Setting the Facts Straight - Clean Vehicles Rulemaking

This year, the Washington State Department of Ecology (Ecology) is adopting three regulations that will help address air pollution to improve public health, protect frontline communities, and increase access to electricity as an affordable transportation fuel. The regulations are:

- Advanced Clean Cars II Rule (ACC II) which requires, by model year 2035, every new light-duty vehicle sold in Washington to be a zero-emission vehicle, which includes battery electric, plug-in hybrid, and fuel cell electric vehicles.
- **Heavy-Duty Omnibus Low NOx Rule** which requires manufacturers to reduce harmful smog-forming pollution from new fossil fuel trucks.
- Fleet Reporting Requirement which allows Washington to collect essential information on truck fleet operations that will help reduce pollution faster.

These regulations will:

- help reduce greenhouse gas emissions from the highest polluting sector (the transportation sector is responsible for <u>nearly 45%</u> of the state's greenhouse gas emissions and on-road diesel emissions have <u>more than doubled</u> since 1990);
- reduce harmful smog and diesel pollution, improving air quality for the <u>5 million people in Washington</u> living and working near transportation corridors; and,
- help identify and prioritize the electrification of trucking operations that would provide the greatest relief in air pollution exposure to overburdened communities.

Unfortunately, there has been a significant amount of misinformation, highlighted in the <u>public comment period</u>, regarding the scope and impact of the regulations.

A Transition to Pollution-free Vehicles

Misinformation regarding ACC II has caused a significant amount of confusion. It has been described as a total gas car ban, which is misleading. Owners of gas cars will not be forced to give them up, but far more ZEVs will be available. ACC II phases in the sale of *new* zero-emission vehicles (ZEVs), but does not ban gas-powered vehicles. This means that by model year 2035, every *new* light-duty vehicle sold in Washington will be a zero-emission vehicle, which includes battery electric, plug-in hybrid, and fuel cell electric vehicles.

Grid Reliability and Infrastructure

While some are claiming that the electric grid cannot support electric vehicles, this is inconsistent with how utilities provide reliable service. Utilities are required to consistently assess their resource and infrastructure needs and take a variety of actions to continue serving customers.

Washington utilities are anticipating new load from ZEVs and there are already comprehensive requirements in place to ensure that utilities actively plan for new load, both in resource planning and distribution system planning processes. Maintaining affordable and reliable energy services is essential as Washington transitions to a clean energy economy. ACC II is a critical part of this transition, providing utilities with more certainty and allowing utilities to account for new ZEVs and respond accordingly.

In fact, ZEVs will have a role to play in grid stability and resiliency through managed charging and vehicle-to-grid capabilities. There is more that can be done to leverage these opportunities.

Cost-saving

Transportation is the second highest household expense, second only to housing, and with recent high gas prices, these concerns are heightened. The upfront cost of new ZEVs can still be out of reach, but upfront costs are dropping and price parity is expected in the very near future. At the same time, many drivers are still interested in the savings from EVs – between \$1,800 and \$2,600 in operating and maintenance costs every year when compared to gas-powered vehicles. Relying on stable, low-cost electricity as a transportation fuel stands in stark contrast to being at the whim of a volatile, global fuel market where prices are controlled by companies making record-breaking profits. Oil suppliers charge the highest prices they can: WA residents are forced to pay some of the highest profit margins in the country with fuel profit margins in the Seattle area over \$1 per gallon. Washingtonians need more access to ZEVs. ACC II is critical to both making more affordable ZEVs available and reducing our reliance on gas and its unstable prices.

These three policies are important parts of a comprehensive strategy to decarbonize the transportation sector and create a more just and equitable transportation future in Washington.

For general questions or questions related to grid reliability, contact Chris Connolly at NW Energy Coalition: chris@nwenergy.org, (781) 367-1256

For questions related to fuel markets, contact Stephanie Noren at Climate Solutions: stephanie.noren@climatesolutions.org, (360) 580-7885

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