

Minutes

1p – Valerie

- Welcomed everyone and started the zoom introduction and rules for discussion,

1:08 – David S.

- Verify primary purpose of reducing emissions and improving AQ

1:10p – Mike O.

- Question on the start action notice, number 4, result federal statute.
- Start action notice has a 'yes' – DE is under no federal law that they must adopt ACC2

1:10p – Valerie

- Explains that DE is not required to adopt ACC2 but if we do it must be identical, or DE has to revert back to federal regulation

1:11p – Mike O.

- DE is not required to adopt ACC2 but is choosing to?

1:12p – Valerie

- Yes (explains)

1:12p – Penny

- More info that needs to be considered before making decisions on this regulation
- What is the benefit of acting now rather than later?
- How long have we been engaged in these discussions?

1:13p – Valerie

- 2010 adoption with a 2-year model year notice for manufacturers when we adopted CA standards
- Working on standards for 10-12 years

1:14p – Penny

- Have we engaged people in overburdened communities?

1:14p – Valerie

- We are working on engagement now with public workshops and working on individual communications

1:14p – Penny

- Concern that there is a lot of catching up
- Is it urgent to make a decision or can we take the time to catch people up in the process?
- Can we slow down the process to catch citizens up?

1:20 – Charlie G.

- 1964 adoption
- Why or why not to Vermont requirements
- We should have Vermont requirements in DE

1:29 – Steve D.

- Comments on regulations
- Early compliance 1962.4
- Reporting requirements are updated for ZEV regulations
- Suspect car regulations have better reporting per 1962.4
- Note there are different time periods to report for GHG and NOx and they may differ from ZEV report requirements

1:31p – Penny

- Is this our model or CA's model?

1:31 – Valerie

- This is our regulation

1:31 – Penny

- Are we building on CA

1:32 – Valerie

- We are

1:32 – Penny

- Are you implementing any other plans

1:32 – Valerie

- 1962.4

1:32 – Kathy H.

- 1962.2
- Do prior pieces need to be adopted?
- Asked Steve if he knows if we have to adopt previous pieces as well

1:33 – Steve D.

- We need to adopt 1962.2 early compliance values referring to the regulations in place

1:33 – Valerie

- We are talking about early action credits that can be accrued beginning January 2026
- Trying to help auto manufacturers deliver vehicles before the program begins

1:34 – Steve D.

- We have lots of equity programs some are rolled into ZEV regulations, and many are outside

1:39 – Dustyn T.

- Wondering if he or anyone familiar with an example of what it looks like in CA or a state that has one?

1:39 – Steve D.

- Programs referring to were clean cars for all which provides \$9,500 trade in for low-income households 3x or 4x poverty level and combines the clean vehicle rebate providing \$4,500 for low-income households
- Clean mobility programs are more like car/rideshare programs I am not an expert on those

1:41 – Dustyn T.

- I was thinking rideshares

1:41 – Steve D.

- Important for DE to get in place quickly but some are ca programs and are not applicable
- DE to approve community clean mobility programs are important to get them started
- Both need program and people in place to implement and get approval
- Must be sold at 25% discount off MSRP

1:42 – Ben K.

- Are EJ vehicles and TNC transport included as part of the clean mobility program to places like Uber and can manufacturers get credit that way?

1:42 – Steve D.

- I don't think so CA has that in regulations
- CA has requirements on these programs, they are very limited
- Have not spent a lot of time on those programs like TNC and rideshare and how they can be implemented

1:43 – Ben K.

- Equity focusses for multi-family households to make sure folks that may not have garages can charge at home

1:43p – Kathy H.

- Building off Ben and Steve
- Specific regulations on what can CA do vs. other states
- Encouraged to think about complimentary programs to provide access to clean programs in DE and want to kickstart that process
- Flag to there are two other EJ values too

1:44 – Valerie

- Explained the other EJ programs

1:45 – David S.

- Look at these equity issues, they are aimed at urban DE
- Very concerned about how were going to handle this in rural communities
- Don't have multi-family housing with parking, people do not have designated parking or garages

- Looking at percent of population that may need help

1:49 – Steve D.

- David is right, we need incentives for people
- There are some EVs that are much less expensive
- Critical mineral prices are going up

1:53 – Kathy H.

- Wanted equity question to make sure we are level setting
- DE residents are purchasing used vehicles and not in the new vehicle market
- Penny's point earlier, we should move forward quickly because this is just on new vehicles
- The faster we can ensure new vehicles with a strong warranty, means the faster these vehicles will trickle into the used vehicle market for low-income people
- Normal house expenses transport costs are a large cost because of refueling

1:57 – Ben K.

- David brought up a good reason about complimentary strategies with preowned and used vehicle incentives and this is outside the ACC2 standard with rebates to help reduce costs to families with those strategies
- Kathy has a good point, here in SC some residents have 70% monthly income in refueling
- Reduction in costs of refueling will help relieve the burden on low-income families

1:58 – Penny

- Take one step back -- outreach is not adequate
- EJ needs some intentional effort to educate these people because they won't know what you are saying or anything about the programs
- Want to caution us and EJ needs to happen immediately

2 – David S.

- Agree with Penny, it is a tough community to reach but we have to be really proactive
- Concerned about gasoline prices - they go to highway trust funds
- EVs are not contributing to the highway trust fund since they aren't purchasing gasoline
- EV grades are going to rise significantly

2:03 Dustyn T.

- What would be nice is three municipalities in DE to be used as a model
- Cost of installing street parking will be significant
- Stress the need for residential charging for multi family dwelling or low-income areas
- Cost of charging in reference to residential charging
- Public charging is 2-3 times as much to charge
- Important that we get in in now as Kathy said it is not about new it is also about used that will hit the market

- The sooner new EVs are in the market the sooner they will go into the used market

2:10 David S.

- Wants to go back to original preface - must ask why we aren't using 2022 NOx data which is now available outside of the ozone season
- Highest station is at 65 ppb next highest is 63ppb

2:11 Valerie

- Informed about timelines we have to follow that marginal non-attainment
- Data has to be in by a certain time

2:14 David S.

- Very expensive and complicated program with equity issues
- AQ has improved every year we don't need to do anything else but meet the federal standard
- This is not about AQ this is about GHG, and it is not an excuse, DE does not have the legislation
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2:18 Steve D.

- Car companies are committed to EVs
- Criteria of VOC and NOx
- EPA will come out with their draft rules early next year
- Will have criteria for NOx and VOC as well as GHG regulations

2:22 Ben K.

- Disagree – DE has authority from a regulation standpoint
- Advance Clean Trucks
- Reduce more emissions
- Across the board agencies can lead by example and infrastructure to transition
- EV ready programs

2:24 Anna Q.

- School busses are an important first move
- Want to keep kids as healthy as possible
- Kids are suffering from asthma from diesel school buses

2:26 – Mike O.

- What feedback have we gotten from legislature?

2:26 – Valerie

- We have not received feedback

2:26 – Mike O.

- Has DOT talked about cost?
- Concern on motor fuel and vehicle tax
- How are we going to see that in EVs?
- Has DNREC ballparked a cost for funding and how will it be raised?

2:28 – Valerie

- Key stakeholders are welcome to give feedback on EJ funding ideas
- Public workshops and one on one community engagement

2:30

- Links for public meetings, zoom. Etc. put in chat

Chat Comments

Santosh- The Federal Incentives on EV disappear for vehicles over \$80K in MSRP. Also, Federal Incentives disappear if the vehicle is not produced in the US. This will make it unaffordable for middle income Delawareans. The State needs to increase its incentives to fill the gap if you need to help Delawareans buy EV's. That gap is about \$8500 per car more.

Kathy- Santosh-- I'll point out that ICCT's latest report highlights that EVs should reach price parity with ICE vehicles within the next several years, which will help reduce the delta that you've flagged.

<https://theicct.org/wp-content/uploads/2022/10/ev-cost-benefits-2035-oct22.pdf>

Ben- General Motors dropped their Bolt EV price this year by \$6,300

<https://www.capitalone.com/cars/learn/finding-the-right-car/the-2023-chevrolet-bolt-ev-is-now-the-cheapest-ev-you-can-buy/1716>

anna- Although EV car prices are right now higher, as a happy EV owner, if we can help lower income people will buy an EV, they will save thousands of dollars every year on gasoline and maintenance on their electric vehicles compared to gas cars.

David- GM doesn't offer a comparable non-EV but we can look elsewhere. The Bolt is a sub-compact car similar to the Honda Fit which sells for \$13,800 less than the Bolt

Kathy- The Honda Fit is no longer being produced, so that's a hard comparison

Alan- Unfortunately there is currently an E.J. issue due to the inequitable exposure to the health consequences of our current air quality in Delaware. The direct relationship of soot and smog to asthma -we have one of the highest prevalence's of pediatric asthma in the country - as well as one of the highest prevalence's of pregnancy complications and infant mortality. Both of these, and other health problems, are linked to air quality. This has both a human and a financial cost. Waiting to put into place a pathway to healthier air quality would continue to hurt urban and rural poor disproportionately.

Dustyn- We are required to make a new rule though because we were aligned with California under the status quo in DE. So now that California has changed, DE MUST change as well. That new rule does not have to be moving forward with the new ZEV and staying in line with CA, it could be a rule to rather choose to move backward, but we are required to make a rule one way or another.

That is my understanding, Mike. If that helps at all.

Mike- Thank you, Dustyn. I think that is where there's a lot of confusion. The announcement earlier in the year indicated the state has CHOSEN to adopt ACC II. But now the indication is that we are required to move forward with its adoption.

Aleks- Will this document version be posted on the website? There seems to be an older version posted right now.

I told him yes

Alan- Great attention to the issues of lower income families. A prime reason that we need to push as quickly as possible to transition truck and buses to low or zero emission vehicles. Diesel exhaust is a large part of the poor air quality of urban and lower income communities.

The Lung Association tells us that New Castle County rates an "F" for smog - vehicle exhaust, especially NOx and other VOCs, is the prime cause of that. It will get worse as temperatures rise. This is a health hazard right now.

David- American Lung Association doesn't follow the NAAQS standards which exclude the 3 highest days. In fact in DE in 2022 we did not have a single day over 70 PPB for ozone. NOx is a precursor for ozone. people will buy EVs without mandates

Kathy-- yes this is true, but adopting these regulations will ensure that automakers are sending the latest EV models to the state sooner than non- ZEV states. If DE doesn't adopt, but Maryland and New Jersey do (which is very likely), then we'll be taking money out of Delaware's dealerships and giving that to out of state dealers.

Ben- Virginia Association of Auto Dealers is very concerned about just that ^