



July 28, 2022

Chair Randolph and Members of the Board
California Air Resources Board
1001 I Street
Sacramento, CA, 95814

Re: Consumer Reports Comments on the Proposed Advanced Clean Cars II Rule

Consumer Reports (CR) thanks the California Air Resources Board (CARB) and staff for the opportunity to comment on the 15-day change proposal on the Advanced Clean Cars (ACC) II regulation released on July 13, 2022.

Founded in 1936, CR is an independent, nonprofit and nonpartisan organization that works with consumers to create a fair and just marketplace. Known for its rigorous testing and ratings of products, CR also advocates for laws and corporate practices that are beneficial for consumers. CR is dedicated to amplifying the voices of consumers to promote safety, digital rights, financial fairness, and sustainability. The organization surveys millions of Americans every year, reports extensively on the challenges and opportunities facing today's consumers, and provides ad-free content and tools to 6 million members across the United States.

I. Introduction

The proposed Advanced Clean Cars II rules have the opportunity to encourage getting clean, cost-saving technology into the hands of consumers. These rules should spur innovation in transportation that will offer consumers options that will save them money, reduce air pollution and greenhouse gas emissions, and improve public health, which is why it is imperative that the Board act swiftly in the passage of the ACC II rule.

Under ACC II, we expect to see a rapid and sustainable deployment of new Zero-Emission Vehicles (ZEV) and Plug-In Hybrid Electric Vehicles (PHEV) models, increasing consumer options in the marketplace. A strong ZEV program will encourage the sale of ZEVs that will produce significant emission reductions and provide consumers with wide-ranging choices from a broad mix of ZEV and PHEV technologies across all passenger vehicle categories. Such a ZEV program will also provide the certainty private investors need to develop reliable charging and fueling infrastructure, which is among the top identified barriers to Battery-Electric Vehicle (BEV) adoption for most consumers.¹

¹ Consumer Reports, Battery Electric Vehicles & Low Carbon Fuel Survey. [April 2022.](#)

CR supports a strong Advanced Clean Cars II standard for the sale of new light-duty vehicles, and we are providing detailed comments on the following proposals in the rule:

1. The recent changes in the 15-day proposal weaken consumer protections for ZEV durability, which is critical to achieving emissions reductions and for consumers purchasing ZEVs on the secondary market.
2. We urge CARB to identify alternative strategies in subsequent proceedings to address transportation climate equity in the light-duty vehicle market.
3. CR appreciates CARB's inclusion of PHEVs throughout the rule, and beyond, as these vehicles will be a necessary tool to help consumers overcome the hesitancy associated with purchasing new zero-emission vehicles, while still helping the state reduce emissions necessary to meet its goals.

II. The 15-day changes to the ZEV durability proposal weakens consumer protections from the originally proposed regulation.

In the original ACC II proposal released in April, CARB included a requirement that new ZEVs maintain 80-percent or more certified range for 10 years or 150,000 miles, which is well in line with existing industry standards. The updated proposal reduces this requirement from 80-percent to 70-percent certified range for model years 2026-29. This amendment to the rule will have an adverse impact on future ZEV adoption, as these provisions are especially critical in achieving consumer confidence in the secondary ZEV market.

Currently, used car sales make up about 70% of the automotive market and capture a majority of vehicles purchased by low-income consumers.² As more ZEVs enter the secondary market in the coming years, it is imperative that consumers have protections against poorly designed or manufactured batteries that diminish in capacity or fail early. Our most overburdened populations at the forefront of climate and air quality hazards deserve consumer protections addressing the lifetime of the vehicle, its battery, and its repairability.

Additionally, while we see the costs of producing batteries continue to drop, the battery is still the most expensive part of an electric vehicle.³ By shifting from gasoline to electricity, it is the battery that enables the electric vehicle to eliminate tailpipe pollution and reduce greenhouse gas and other pollutants, especially when combined with California's relatively clean grid.⁴ Therefore, reduced capacity or complete failure of the battery pack represent a significant risk to emissions reductions, given the potentially high cost of a replacement, on both the consumer and the environment. Strong corresponding consumer protections regarding durability, battery health and warranties are therefore critical to the emissions and economic success of the ZEV program.

² Bureau of Transportation Statistics, New and Used Passenger Car and Light Truck Sales and Leases, [April 2022](#)

³ Bloomberg, Batteries For Electric Cars Speed Toward a Tipping Point, [December 2020](#)

⁴ Consumer Reports, How Clean are Electric Vehicles in your State?, [September 2019](#)

Our recent survey shows 55-percent of Americans who expressed interest in purchasing or leasing a BEV identified “vehicles a BEV can travel” as one of the top barriers for adoption.⁵ As infrastructure investments and technology continue to become more commonplace, this perceived barrier to adoption may ultimately be addressed, but until this technology is widely accessible, California should seize the opportunity to bolster consumer confidence that their ZEVs will maintain condition, reliability, and durability throughout their useful life.

This rule has the opportunity to establish a strong durability provision that will set the standard for vehicle durability in the ZEV market, and CARB should take the necessary steps to adopt the strongest standard of consumer protections possible.

III. CARB should identify and outline alternative strategies to address transportation climate equity in the light-duty vehicle market.

The proposed 15-day changes modified the ACC II rule to allow manufacturers to gain access to an additional suite of ACC I credits by achieving 0.5% sales under the equity program, on top of the existing ACC I credit allowance for all manufacturers. While CR appreciates CARB staff’s attempt to increase accessibility without diminishing stringency of the rule, as was directed by the Chair during the June Board Hearing, we are concerned that the 15-day changes to the equity provision of the rule, in particular allowing manufacturers to use equity participation to unlock cumulative access to ACC II credits, are too complex to easily ensure that automakers are held accountable to their role in increasing access to ZEVs in underserved communities. Furthermore, this change may result in fewer vehicles being placed in equity programs than would have under our previously recommended alternative⁶, which would limit access to any and all ACC I credits unless manufacturers participate fully in the equity component of the rule.

We understand that amending and strengthening the equity programs within the ACC II rule could result in additional administrative delays to the implementation of the overall program, which is by no means the intent of CR. Thus, we ask CARB to also consider alternative strategies, outside of the ACC II rule, to strengthen California’s commitment to equity in the transportation sector, with the intention to continue to work with stakeholders and consumer advocates on future rulemakings to achieve ZEV accessibility and awareness in all communities.

IV. CR supports the inclusion of PHEVs throughout the rule, as these vehicles will be a necessary tool to help overcome consumer hesitancy.

As we see the low-carbon transition in the transportation sector, it is important that we consider familiarity and experience when attempting to establish market parameters for consumers. While many Americans have expressed interest in purchasing an BEV sometime in the future, there are still a number of drivers who are hesitant to adopt new technologies, whether it be due to lack of experience with ZEVs or comfort with existing technology. Additionally, there are

⁵ Consumer Reports, Battery Electric Vehicles & Low Carbon Fuel Survey. [April 2022](#).

⁶ Consumer Reports Comments on Proposed Advanced Clean Cars II Rule, [May 2022](#)

currently market segments that will not benefit from existing battery and vehicle technologies, both with BEVs and Fuel Cell Electric Vehicles. Where existing ZEV technology is insufficient, PHEVs will play a critical role in providing consumers with the right options to meet their vehicle needs, while still reducing overall emissions in the transportation sector.

V. Conclusion

CR is encouraged to see CARB take leadership in increasing ZEV options in the transportation market, and supporting a clean transportation ecosystem. We greatly appreciate the time staff has committed to drafting this rule, hearing from stakeholders, and considering the feedback offered. We appreciate the opportunity to provide written comments on CARBs proposed ACC II rule, and urge the swift adoption of this important rule.

Thank you for taking these comments into consideration.

Sincerely,

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