Delaware's Low Emission Vehicle 7 DE ADMIN. CODE 1140

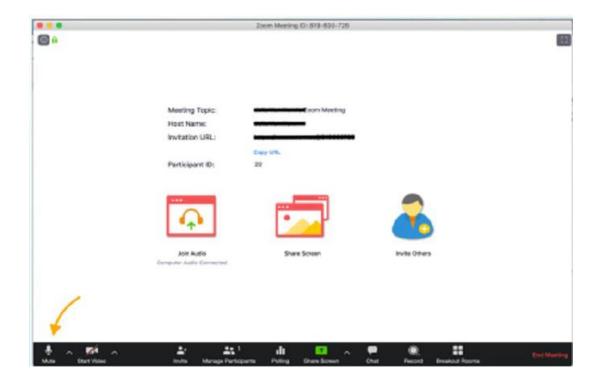
Proposed amendments for Advanced Clean Car II

Key Stakeholders Meeting October 26, 2022



ZOOM Orientation

- Attendees will remain on mute until called on in the speaking queue
- Zoom: **Mute/Unmute** button at the bottom left
- Phone: Dial *6 to mute/unmute
- Click the camera icon at the bottom left of your screen to toggle your video on and off





Meeting Logistics

- This workshop is being recorded.
- Questions can be sent via the ZOOM chat box...OR
- Raise your hand to speak [found under reactions at the bottom of your screen]
- Follow-up questions can be sent to Kyle Krall (<u>Kyle.krall@delaware.gov</u>)
- Comments submitted can be viewed on the <u>Regulations and Plans</u> <u>Under Development - DNREC Alpha (delaware.gov)</u>



Agenda

- 1:00 pm Welcome, introductions, and ground rules
- 1:10 pm Proposed Regulatory Language for Advanced Clean Cars II Program
- 1:30 Flexibility Elements
- 2:00 pm
 Follow Up Items from the October 13 meeting
- 2:40 pm Open Discussion
- 2:55 pm Wrap up and Next Steps
- 3:00 pm Adjourn



Meeting Objectives

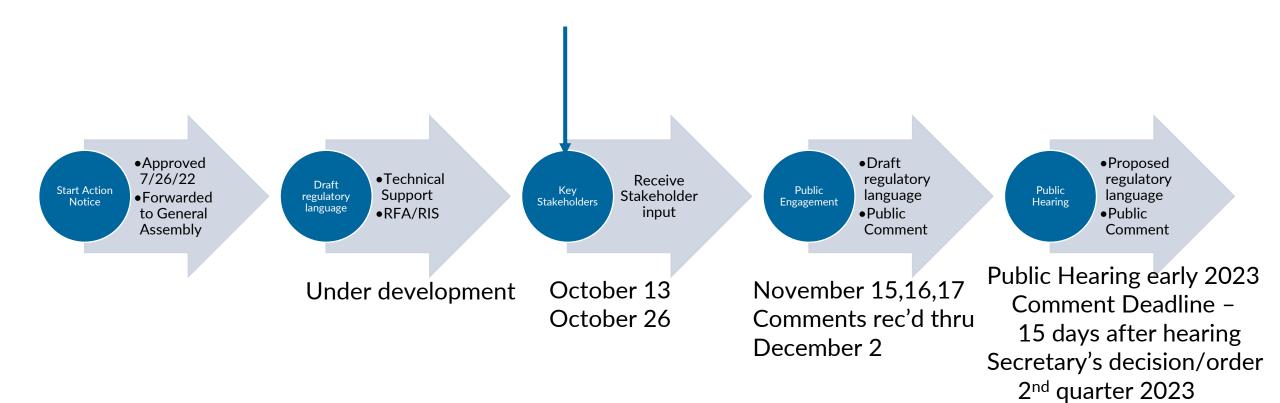
- Explain the amended regulatory language to 7 DE Admin. Code 1140
- Discuss Flexibility Mechanisms
- Identify any additional issues or barriers not previously discussed







ACC2 Regulatory development timeline

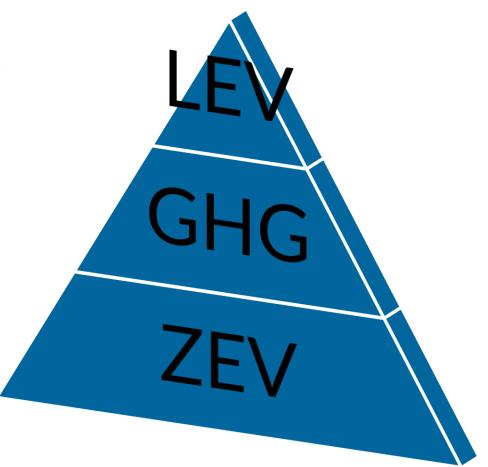




October 24, 2022

Elements of Advanced Clean Car II

- 1. Low Emission Vehicle Standards
- 2. Greenhouse Gas Standards
- 3. Zero Emission Vehicles





7 DE Admin Code 1140 – Delaware's Low Emission Vehicle Program

- Section 1 Purpose
- Section 2 Applicability
- Section 3 Definitions
- Section 4 Emission Certification Standards
- Section 5 New Vehicle Emission Requirements
- Section 6 Manufacturer Requirements



- Section 7 Warranty
- Section 8 Reporting & Record-Keeping
- Section 9 Enforcement
- Section 10 Incorporation by Reference
- Section 11 Document Availability
- Section 12 Severability
- Section 13 Zero Emission Vehicles NEW



ZEV Element -New regulatory text for model years 2026 and subsequent years



Title 13. Motor Vehicles

Division 3. Air Resources Board

Chapter 1. Motor Vehicle Pollution Control Devices

Article 2. Approval of Motor Vehicle Pollution Control Devices (New Vehicles)

Section 1962.4. Zero-Emission Vehicle Standards for 2026 and Subsequent Model Year Passenger Cars and Light-Duty Trucks NEW



Flexibility Mechanisms

- PHEV Flexibility
- Community Based Clean Mobility Programs
- Early Compliance
- Pooling



PHEV Flexibility.

Manufacturers may fulfill a portion of their total Annual ZEV Requirement with PHEVs produced and delivered for sale

Environmental Justice Vehicle Values.

Manufacturers may fulfill a portion of their total Annual ZEV Requirement with additional vehicle values earned according to the following provisions:

New ZEVs and PHEVs Provided for Use in Community-based Clean Mobility Programs.

New 2024 through 2031 model year ZEVs and PHEVs provided for use in community-based clean mobility programs in California Delaware will earn additional vehicle values that can be used to meet a portion of the manufacturer's Annual ZEV Requirement.



• Vehicles in California Delaware Sold At the End of Lease to Participating Dealerships.

ZEVs or PHEVs initially leased in California and sold at the end of lease to a California Delaware dealership participating in a financial assistance program will earn additional vehicle values that can be used to meet a portion of the manufacturer's Annual ZEV Requirement.

New ZEVs and PHEVs below MSRP threshold.

An additional 0.10 vehicle value will be earned by a manufacturer for each 2026through 2028 model year ZEV or PHEV delivered for sale in California Delaware with an MSRP less than or equal to \$20,275 for passenger cars and less than or equal to \$26,670 for light-duty trucks. For purposes of this section, the MSRP values shall be adjusted annually, beginning in 2026 model year, per subsection(e)(2)(F).

• Early Compliance Vehicle Values.

Manufacturers may fulfill a portion of their total Annual ZEV Requirement with early compliance vehicle values earned...



Pooling – State to State 1962.4(g)

To provide flexibility for manufacturers for model years 2026 through 2030, ACCII includes "pooling" which allows manufacturers to move a specified percentage of excess ZEV and PHEV credit values earned in one state for use in another state where there is a shortfall relative to the requirement.





Advanced Clean Cars is...

- Actionable
- Achievable
- Aspirational



Key points we heard from our 10/13/22 call

- ZEV target is ambitious
- Charging Infrastructure
- Building Codes
 - Multi-unit dwellings
- More Public Engagement
- Incentives
- Impacts to our electricity grid

- Cost of vehicles
- Cost of ownership
- No need for more emission reductions
- Delaware's air quality should not be linked to the broader Philadelphia metropolitan statistical area



October 13, 2022 17

Open Discussion Ground Rules....

- Be curious, open, patient and respectful
- One person speaks at a time
- Take space/make space
- Avoid jargon, acronyms and industry terms
- Speak from your own experience
- Challenge assumptions
- Anything else...?



Questions?

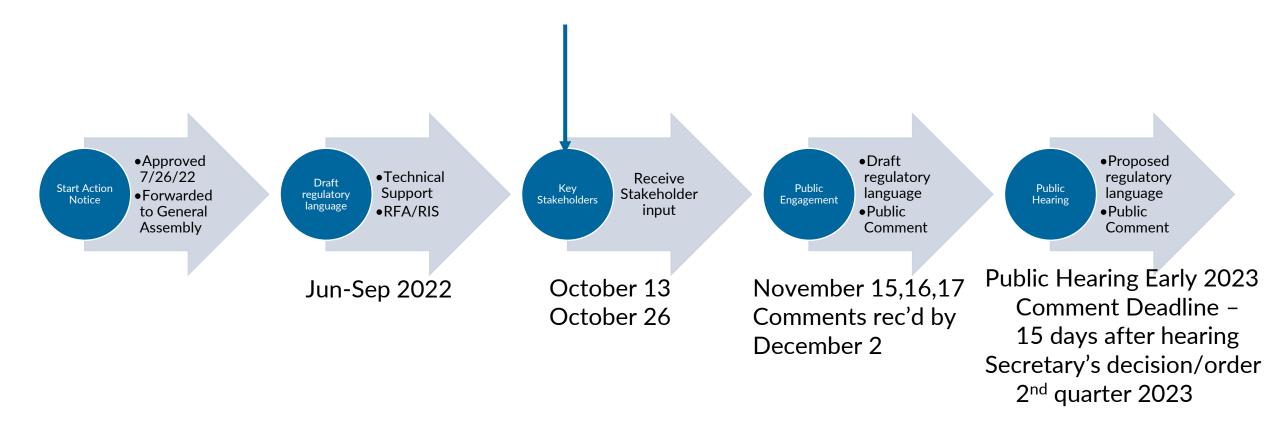


What additional or new barriers have you identified that the Department should consider?

What additional or new issues should we consider going forward?



ACC2 Regulatory development timeline





Next Steps

- Public Workshops
 - Tuesday, November 15, 2022 Public workshop 10 am
 - Wednesday, November 16, 2022 Public workshop 1 pm
 - Thursday, November 17, 2022 Public workshop 6 pm
- 1st Quarter 2023 Public Hearing
- July 1st Final adoption
- January 2, 2026 program begins with model year 2027 vehicles



For additional information – see our website

at https://dnrec.alpha.delaware.gov/air/permitting/under-development



Regulations and Plans Under Development



Section 177 of the Clean Air Act requires that Delaware standards must be "identical to the California standards."

This regulatory amendment process started with DNREC Start Action Notice 2022-01 🖟

Get Involved

Business Assistance

DNREC – Division of Air Quality Point of Contact:

Kyle Krall, Engineer Kyle.krall@delaware.gov 302.739.9402



