CLEAN CARS RULEMAKING TIMELINE PROPOSAL AND DISCUSSION

KEN MILLER, AIR QUALITY REGULATION DEVELOPMENT COORDINATOR ALBUQUERQUE-BERNALILLO COUNTY AIR QUALITY CONTROL BOARD MEETING DECEMBER 8, 2021



Background

California New Motor Vehicle Emission Standards



Background

State and Local Commitment

Governor Lujan Grisham & City of Albuquerque Mayor Keller support the adoption of California's motor vehicle emission standards:

- Governor Lujan Grisham has identified implementation of Clean Car Standards as one of the most impactful steps the state can take to reduce its contribution to the climate crisis
- The Governor's Executive Order 2019-03, Addressing Climate Change and Energy Waste Prevention, directs the state's Climate Change Task Force to "evaluate policies and regulatory strategies to achieve reductions in greenhouse gas pollution" including "adoption of approaches to reduce greenhouse gas and criteria pollutant emissions from light duty vehicles sold in state" See Executive Order 2019-03, ¶ 5.
- The City is committed to sustainability, combating climate change, and reducing ozone forming and toxic air emissions
- Presenting the clean cars rule is part of the Air Quality Program's Ozone Reduction Initiative

Background Greenhouse Gas Emissions



Sources:

1) New Mexico Climate Strategy, 2020 Progress and Recommendations

https://www.climateaction.state.nm.us/documents/reports/NMClimateChangeReport_2020.pdf

2) City of Albuquerque 2020 Greenhouse Gas Inventory https://www.cabq.gov/sustainability/documents/city-of-albuquerque-ghg-inventory-3.pdf

Ozone Precursor Emissions



Bernalillo County Estimated Anthropogenic NOx & VOC Emissions by Source Category

2017 National Emissions Inventory

Source:

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https://www.epa.gov/air-emissions-inventories/2017-national-emissions-inventory-nei-data

Background

Model Years and Timing of Rulemaking

- The draft rule applies new motor vehicle emission standards beginning with model year 2026, which complies with the Clean Air Act ("CAA") requirement that manufacturers be given at least two full model years to prepare their fleets to meet the standards
- Model years for motor vehicles do not coincide with the calendar year
- Model years are based on production periods, so manufacturers can introduce a next-model-year vehicle for public sale as early as January 2 of the preceding calendar year and as late as December 31 of the corresponding calendar year
- For example, a 2026-model-year vehicle can be sold starting on January 2, 2025 and up to and including December 31, 2026

Background Rulemaking

- Identical Regulations: The Air Quality Program ("AQP") and New Mexico Environment Department ("NMED") have been working together to draft parallel regulations adopting the California new motor vehicle emission standards pursuant to Section 177 of the CAA
- Outreach: The agencies held three stakeholder outreach meetings and have had numerous individual meetings with stakeholders upon request
- Discussion Draft: NMED released a draft rule for public comment and revised the rule based on constructive feedback
- EIB Petition: NMED filed a petition with the Environmental Improvement Board ("EIB") on December 1, 2021 for the EIB's consideration at its December 17, 2021 meeting
- Next Steps: The AQP is finalizing its draft regulation for the Air Board's consideration

What To Expect The Rule

- Will replace the Air Board's regulation at Part 104
 - Adopted in 2007 but no longer enforceable law
 - A new rule is necessary to apply new motor vehicle emission standards to model years 2026 and thereafter
- Related to a rulemaking petition filed with the Albuquerque-Bernalillo County Air Quality Control Board ("Air Board") by Climate Advocates in June 2021 and that was withdrawn before the Air Board took any action
- Will be substantially similar to the rule that NMED petitioned the EIB to adopt, which will address the identicality requirements in Section 177 of the CAA
- To be legally effective, New Mexico must have identical regulations imposing clean car standards throughout the state:

20.2.91 NMAC (NMED/EIB Regulation)

- + 20.11.104 NMAC (AQP/AQCB Regulation)
- New Mexico State-wide Clean Cars Program

What To Expect

The Petition

- The AQP will file the petition by <u>January 25, 2022</u>
- The AQP will request that the Air Board put it on the agenda for its <u>February 9, 2022</u> meeting and consider the petition during that meeting
 - "Consider" means to determine whether or not to hold a public hearing on the proposed regulatory change
 - The Air Board will not be required to make any substantive determinations on <u>February 9, 2022</u> about the proposed regulatory change
- To assure that the rule will apply to the jurisdictions of both the EIB and the Air Board, and also meet the identicality requirements of Section 177 of the CAA, the agencies will request that the Air Board and EIB hold a joint hearing on <u>May 2-4</u>, <u>2022</u>

What To Expect

The Hearing

- The agencies anticipate that a hearing in this matter will take two days
- The AQP will request that the Air Board schedule a two-day public hearing for May 2-<u>3, 2022</u>
 - On <u>February 9, 2022</u>, the AQP will ask the Air Board to issue an order setting the hearing date
 - Setting the hearing date on <u>February 9, 2022</u> would allow the EIB to meet its regulatory deadlines for public notice of a <u>May 2-3, 2022</u> hearing
- The AQP will also suggest setting aside <u>May 4, 2022</u> as an additional day for deliberation
 - > Allows the boards to deliberate and vote together
 - More efficient
 - Can maintain identicality requirement
- A public hearing and determination in early May will allow the rule to go into effect by July 1, 2022 – thus, more likely to coincide with the model year for manufacturers seeking early action credits

What To Expect

Location and Participation

- The AQP and NMED are investigating how the boards handled the joint hearing in 2007
 - > Was in-person at the Albuquerque Convention Center
 - > Allowed ample space for board members, agency staff and the public
- This will be a matter for the Air Board and EIB members to decide
 - The AQP and NMED will provide assistance to the boards to acquire a space and necessary equipment
 - The agencies can provide assistance to the boards to acquire a third-party hearing officer to help facilitate the hearing

Proposed Timeline

Action	Date
AQP Files Petition	January 25, 2022
Air Board Considers Petition and Agrees to Hold Joint Hearing, Sets Hearing Date	February 9, 2022
NMED Files Notice for Publication in the NM Register	February 10, 2022*
Two-Day Joint Hearing Held by AQCB and EIB	May 2-3, 2022
Extra Day for Deliberation (if needed)	May 4, 2022
AQCB and EIB Vote to Adopt Proposed Rules	May 3 or 4, 2022
*Deadline to mublish notice of a May 2.2 hearing	

*Deadline to publish notice of a May 2-3 hearing

THANK YOU!

