

Advancing the Clean Energy Future

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Katherine S. Dykes, Commissioner Department of Energy and Environmental Protection 79 Elm Street Hartford, CT 06106

# Re: Advanced Clean Cars II Comments

Dear Commissioner Dykes,

Acadia Center appreciates the opportunity to provide written comment in support of the <u>Advanced Clean Cars (ACC</u> <u>II</u>) regulations beginning with the 2027 model year. Acadia Center commends the Department of Energy and Environmental Protection ("DEEP") for taking the necessary steps to address transportation emissions in Connecticut.

## Meeting Greenhouse Gas Emissions Reductions Targets

In Connecticut, <u>38% of the state's overall greenhouse gas (GHG) emissions</u> are attributed to the transportation sector, more than any other sector in the state. Decarbonizing the transportation sector is critical for achieving economy-wide emissions reductions in alignment with the Global Warming Solutions Act. A near-full transformation of the light-duty vehicle stock away from petroleum-derived fuels is needed to achieve statewide emissions reductions by 2050. Starting with the 2027 model year, ACC II is a valuable emissions-reduction tool that Connecticut should not hesitate to implement. Any delay in adopting ACC II will risk losing a model year of the program, further delaying necessary emissions reductions.

Connecticut is joining eight states – including Massachusetts, New Jersey, New York, and Rhode Island in the adoption of ACC II. The ACC II standards will enhance consumer vehicle choice by providing new electrified options for purchase and will push the automotive industry towards innovation and cost-effectiveness. ACC II will further support the development of an affordable and abundant used battery electric vehicle (BEV) and plug-in hybrid electric vehicle (PHEV) market. Most major automakers have invested heavily in BEV technologies. By 2025, <u>over 400 BEV and PHEV models are expected globally</u>. Additionally, as battery costs are reduced for BEVs, PHEVs can help electrify a vast majority of vehicle trips in the near term.

## Easing Grid Load Anxiety

Emissions from the transportation sector are significant barriers to meeting the state's greenhouse gas emissions targets. Policy and financial investments to advance electric vehicle adoption must ease anxiety around grid load management. Supporting overlapping priorities such as distributed energy resources, energy efficiency, and clean energy infrastructure are avenues to ensure the grid can advance and keep pace with the necessary increase in electric vehicle adoption. Additionally, electric vehicles can improve grid resilience and reliability through off-peak charging, vehicle-to-grid, and vehicle-to-home power. Advancing BEV and PHEV adoption supports the ongoing shift to renewable energy. As efforts to generate renewable and zero-carbon energy are continued, power consumed when charging BEVs and PHEVs will be sourced from clean energy sources.

#### Addressing Equity Concerns and Health Benefits

Ensuring equity is prioritized in establishing emissions and electrification targets through ACC II must be a priority. This includes efforts to inform, design, and distribute charging infrastructure to low-to-moderate-income (LMI) households, renters, and environmental justice communities. ACC II will push the development of these programs to meet the standards, adoption, and electrification targets. However, there is an outreach and engagement gap between equity and charging infrastructure, vehicle pricing, and accessibility, with no clearly communicated timeline of what ACC II means for consumers. The pricing of electric vehicles can be an equity barrier. However, electric vehicle prices continue to fall as more automakers meet their production commitments. The timeline of ACC II provides ample time for increased saturation of new and affordable vehicles. There are also valuable incentives through the Connecticut Hydrogen and Electric Automobile Purchase Rebate ("CHEAPR") program. These incentives can reduce the price of electric vehicles up to \$7,500, with additional rebates available for residents who reside in environmental justice communities or distressed municipalities, participate in a qualifying state or federal income-qualifying program, or have income less than 300% of the federal poverty level. Equity concerns and anxiety exist around consumer choice and the speed of ACC II regulation adoption. A comprehensive and consumer-friendly dashboard to identify the types of rebates residents qualify for, along with a clear timeline that shows the evolution of emissions standards from ACC I to what is proposed in the adoption of ACC II through 2035, would be one way to address those concerns. There must be intentional outreach and engagement with LMI households, renters, environmental justice communities, and community-based organizations through the development of these standards and regulations. The community knowledge of those with lived experience on the shared equity concerns must be considered, valued, and aligned with solutions through the adoption of ACC II.

Health outcomes from existing transportation emissions are also a major equity challenge. Major highways and dense transportation corridors intersect our most vulnerable communities, contributing to environmental injustices through poor air quality, resulting in significant illness and health disparities. Tailpipe pollution is responsible for 67% of nitrogen oxide (NOx) emissions, a key component of smog that causes an increased risk of asthma, lung disease, and cancer. Data from the American Lung Association reports that in Connecticut, <u>4 out of 8 counties</u> received F-grades due to high O-zone days. ACC II is a step to address the direct emissions harming our communities from vehicle miles traveled.

#### Enhancing Economic and Workforce Development

The 2023 Connecticut Electric Vehicle Policy Impact Study, shared by Saved the Sound, highlights the immense economic and workforce development opportunities associated with electric vehicle adoption. The Economic Impact Framework in this report shares Connecticut's total job-years and value-added in GDP due to increased electric vehicle adoption. Between 2022-2050, forecasted electric vehicle adoption results in a net total impact of approximately 128,000 jobs and an increase of \$25.7B in value added. These jobs occur in electric vehicle parts manufacturing, electric generation, charging station development and deployment, residential charger station installation, vehicle sales, infrastructure maintenance, and management systems. Additional opportunities exist to develop these economic and workforce opportunities as equitable solutions. Providing transitions into the electric vehicle workforce, contracting local and diverse contractors, and supporting technical education programs are some equitable pathways to capture the economic and workforce development benefits.

### Alignment and Full Scope

The most cost-effective way to reduce statewide GHG emissions is through aggressive EV adoption, expanded charging infrastructure, and vehicle miles traveled reduction strategies. Connecticut has the opportunity to realign with its emissions reduction targets through ACC II. Connecticut must not think of transportation as a silo but as the paths, roads, and tracks that guide toward statewide emissions reductions, and the momentum ignited by ACC II allows for just that. There is no shortage of benefits to adopting ACC II, and there are ample opportunities to align the adoption of ACC II with equitable solutions. Connecticut must be engaged in this transportation evolution.

Thank you again for the opportunity to provide written comments. Acadia Center urges the Lamont administration to adopt the regulatory infrastructure necessary to establish standards and electrification targets through ACC II starting with the 2027 model year. If you have any questions or concerns, please do not hesitate to reach out.

Sincerely,

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