



New Mexico Environment Department
Environmental Protection Division



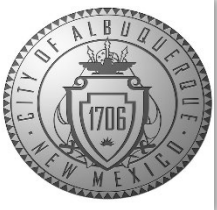
City of Albuquerque, Environmental Health Department
Air Quality Program

Clean Cars New Mexico

September 21, 2021
2:45 p.m.

Coalition of Sustainable Communities New Mexico

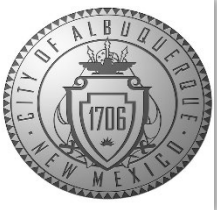
Investing for tomorrow, delivering today



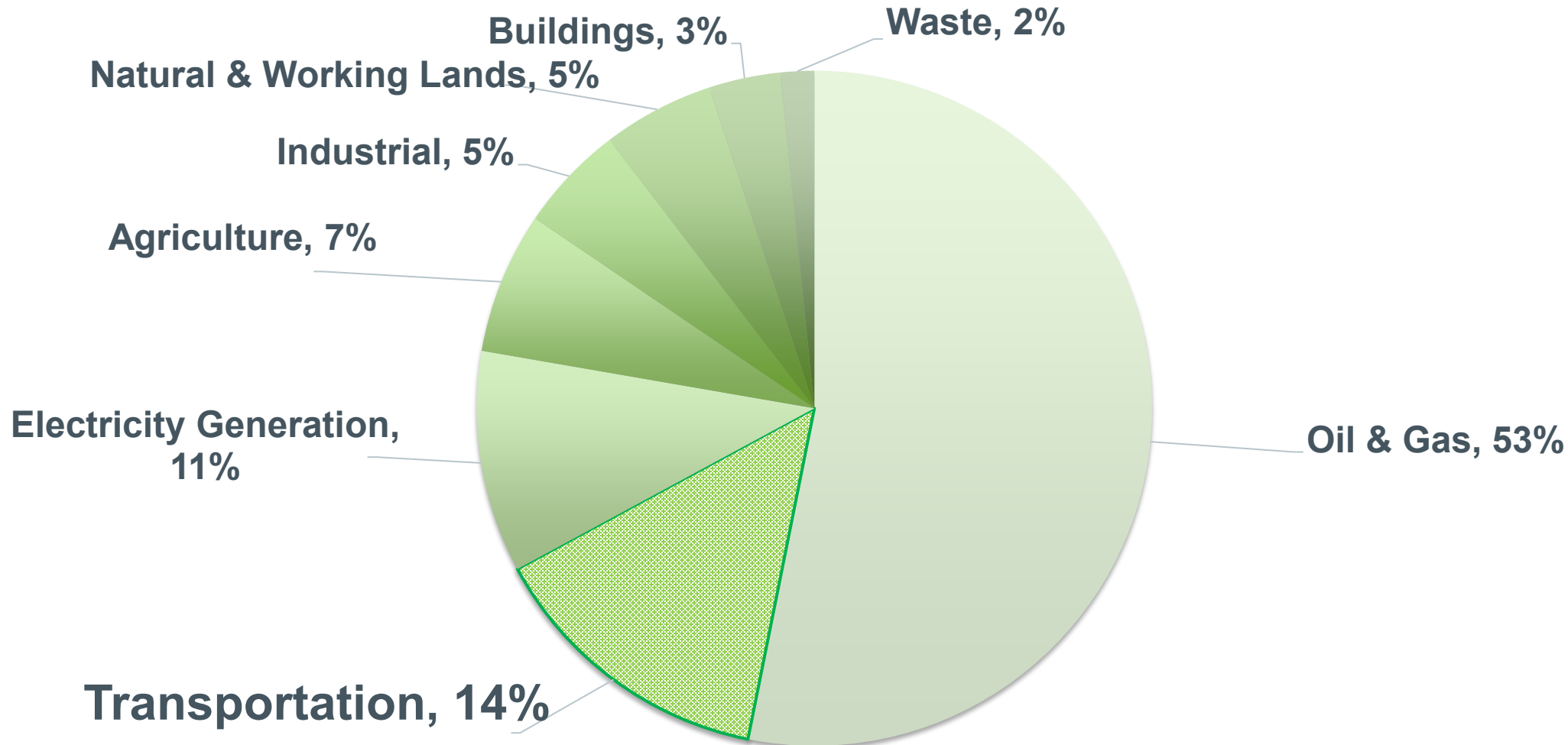
Meeting Agenda

- **Background Information**
- **The Low-Emission Vehicle (LEV) Rules**
- **The Zero-Emission Vehicle (ZEV) Rules**
- **The Rule Adoption Process and Schedule**
- **Discussion and Opportunity for Support**





Emissions Reductions: It's Time to Tackle Transportation

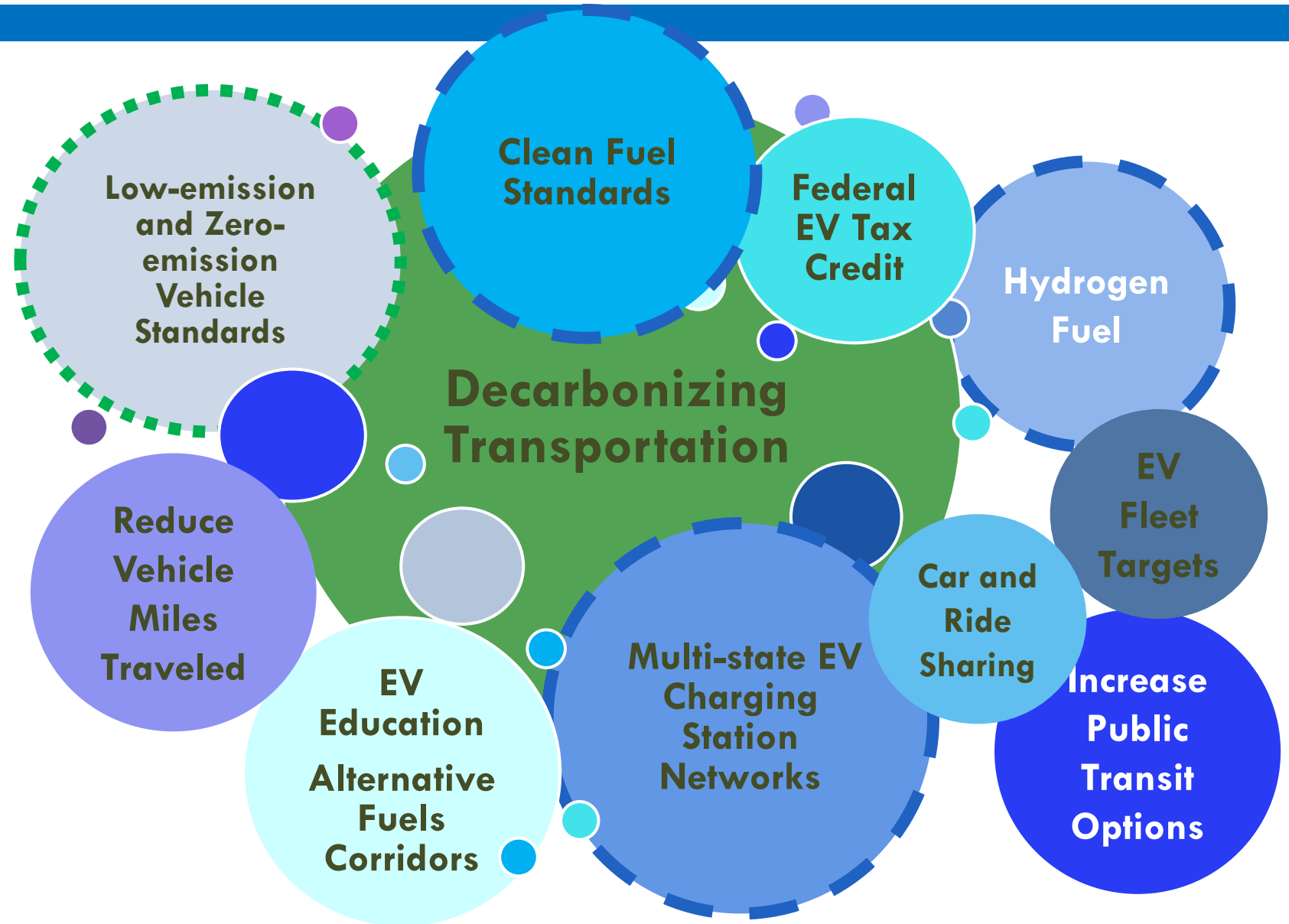


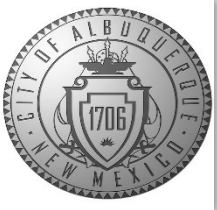
Source: New Mexico 2020 Climate Change Report;

https://www.climateaction.state.nm.us/documents/reports/NMClimateChangeReport_2020.pdf



Strategies To Decarbonize Transportation





California Clean Car Standards



CA Action: New ZEV Stringency for MY2026

Zero-Emission Vehicle (ZEV) Regulation

– Accelerates ZEV deployment



Low-Emission Vehicle (LEV) GHG Regulation

– Reduces climate change impacts



Low-Emission Vehicle (LEV) Criteria Regulation

– Reduces air quality impacts

[CA Advanced Clean Cars Program](#)

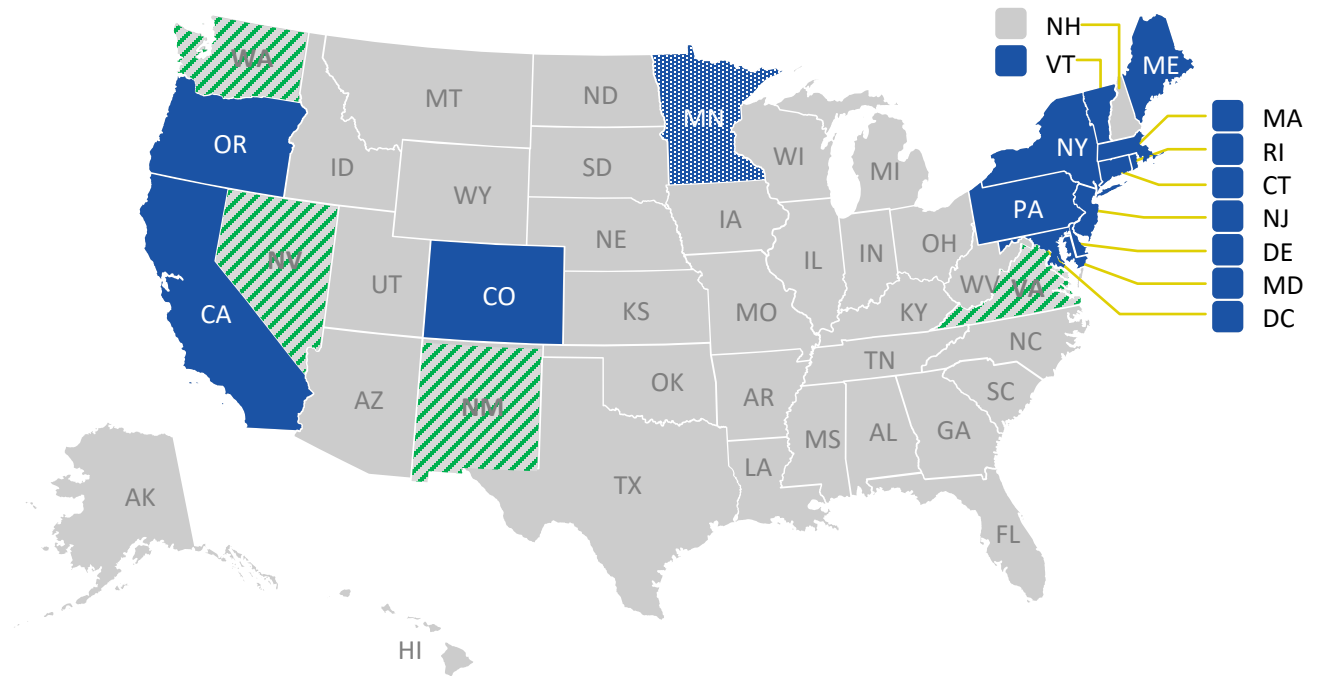


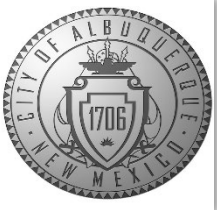


States with CA Clean Car Standards



- States that follow federal standards
- States that have adopted clean car standards
- ▨ States that are currently considering clean car standards



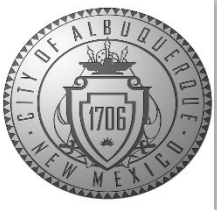


Current Federal Clean Car Actions



- **Environmental Protection Agency (EPA)**
 - ▣ **Increase Greenhouse gas emission stringency: 5% from Model Year 2022-2023; about 5% thereafter**
 - ▣ **Model Year 2023-2026**
 - ▣ **Comments due by September 27**
- **Department of Transportation - National Highway Traffic Safety Administration**
 - ▣ **8% annual increase in corporate average fuel economy (CAFE)**
 - ▣ **Model Year 2024-2026**

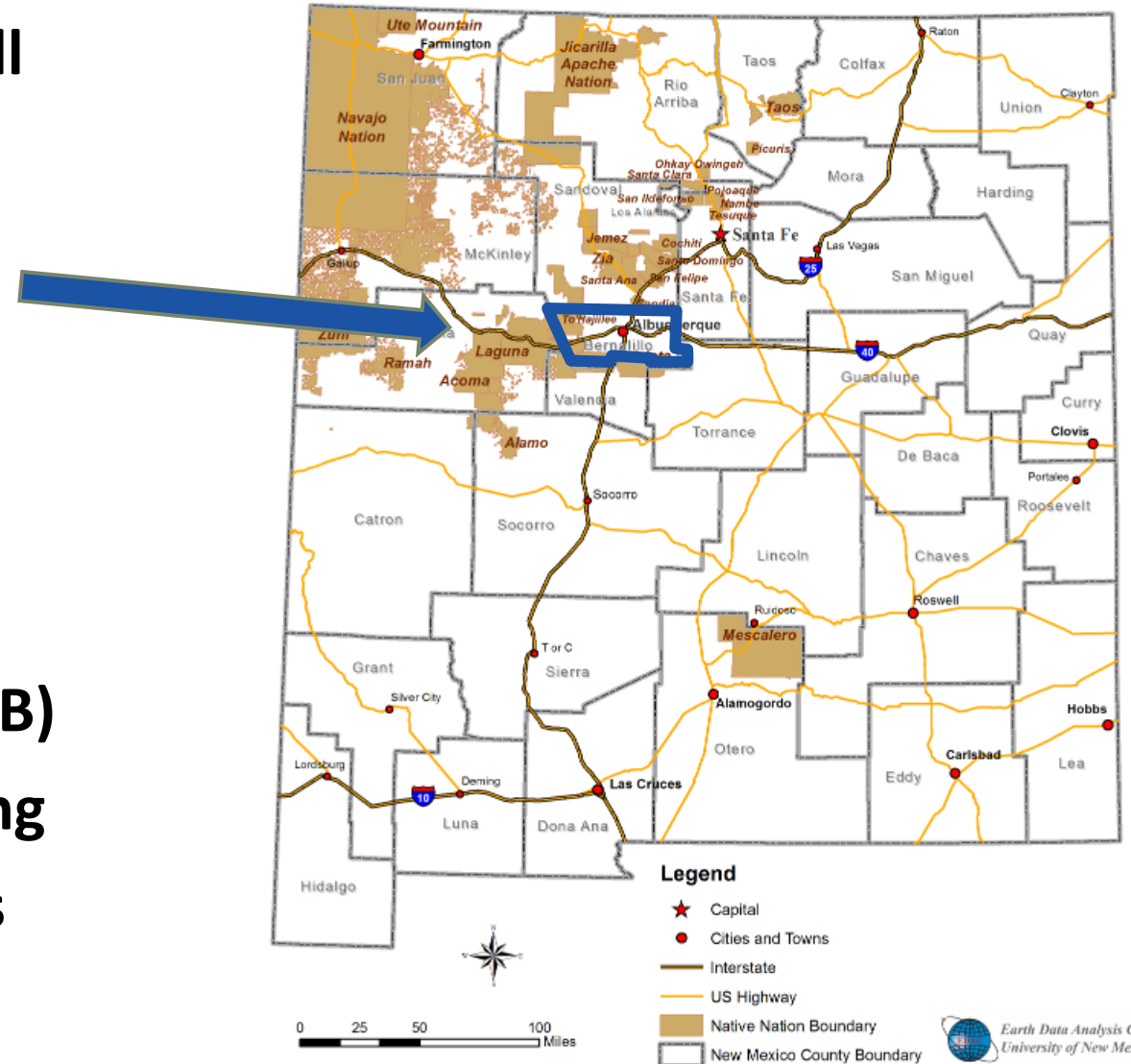




Collaborative Rulemaking in Multiple Air Quality Jurisdictions



- City of Albuquerque will propose rules to the Albuquerque-Bernalillo County Air Quality Control Board
- NMED will propose the same rules to the Environmental Improvement Board (EIB)
- Proposing a joint hearing
- Does not apply to lands of sovereign nations





CA: Low-Emission Vehicle Standard (LEV)



- ❑ Each manufacturer must meet a state-wide fleet average tailpipe emissions for greenhouse gases, criteria air pollutants, and certain hazardous air pollutants
- ❑ Apply to new light- and medium-duty vehicles (passenger cars, light-duty trucks, medium-duty passenger vehicles)
- ❑ Apply to new vehicles offered for sale or lease in New Mexico beginning with Model Year 2026 (in calendar year 2025)
- ❑ Requirements vary depending if the manufacture is small-volume, medium-volume, large-volume as determined by sales in California
- ❑ More stringent over time which results in consistent, incremental progress toward cleaner cars



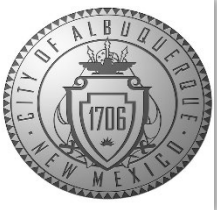
CA: Zero-Emission Vehicle (ZEV) Standard



- Requires auto manufacturers to deliver more zero-emission vehicles for sale in New Mexico
- Qualifying vehicles receive credits
- Qualifying vehicles include all battery electric and plug-in hybrid models

Model Year	Credit Requirement	Vehicle Sales	NM Vehicle Sales
2018	4.5%	~1.4%	0.4%
2019	7.0%	~2.2%	0.8%
2020	9.5%	3%	0.9%
2021	12.0%	~3.8%	1.0%
2022	14.5%	~4.6%	
2023	17.0%	~5.4%	
2024	19.5%	~6.2%	
2025	22.0%	7-9%	
2026+	22.0%	~7-9%	

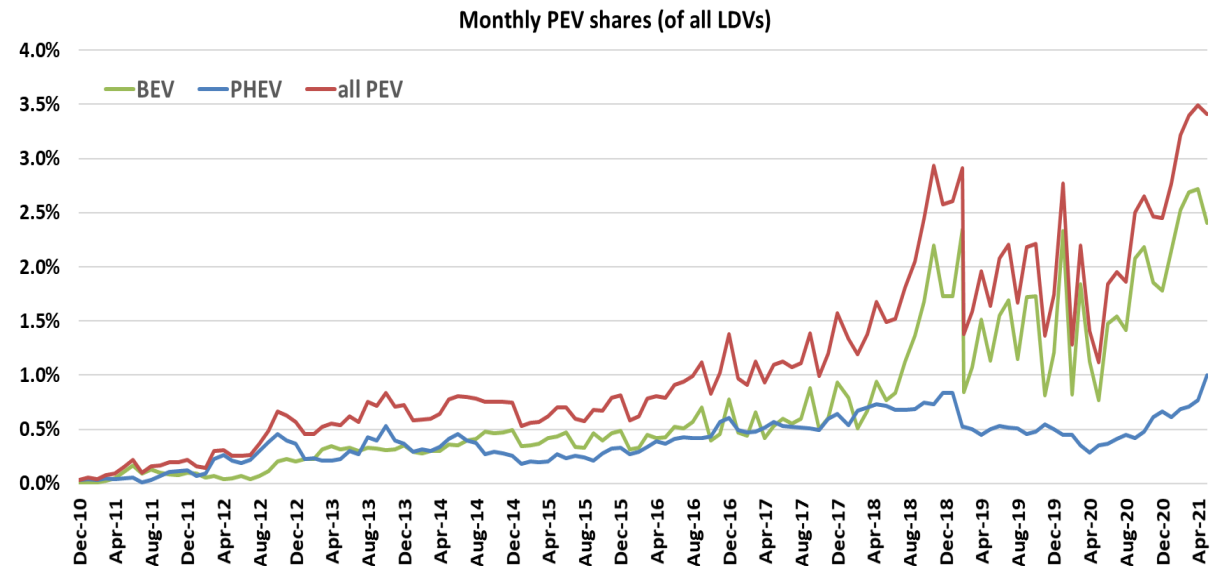
First Year of Compliance

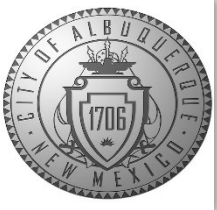


Meeting the Zero-Emission Vehicle Standards



- ❑ **Manufacturers have multiple ways to meet their obligation:**
 - ❑ **Develop and deliver ZEVs themselves**
 - ❑ **Purchase credits from others**
 - ❑ **Carry back or use previously banked credits**
 - ❑ **Carry forward banked credits for future years**
- ❑ **ZEV sales are up nationally**
- ❑ **Clean Cars can structure credits to help vehicle manufacturers transition**





NM: Credit Options for ZEV Rules



- **Early Credits**
 - ▣ **Manufacturers may receive credits for new battery electric vehicles (BEVs) and plug-in hybrid electric vehicles (PHEVs) delivered for sale before compliance period begins (model year 2026).**
- **One-time Proportional Credits**
 - ▣ **Give manufactures credits to use instead of delivering ZEVs**
 - ▣ **Each manufacturer receives credits based on the balance of their California ZEV credit bank, scaled to NM-specific overall sales**
 - ▣ **We are evaluating the Nevada approach, which makes proportional credits available only for use for future more stringent California standards**



NM: Other Options for Rules

- ❑ What fees are needed to cover the costs of running the programs?
- ❑ How can NMED and City of Albuquerque coordinate statewide reporting for two separate air quality jurisdictions?
- ❑ How can NMED and City of Albuquerque collaborate to maximize compliance oversight and minimize agency administrative responsibilities?





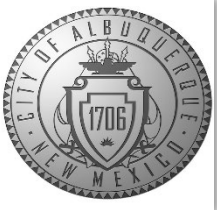
Clean Car Standards *Do*:

Clean Car Standards *Do Not*:



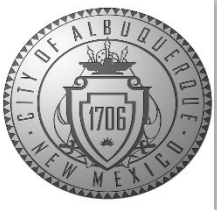
- ✓ Significantly reduce greenhouse gas emissions
- ✓ Apply only to new light- and medium-duty vehicles for sale in New Mexico
- ✓ Improve air quality for New Mexicans
- ✓ Expand purchase options for New Mexico consumers

- ✗ Apply to existing vehicles or used vehicles for sale
- ✗ Apply to off-road or heavy-duty vehicles or equipment, like farm equipment and semi-trucks
- ✗ Require emissions testing
- ✗ Require anyone to purchase an EV
- ✗ Ban the sale of SUVs or pickup trucks
- ✗ Increase taxes or costs to consumers



Moving forward: Our Schedule

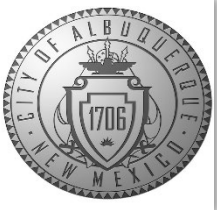




Clean Fuel Standard



- ❑ On the Governor's call for 2022 Legislative Session
 - ❑ Will be same as SB11.
 - ❑ Reduces the carbon intensity in transportation fuels with time.
 - ❑ Fuel producers can reduce the footprint of their operations or acquire credits on a market.
 - ❑ Market provides economic incentives for fuels and other low carbon opportunities.
-
- NMED Clean Cars New Mexico at <https://www.env.nm.gov/the-road-to-clean-cars-new-mexico/>
 - Follow us on social media: @NMEnvDept, f=NMEnvironmentDepartment



Collaboration on Clean Cars



- ❑ **What are your light-duty vehicle goals?**
- ❑ **What state support is helpful?**
- ❑ **What partners do we need to bring to the table?**
- ❑ **How do we build out the needed EV charging station infrastructure?**
- ❑ **Would the Coalition or member organizations like to support the Clean Cars rulemaking with written support or public testimony?**
- ❑ **Would the Coalition or member organizations like to have a follow up meeting for future support on the Clean Fuels Standard?**

NMED Clean Cars New Mexico at <https://www.env.nm.gov/the-road-to-clean-cars-new-mexico/>
Follow us on social media: @NMEnvDept, f=NMEnvironmentDepartment