Low Emission Vehicle Program
Greenhouse Gas
Regulatory Update

September 13, 2018
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DEEP Headquarters Hartford

WHAT: Amend CT LEV GHG Provisions
Amendment of the available compliance options for the tailpipe greenhouse gas standards for 2021 – 2025 model year passenger vehicles and light-duty trucks

HOW: Public regulatory process:
https://eregulations.ct.gov/eRegsPortal/Browse/ProposedRegulations

WHEN: By January 1, 2019

WHY: Because California has initiated amendments which Connecticut is required to follow by the Clean Air Act
This Presentation

• History of Tailpipe GHG Standards

• What EPA is Doing and Why

• What California is Doing and Why

• What Connecticut is Doing and Why
Clean Air Act Section 177

Any State may adopt and enforce standards from new motor vehicles if –

• Such standards are identical to California
• Adoption is at least two (model) years before the effect of the standards

Clean Air Act Section 209

California can receive a waiver of Preemption if their program is at least as protective as federal standards
Vehicle GHG Program Adoption

2005

• Connecticut adopts the California tailpipe GHG standards for passenger vehicles and light-duty trucks

• California applies for a waiver of preemption from EPA to be able to enforce their vehicle GHG standards

• EPA does not act on the waiver request citing ongoing litigation in Mass v. EPA

2007

• Supreme Court decides Mass v. EPA

• EPA denies the waiver request
2009 Harmonization Agreement

- Standards: California and EPA harmonize standards
- Timeframe: New standards are adopted out to model year 2025 for both EPA and CARB
- EPA Grants California’s 2005 waiver request

California agrees to adopt a compliance flexibility to allow compliance with EPA standards as proof of compliance with CA standards as the standards will be harmonized...
“Deemed To Comply” Provision

“For the 2017 through 2025 model years, a manufacturer may elect to demonstrate compliance with this section 1961.3 by demonstrating compliance with the 2017 through 2025 MY National greenhouse gas program.”

Section 1961.1 California Code of Regulations
Mid Term Review

July 2016
Joint CARB and EPA Technical Assessment Report

• A wider range of technologies exist to meet the 2022-2025 standards than EPA thought in 2012
• On average the regulated entities have over-complied
• Multiple compliance pathways exist toward compliance
• Incremental costs to consumers are paid back through operational savings in 2 to 4 years depending on gas prices and driving habits
Mid Term Review (Cont’d)

- November 2016 Proposed Determination
  - 2022-2025 standards remain achievable and appropriate

- January 2017 EPA Final Determination

- March 15, 2017 EPA Reconsideration of MTE

- April 2, 2017 EPA Final Reconsideration
  - 2022 – 2025 standards are not appropriate
EPA New Standards

August 2, 2018 EPA Announces New 2021-2026 Standards

EPA Current v. Proposed Tailpipe CO$_2$ Standard

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<th>YEAR</th>
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EPA Standard Impacts (EPA FR Announcement)

- Decrease Consumer Costs
  - Up to $2000 per vehicle in 2030
- “SAFE” Safer Affordable Fuel Efficient Vehicles
  - 1000 less fatalities
- Decrease of Labor Hours (Jobs)
- Increased CO2 Emissions
  - 872 million metric tons CO2
- Increased Fuel Use
  - 500,000 Barrels of oil per day increase
Clean Air Act – Waiver of Preemption

• EPA also proposes to withdraw the 2005 waiver of preemption for California’s tailpipe GHG and Zero Emission Vehicle Programs

• Without the waiver, California (and 177s) will be unable to enforce these programs.
  ○ Litigation Pending
California Rulemaking

• August 7, 2018 California released Initial Statement of Reasons.

• Amending section 1961.3 to remove the “deemed to comply” compliance provision if the federal standards are amended.

• To uphold the understanding and reasoning of the 2009 harmonization, to achieve necessary GHG reductions and protect public health.

• Hearing Sept 27-28
Connecticut Department of Energy and Environmental Protection

Air Quality Challenge

Annual CO2 Emissions by Sector in Connecticut

Transportation 41%

Other Sectors 59%
Air Quality Goals

Global Warming Solutions Act Goals

2020 – 10% below 1990 CO$_2$ levels

2030 – 45% below 2001 CO$_2$ levels

2050 – 80% below 2001 CO$_2$ levels
Amendment of the Regulations

Amend section 22a-174-36c

Subsection (a): Adding a definition of the federal program

Subsection (e): Updating Incorporation Dates for sections of California Code of Regulations

Subsection (l): Amended to remove “deemed to comply” provision if the federal program is amended.
Timeline

- Notice: Released August 28, 2018
- Comments Due: October 2, 2018, 5 P.M. through the Sec of State Website or to Paul.Kritzler@ct.gov
- LRRC Hearing: December Meeting
- Finalization by January 1, 2019
Questions?

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Rulemaking Comments:
https://eregulations.ct.gov/eRegPortal/Search/RMRView/PR2018-033