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August 17, 2023

Maine Board of Environmental Protection 17 State House Station 28 Tyson Drive Augusta, Maine 04333-0017

RE: Proposed Chapter 127-A: Advanced Clean Cars II Program

Dear Chair Lessard and members of the Board of Environmental Protection:

On behalf of The Nature Conservancy in Maine, thank you for the opportunity to comment on the proposed Chapter 127-A, Advanced Clean Cars II (ACC II) Program.

The Nature Conservancy (TNC) is a nonprofit conservation organization dedicated to conserving the lands and waters on which all life depends. Guided by science, we create innovative, on-the-ground solutions to our world's toughest challenges so that nature and people can thrive together. Working in more than 70 countries, we use a collaborative approach that engages local communities, governments, the private sector, and other partners.

TNC has been a leader in conservation in Maine for more than 60 years and is the 12th largest landowner in the state, owning and managing roughly 300,000 acres. We also work across Maine to restore rivers and streams, partner with fishermen in the Gulf of Maine to rebuild groundfish populations, and develop innovative solutions to address climate change, including through our service on the Maine Climate Council. In addition to serving on the Climate Council, TNC also co-chaired the Council's Transportation Working Group.

TNC supports the adoption of Chapter 127-A. The proposed rule supports Maine's statutory GHG emissions reduction requirements and climate goals while preserving the ability to conduct a midway review of the program. This approach is unique to Maine and gives us additional flexibility while maintaining the benefits other states are already seeing from ACC II.

Accelerating Maine's transition to electric vehicles is a key strategy identified by the Climate Action Plan to reduce greenhouse gas emissions from the transportation sector. One of the three recommendations for accelerating the transition to electric vehicles is to, "By 2022, develop a statewide EV Roadmap to identify necessary policies, programs, and regulatory changes needed to meet the state's EV and transportation emissions-reduction goals."¹ Following that recommendation, the

¹ *Maine Won't Wait*: A Four-Year Plan for Climate Action (December 2020), p. 10, <u>https://climatecouncil.maine.gov/future/sites/maine.gov.future/files/inline-files/MaineWontWait_December2020_printable_12.1.20.pdf</u>

Governor's Energy Office (GEO), the Governor's Office of Policy, Innovation and the Future (GOPIF), and Cadmus (a strategic and technical consultancy group) developed and published the Maine Clean Transportation Roadmap in December of 2021. The report outlines several recommendations to help meet Maine's GHG reduction goals through clean transportation. According to the report, "ACC II and ACT are the most critically important in terms of impact on GHG emissions."²

Adoption of ACC II builds on work Maine has already done to accelerate, incentivize, and ease the adoption of zero-emission vehicles (ZEV). Maine adopted the original Advanced Clean Cars program introduced by the California Air Resources Board (CARB) in 2012 which addressed the need for pollution reduction from motor vehicles by setting low-emission vehicle regulations and mandating that manufacturers increase the number of vehicles available for sale that were ZEVs. This program called for manufacturers to produce for sale a minimum of 22% of ZEVs and plug-in hybrids (PHEV) by 2025. On top of that, our state has provided robust rebates and incentives for consumers, governments, nonprofits, and businesses to purchase ZEVs and PHEVs, ramped up EV charging infrastructure and focused on education around adoption. We should be very proud of this work led by the Maine Department of Transportation, GEO, GOPIF, the Maine DEP, and the Climate Council.

The proposed Chapter 127-A rule continues to move us toward our goals while tailoring the approach to Maine. Our version would differ from the ACC II program adopted in other states by building in a midterm review in 2029 rather than committing Maine to a 2035 goal. Otherwise, the basics remain the same:

- ACC II would require individual auto manufacturers to ramp up ZEV production. Building on ACC I, which called for 22% of new vehicle sales to be ZEVs, ACC II would require 43% in model year 2027 and increase each year through model year 2032.
- Battery electric vehicles (BEVs), plug-in hybrid EVs (PHEVs) and fuel cell electric vehicles (FCEVs) are all eligible.
- Drivers will still be able to purchase new gasoline-powered cars.
- The regulation only applies to new vehicle sales.

TNC recognizes that adopting new technology comes with risks and unknowns. Despite its clear focus on manufacturers, the proposed rule will inevitably have an impact on Maine automobile dealers and the state's new and used vehicle markets. There are also implications for Maine's electrical grid, as well as a need for improvements to the state's vehicle charging infrastructure. We believe the 2029 midterm review provision is an important Maine specific provision to this policy which would allow us to thoughtfully consider and address any challenges that arise.

It is also worth noting that ACC II has already been vetted and adopted by regulators in other states. In our region alone, Vermont, Massachusetts, Virginia and New York have already adopted ACC II, and Connecticut, Rhode Island, New Jersey, Delaware and Maryland are considering adoption.

² Maine Clean Transportation Roadmap (December 2021), p. 53, https://www.maine.gov/future/sites/maine.gov.future/files/inlinefiles/Maine%20Clean%20Transportation%20Roadmap.pdf

Supporting the transition to zero-emissions (ZEV) technology in the light-duty sector will be needed to meet Maine's statutory GHG emissions reduction requirements of 45 percent from 1990 levels by 2030 and 80 percent by 2050.³ Adoption of the proposed Chapter 127-A: Advanced Clean Cars II Program will help Maine meet these goals, improve air quality and public health, and send clear, long term signals to automakers to increase deliveries of EVs to our state. The proposed rule allows Maine to benefit from ACC II while maintaining our independence to review and adjust along the way. TNC supports this approach and the proposed Chapter 127-A rules.

Thank you again for the opportunity to provide comments. We appreciate your consideration.

Sincerely,

Kaitlyn Nuzzo

Kaitlyn Nuzzo Director of Government Relations The Nature Conservancy in Maine