTS AND AGENCY RESPONSE

The Board received six written comments and five oral comments, in connection with the November 15, 2012 hearing and one during the subsequent 15-day comment period. Set forth below are either the full text or a summary of each objection or recommendation specifically directed at the proposed regulation or to the procedures followed by ARB in proposing or adopting the regulation, together with an agency response. The comments have been grouped by topic whenever possible.

A. COMMENTS PRESENTED PRIOR TO OR AT THE HEARING

1. Comments Concerning the Greenhouse Gas Regulations

1. Comment: We recommend that ARB delete the reporting requirement in §1961.3(c)(3). We do not believe this is in the spirit of the One National Program commitments, since it imposes an unnecessary requirement and burden in California and the Section 177 states. If ARB moves forward with this proposal in spite of our objections, we recommend that ARB deletes the requirement to provide the calculated fleet average CO₂ value for “footprint values,” since the calculated fleet average CO₂ value is not calculated by footprint values. (Steven Douglas, Senior Director, Environmental Affairs, Alliance of Automobile Manufacturers)

Agency Response: Staff disagrees that there is any conflict and is not proposing any change. Since the CO₂ target values in §1961.3(a)(1) (A) and (B) are footprint-based, staff believes that the requested information is needed to verify compliance with manufacturers’ greenhouse gas obligations. Nonetheless, staff is willing to work with industry to determine whether adjustments to this requirement are appropriate.

2. Comments Concerning the Criteria Pollutant Exhaust Regulations

Comments Concerning the Partial Zero-Emission Vehicle (PZEV) Backstop Provision

2. Comment: We recommend revising the PZEV anti-backsliding provision such that compliance is based on the average number of SULEVs produced and delivered for sale in 2018-2020. No anti-backsliding requirements should be necessary beyond the 2020 model year since

the fleet average will drive SULEV production. (Steven Douglas, Senior Director, Environmental Affairs, Alliance of Automobile Manufacturers)

Agency Response: Staff has modified the regulatory language as part of the 15-day changes to determine compliance with the PZEV anti-backsliding provision based on a rolling three-year average, beginning with the 2020 model year. Staff believes that it is premature to conclude that “no anti-backsliding requirements should be necessary beyond the 2020 model year,” since there is no way to know what manufacturer fleets will look like in that time frame. However, if the Alliance’s assertion proves true, manufacturers should easily meet the anti-backsliding provision beyond the 2020 model year. Therefore, no modifications to the PZEV anti-backsliding requirement are needed.

Comments Concerning LEV II Vehicle Requirements

3. Comment: There is some confusion about the implementation of NMOG+NOx for LEV II vehicles for the short period before LEV III is fully implemented (i.e., 2015-2019). For the short period before LEV III is fully phased in, requiring 150,000 mile durability would significantly add to the burden of certifying LEV II vehicles for a manufacturer choosing to certify to the combined NMOG+NOx. These same comments apply to the ULEV Category standard. If our reading of this section is incorrect and LEV II vehicles cannot certify to combined NMOG+NOx at 120,000 miles, we recommend ARB revise this section accordingly. (Steven Douglas, Senior Director, Environmental Affairs, Alliance of Automobile Manufacturers)

Agency Response: Staff has modified the regulatory language as part of the 15-day changes to clarify that, since the combined NMOG+NOx standards are 150,000 mile standards, a manufacturer that chooses this option for certifying LEV II vehicles must meet these standards at 150,000 miles.

4. Comment: Section 1961.2(a)(1) allows LEV II vehicles certified to LEV and ULEV to use the combined NMOG+NOx. However, the allowance to certify SULEV30 to a combined NMOG+NOx under the LEV II Standard has been eliminated. Thus, both PZEVs and SULEVs would be required to certify to separate NMOG and NOx standards. We do not believe this was ARB's intent and recommend reinserting this section. (Steven Douglas, Senior Director, Environmental Affairs, Alliance of Automobile Manufacturers)

Agency Response: Staff has modified the regulatory language as part of the 15-day changes to allow 2015-2019 model year LEV II SULEVs that receive a partial zero-emission vehicle (PZEV) allowance and 2015 –

2016 model year vehicles that are allowed to certify to LEV II SULEV standards using “carryover” of emission test data to certify to combined NMOG+NOx standards instead of separate NMOG and NOx standards.

3. Comments Concerning Size Definitions

5. Comment: Ferrari strongly supports ARB’s proposal to allow a manufacturer to be classified as a small volume manufacturer for the 2013 through 2017 model years, because it will ensure consistency between the California and the federal greenhouse gas programs. However, Ferrari notes that one of the criteria for operational independence in the revised section 1900(22) contains circular language and should be revised for clarity. (David M. Wertheim, Vice President & General Counsel, Ferrari North America, Inc.)

Agency Response: Staff agrees with this suggestion and made the necessary modification to the regulatory language as part of the 15-day changes.

4. Comments In Support of Amendments

6. Comment: Global Automakers fully supports the amendments proposed by the California Air Resources Board (ARB) to provide auto manufacturers an optional compliance path for the California 2017-2025 model years greenhouse gas vehicle emissions standards by demonstrating compliance with the federal 2017-2025 model year greenhouse gas vehicle emissions standards. Global Automakers also supports: 1) The minor clarifying amendments regarding the ZEV over-compliance option, which provides auto manufacturers flexibility by having an optional ZEV compliance path, which allows manufacturers to partially reduce their ZEV obligations in the 2018-2021 model years by over-complying with the national greenhouse gas program; 2) The clarifying amendments regarding ARB’s plans to participate fully in the EPA-DOT mid-term review to re-assess standards for the 2022-2025 model years; and 3) The amendments to the provisions on small volume manufacturers to clarify that the provisions pertaining to operational independence apply to 2013 and later model years. (Michael J. Stanton, President & CEO, Global Automakers)

Agency Response: We appreciate this comment, for which no response is needed because it supports the staff proposal.

7. Comment: The Manufacturers of Emission Controls Association is pleased to indicate our industry’s support of the California Air Resources Board’s proposal to permit compliance with federal greenhouse gas emission standards for light-duty vehicles to serve as compliance with

ARB's vehicle greenhouse gas emission standards. ARB's LEV III amendments and greenhouse gas emission standards on light-duty vehicles will provide additional support for the continued development of a thriving U.S. industry focused on a wide range of technologies that can reduce vehicle criteria and greenhouse gas emissions. (Joseph Kubsh, Executive Director, Manufacturers of Emission Controls Association)

Agency Response: We appreciate this comment, for which no response is needed because it supports the staff proposal.

8. Comment: DEP supports CARB's proposed amendments to California's greenhouse gas emissions standards for new passenger motor vehicles, which would allow vehicle manufacturers to demonstrate compliance with CARB's greenhouse gas standards by demonstrating compliance with the National Program for model years 2017-2025. (Vincent J. Brisini, Deputy Secretary, Pennsylvania Department of Environmental Protection (DEP))

Agency Response: We appreciate this comment, for which no response is needed because it supports the staff proposal.

9. Comment: The California Natural Gas Vehicle Coalition supports the staff proposal. (Tim Carmichael, President, California Natural Gas Vehicle Coalition)

Agency Response: We appreciate this comment, for which no response is needed because it supports the staff proposal.

10. Comment: The Environmental Defense Fund supports the proposed LEV III amendments. (Erica Morehouse, Environmental Defense Fund)

Agency Response: We appreciate this comment, for which no response is needed because it supports the staff proposal.

5. Comments Outside the Scope of this Rulemaking

11. Comment: We continue to have concerns about the migration of California's regulations to other States pursuant to Section 177 of the Clean Air Act. As you know, Section 177 provides other States authority to adopt California vehicle standards. Even when advanced vehicles are feasible in California, they may not be feasible in other States due to issues related to fuel quality, fuel infrastructure, or consumer attitudes. (Michael J. Stanton, President & CEO, Global Automakers)

Agency Response: This comment falls outside the scope of this rulemaking and therefore requires no response. However, it is important

to note that California does not have the authority to prohibit the migration of California's regulations to other States pursuant to Section 177 of the Clean Air Act.

12. Comment: Having cleaner gasoline enables manufacturers to make the maximum use of advanced technologies to reduce both traditional criteria pollutant emissions and greenhouse gas emissions. EPA is expected to reconsider national gasoline sulfur standards in its upcoming Tier 3 rulemaking, and we urge California to work with EPA to support cleaner gasoline standards nationwide. (Michael J. Stanton, President & CEO, Global Automakers)

Agency Response: This comment falls outside the scope of this rulemaking and therefore requires no response. The purpose of these regulatory changes is merely to allow manufacturers to demonstrate compliance with the final national passenger motor vehicle greenhouse gas regulations for the 2017 through 2025 model years, as an alternative option to achieve compliance with California's regulations and to make specified minor corrections to the LEV III criteria pollutant and ZEV regulations. It is not to re-examine these regulations in their entirety.

13. Comment: We urge ARB to work with EPA and other States to address the critical electric and fuel cell vehicle infrastructure issues in the Section 177 States. (Michael J. Stanton, President & CEO, Global Automakers)

Agency Response: This comment falls outside the scope of this rulemaking and therefore requires no response. The purpose of these regulatory changes is merely to allow manufacturers to demonstrate compliance with the final national passenger motor vehicle greenhouse gas regulations for the 2017 through 2025 model years, as an alternative option to achieve compliance with California's regulations and to make specified minor corrections to the LEV III criteria pollutant and ZEV regulations. It is not to re-examine these regulations in their entirety.

14. Comment: We urge ARB to work with EPA and other States to develop appropriate market incentives and to educate consumers nationwide on the ownership and environmental benefits of advanced technology vehicles. (Michael J. Stanton, President & CEO, Global Automakers)

Agency Response: This comment falls outside the scope of this rulemaking and therefore requires no response. The purpose of these regulatory changes is merely to allow manufacturers to demonstrate compliance with the final national passenger motor vehicle greenhouse gas regulations for the 2017 through 2025 model years, as an alternative option to achieve compliance with California's regulations and to make

specified minor corrections to the LEV III criteria pollutant and ZEV regulations. It is not to re-examine these regulations in their entirety.

15. Comment: A manufacturer's compliance strategy for California may differ substantially in different States, making ZEV compliance in the Section 177 States very difficult, if not impossible. (Michael J. Stanton, President & CEO, Global Automakers)

Agency Response: This comment falls outside the scope of this rulemaking and therefore requires no response. The purpose of these regulatory changes is merely to allow manufacturers to demonstrate compliance with the final national passenger motor vehicle greenhouse gas regulations for the 2017 through 2025 model years, as an alternative option to achieve compliance with California's regulations and to make specified minor corrections to the LEV III criteria pollutant and ZEV regulations. It is not to re-examine these regulations in their entirety.

16. Comment: The 50°F exhaust emission standards for fuel flexible vehicles tested on E85 should be eliminated until one full model year after such time that E85 accounts for at least 10% of the total gasoline plus E85 sold in California for a consecutive 12 month period. (Steven Douglas, Senior Director, Environmental Affairs, Alliance of Automobile Manufacturers)

Agency Response: This comment falls outside the scope of this rulemaking and therefore requires no response. The purpose of these regulatory changes is merely to allow manufacturers to demonstrate compliance with the final national passenger motor vehicle greenhouse gas regulations for the 2017 through 2025 model years, as an alternative option to achieve compliance with California's regulations and to make specified minor corrections to the LEV III criteria pollutant and ZEV regulations. It is not to re-examine these regulations in their entirety. Nonetheless, as stated by ARB's Chief Deputy Executive Officer at the November board hearing, staff is willing to work with industry to determine whether adjustments to this requirement are appropriate.

17. Comment: This is a technical correction to the LEV III regulations that was not modified by the current 45-Day Notice (i.e., it is in the regulations adopted in January). The SFTP NMOG+NOx and CO Composite standards in §1961.2(a)(7)(C) (table Footnote 5 on page A-51, copied below) allow the manufacturer to substitute FTP values for SC03 when determining the composite emission values. However, this provision is not provided in the SFTP PM table (§1961.2(7)(a)(D), page A-52). We believe this is an oversight, and request that ARB add this footnote to SFTP PM Table. (Steven Douglas, Senior Director, Environmental Affairs, Alliance of Automobile Manufacturers)

Agency Response: Because the SFTP PM standards for MDVs were not modified during this rulemaking, this comment falls outside the scope of the 45-day notice and therefore requires no further response. The purpose of these regulatory changes is merely to allow manufacturers to demonstrate compliance with the final national passenger motor vehicle greenhouse gas regulations for the 2017 through 2025 model years, as an alternative option to achieve compliance with California's regulations and to make specified minor corrections to the criteria pollutant and ZEV regulations. Nevertheless, staff intends to further evaluate the commenter's concerns and may consider proposing revisions to these requirements in a future rulemaking.

18. Comment: We support LEV III and encourage EPA to harmonize its Tier 3 regulations with California. Additional harmonization will be required by ARB after Tier 3 is finalized. (Steven Douglas, Senior Director, Environmental Affairs, Alliance of Automobile Manufacturers)

Agency Response: This comment falls outside the scope of this rulemaking and therefore requires no response. The purpose of these regulatory changes is merely to allow manufacturers to demonstrate compliance with the final national passenger motor vehicle greenhouse gas regulations for the 2017 through 2025 model years, as an alternative option to achieve compliance with California's regulations and to make specified minor corrections to the LEV III criteria pollutant and ZEV regulations. Nevertheless, it is staff's intent to work with USEPA in their development of the federal Tier 3 program to encourage the development of a national program that is consistent with California's air quality and programmatic needs.

19. Comment: We also wanted to comment on one issue not specifically reflected in the regulations. As noted in the ISOR, California's July 28, 2011 commitment letter stated that California reserves the right "to contest final actions taken or not taken as part of or in response to the mid-term evaluation." Elsewhere, the letter states California's commitment to revise its standards to provide that compliance with the EPA's 2017-2025 motor vehicle greenhouse gas standards, "even if amended after 2012," shall be deemed compliance with California's motor vehicle greenhouse gas standards. The Alliance understands these commitments to mean that if California is dissatisfied with the outcome of EPA's mid-term evaluation process, it has the right to seek judicial review of EPA's determinations and thereby attempt to change the final outcome of the mid-term evaluation. On the other hand, California may not unilaterally decide to eliminate the "deemed to comply" provisions and begin enforcing its own program, simply because it does not like the outcome of EPA's mid-term evaluation

process. In other words, manufacturers' option to comply with the federal program will continue through 2025, whatever the final outcome of the mid-term evaluation. (Steven Douglas, Senior Director, Environmental Affairs, Alliance of Automobile Manufacturers)

Agency Response: This comment falls outside the scope of this rulemaking and therefore requires no response. The purpose of these regulatory changes is merely to allow manufacturers to demonstrate compliance with the final national passenger motor vehicle greenhouse gas regulations for the 2017 through 2025 model years, as an alternative option to achieve compliance with California's regulations and to make specified minor corrections to the LEV III criteria pollutant and ZEV regulations.

B. COMMENTS RECEIVED DURING THE 15-DAY COMMENT PERIOD

1. Comments Concerning the Criteria Pollutant Exhaust Regulations

20. Comment: The amendments to the LEV III program adopted on March 22, 2012 provided manufacturers the option to certify 2015 through 2019 model year LEV II vehicles to combined NMOG+NOx standards. However, the 15-Day Notice requires that manufacturers certify those vehicles on a 150,000 miles durability basis. Recertifying a vehicle requires substantial resources. We understand that it is not the intent of ARB Staff to require additional testing of LEV II vehicles. Instead, Staff intends to allow manufacturers to extrapolate 120,000 mile certification data to 150,000 miles for compliance purposes. We understand that this type of extrapolation may be allowed under current regulations. We request ARB Staff confirm our understanding in a Manufacturers Advisory Correspondence (MAC) or using other appropriate mechanisms as soon as practical and provide additional details on its use. (Steven Douglas, Senior Director, Environmental Affairs, Alliance of Automobile Manufacturers)

Agency Response: The original LEV III regulation, approved by the Board in January of this year contained language that allowed a manufacturer to certify LEV II vehicles to the combined NMOG+NOx LEV III standards as an alternative to the separate NMOG and NOx standards. Although it is clear that the LEV III standards are 150,000 mile standards – because the language in question in §1961(a)(1) and §1961.2(a)(1) points to the tables in these sections that clearly show that the combined standards must be met at 150,000 miles – a couple of manufacturers commented that, since the regulations did not specifically say that LEV II vehicles certifying to these 150,000 mile LEV III standards must meet the standards at 150,000 miles, it was not clear

that this was staff's intent. Staff was not informed of this issue until after the 45-day notice for the current rulemaking. Consequently, this subsection was revised during the 15-day comment period for this rulemaking to clarify that LEV II vehicles that certify to combined 150,000 mile NMOG+NOx standards must meet the combined standards at 150,000 miles. It is not a new requirement.

The commenter is correct in that staff will allow manufacturers to extrapolate 120,000 mile certification to 150,000 miles for compliance demonstration in accordance with §86.1823-08, title 40, Code of Federal Regulations where a manufacturer may demonstrate compliance with emission standards at a mileage that is at a minimum 75% of the full useful life for the standards. This means that for 150,000 mile standards, a manufacturer must demonstrate compliance at a durability mileage accumulation of at least 112,500 miles. Therefore, a manufacturer that has certified vehicles to 120,000 mile emission standards by demonstrating durability at a minimum of 112,500 miles will not be required to conduct additional testing in order to re-certify to the 150,000 mile standards. Rather, per §86.1823-08, title 40, Code of Federal Regulations, a manufacturer will be able to extrapolate its certification data to 150,000 miles. However, if a vehicle is certified to 120,000 mile emission standards by demonstrating compliance at fewer than 120,000 miles, staff believes it is appropriate for a manufacturer to conduct additional testing in order to ensure that the 150,000 mile standards are met.

21. Comment: In section §1961.2(a)(1), 2018 and 2019 model year LEV II SULEVs cannot certify to PZEV emission standards. We understand that the intent of this section (as applicable to PZEVs) was to allow 2017 model year vehicles certified to the PZEV standard to certify to the 150,000 mile SULEV30 NMOG+NOx exhaust standard using "carryover" of emissions test data for the 2018 and 2019 model years, since PZEVs and AT PZEVs are no longer required beginning in 2018 model year. We request ARB clarify this in a Manufacturers Advisory Correspondence (MAC) or with a regulatory change during the next LEV III update. Further, we would request that ARB clarify this in the final statement of reasons, response to comments. (Steven Douglas, Senior Director, Environmental Affairs, Alliance of Automobile Manufacturers)

Agency Response: The commenter is correct that the intent of this section (as applicable to PZEVs) is to allow 2017 model year vehicles certified to the PZEV standard to certify to the 150,000 mile SULEV30 NMOG+NOx exhaust standard using "carryover" of emissions test data for the 2018 and 2019 model years. We believe the language is clear on its face, since the commenter understands the language as written and did not propose a suggested clarification, and there were no additional

comments that expressed confusion as to the intent of the language. Staff will discuss this concern with manufacturers and will consider issuing a MAC or other guidance as necessary and appropriate.

2. Comments Outside the Scope of the 15-day Notice

22. Comment: ARB staff included, and the Alliance supported, the PZEV anti-backsliding provision in the original Advanced Clean Car regulations. The intent of this provision is to ensure manufacturers do not offer fewer SULEV30s and SULEV20s in the initial years of LEV III regulations (particularly 2018-2020) than they made in the 2015-2017 model years. However, at some point, this provision becomes unnecessary since the entire fleet must meet SULEV emission levels on average. We understand that each manufacturer will reach that point at a different time. However, ARB should feel confident that no manufacturer can possibly make fewer SULEVs in the 2025MY than it made in the 2015-2017 model years. Since this reporting and tracking adds a regulatory burden for both manufacturers and ARB, but is clearly not necessary after 2024 MY, we recommend eliminating this provision beginning with the 2025 model years. (Steven Douglas, Senior Director, Environmental Affairs, Alliance of Automobile Manufacturers)

Agency Response: The end date for the applicability of the PZEV anti-backsliding requirement was not modified as part of the 15-day changes. Therefore, the comment is outside the scope of the 15-day notice and no further response is needed. (For further discussion of this requirement, see response to Comment #2.)

III. LIST OF ACRONYMS AND ABBREVIATIONS

ARB:	California Air Resources Board
AT PZEV:	Advanced technology partial zero-emission vehicle, as defined in the “California Exhaust Emission Standards and Test Procedures for 2018 and Subsequent Model Zero-Emission Vehicles and Hybrid Electric Vehicles, in the Passenger Car, Light-Duty Truck and Medium-Duty Vehicle Classes”
CARB:	California Air Resources Board
CCR:	California Code of Regulations
cfm:	Cubic feet per minute
CO ₂ :	Carbon dioxide
E85:	Fuel that contains a mix of 85% ethanol and 15% gasoline
EPA:	United States Environmental Protection Agency
EV:	Electric vehicle
FFV:	Flexible fuel (or fuel flexible) vehicle
FTP:	Federal Test Procedure
GHG:	Greenhouse gas
g/mi:	Grams per mile
GVWR:	Gross vehicle weight rating
GWP:	Global Warming Potential
HEV:	Hybrid electric vehicle
ISOR:	Staff Report: Initial Statement of Reasons
Lbs.:	Pounds
LEV:	Low-emission vehicle
LVW	Loaded vehicle weight
MAC:	Manufacturers Advisory Correspondence
MDPV:	Medium-duty passenger vehicle
MDV:	Medium-duty vehicle
mg/mi:	Milligrams per mile
MY:	Model year
NHTSA:	National Highway Traffic Safety Administration
NMOG:	Non-methane organic gas
NO _x :	Oxides of nitrogen
NPRM:	Notice of Proposed Rulemaking for USEPA’s “2017 and Later Model Year Light-Duty Vehicle Greenhouse Gas Emissions and Corporate Average Fuel Economy Standards” as published in the Federal Register on December 1, 2011 (76 Fed. Reg. 74854)
OEM:	Original equipment manufacturer
ORVR:	Onboard Refueling Vapor Recovery
PC:	Passenger car
PHEV:	Plug-in (or off-vehicle charge capable) hybrid electric vehicle
PM:	Particulate matter
ppm:	Parts per million

PZEV: Partial zero-emission vehicle, as defined in the “California Exhaust Emission Standards and Test Procedures for 2018 and Subsequent Model Zero-Emission Vehicles and Hybrid Electric Vehicles, in the Passenger Car, Light-Duty Truck and Medium-Duty Vehicle Classes”

SAE: Society of Automotive Engineers

SC03: A test procedure designed to determine emissions associated with the use of an air conditioner; A/C test procedure

SFTP: California Supplemental Federal Test Procedure

SULEV: Super-ultra-low-emission vehicle

SVM: Small volume manufacturer

ULEV: Ultra-low-emission vehicle

USEPA: United States Environmental Protection Agency

VEC: Vehicle-equivalent credit

ZEV: Zero-emission vehicle