

Environment & Energy

California Electric Vehicle Plan Misses Equity, Advocates Say

By Zach Bright

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- Proposal phases out gas-powered autos by 2035
 - Advocates concerned about affordability, access
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California's top air regulator will vote Thursday on Advanced Clean Cars II, the state's plan to ramp up the sale of zero-emission vehicles. But environmental advocates are worried that the cars will remain out of reach for low-income residents.

The California Air Resources Board's proposal would require automakers to meet annual goals on a path mandating the full phase-out of new gas-powered vehicle sales by 2035. California would set a new standard for reducing greenhouse gases from cars and trucks, with 15 other states signed onto its vehicle standards poised to follow.

Environmental advocates want the proposal to pass because it would reduce planet-warming gases from transportation. But those pressing for environmental justice provisions would like to see more incentives from manufacturers to make sure that low- and middle-income Californians can also buy electric vehicles.

"A big push in our coalition is to ensure that this rule gets at those equity concerns," said Regina Hsu, an associate attorney from Earthjustice. The coalition includes Earthjustice, the Greenlining Institute, and the Coalition for Clean Air.

If the board adopts the proposal, the plan would begin in 2026 with a requirement of 34% zero-emission vehicles.

Manufacturers facing taller zero-emission vehicle goals have said they need flexibility as they try to ramp up the EV supply. That flexibility under CARB's draft proposal allows automakers to use credits to make up for falling short of zero-emission vehicle and plug-in hybrid sale requirements.

Environmental justice credits—incentives for manufacturers to make electric and plug-in hybrid vehicles more accessible—are optional. Environmental justice advocates would like to see these credits made mandatory.

Individual rebates people would get under federal climate law will help, but more assistance at the state level is needed, they say.

Automakers can and will turn to other credits, including those earned from early compliance or past compliance under the state's first iteration of clean cars rules, and they could then decline to obtain environmental justice credits, said Román Partida-López, legal counsel to the Greenlining Institute, a California-based environmental group.

That leaves the California Air Resources Board without a mechanism to directly prioritize and enforce equity, he said.

"Even at their best attempt, they're still falling short," Partida-López said.

Environmental Justice Credits

To collect environmental justice credits, automakers can either discount their manufacturer-suggested retail prices (MSRPs) or contribute vehicles to community-based programs like Clean Cars 4 All, which offers benefits to low-income drivers who scrap their high-polluting vehicles.

Based on manufacturer projections, "it doesn't seem like they will have to take those equity actions and earn those environmental justice credits in order to comply," Hsu said.

General Motors Co., Tesla Inc., Honda Motor Co., and Ford Motor Co. didn't immediately return requests for comment.

General Motors wrote in a public comment that it supports California's and the federal government's emissions reductions goals and that it "strongly believes that EVs are the future of transportation." The company recommended CARB adopt "maximum possible flexibilities."

On the question of environmental justice credits, GM recommended expanding them to 2022-2025 vehicles and that the credit values be increased through 2030.

Bill Magavern, policy director for the California-based Coalition for Clean Air, said Advanced Clean Cars II will help boost electric vehicle supply. But if automakers turn to credits instead of making more cars, fewer EVs would be available for sale, Magavern said.

If California adopts Advanced Clean Cars II, it could mean changes for other states. Fifteen other states have signed on to adhere to California's stricter vehicle emissions standards and could adopt California's approach, including its environmental justice provisions.

"Other states that are waiting are farther behind," Partida-López said. "And we're missing an opportunity to really encourage other states to do better."

Magavern said if the board adopts the proposal as drafted, the Coalition for Clean Air will turn to Proposition 30 for equity funding. The November ballot question would tax incomes of more than \$2 million to fund zero-emission vehicle priorities.

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