



Joanna Ekrem  
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Air Quality Program  
P.O Box 47600  
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June 21, 2022

RE: Rule Update of Chapter 173-423 WAC, Clean Vehicles Program

Dear Ms. Ekrem:

NRDC (Natural Resources Defense Council) appreciates the Washington Department of Ecology's (Department) efforts and plans to adopt the Advanced Clean Cars II (ACCII) program. We urge the state to adopt the regulations as soon as possible, and no later than December 31, 2022.

Transportation is the largest source of greenhouse gas emissions in Washington State, [responsible for almost half](#) of the state's total greenhouse gas emissions (45 percent) and a quarter of total air pollution (22 percent). To reduce pollution from this sector, transitioning towards zero-emission vehicles (ZEVs) is a key strategy to achieving the state's climate and air quality goals. In November 2021, the state adopted the Zero Emission Vehicle Standards, as part of the Advanced Clean Cars I (ACCI) program. ACCI, however, levels out ZEV sales in vehicle model year (MY) 2025 at about 7-8 percent sales in perpetuity. Therefore, California is now in the process of adopting the next round of standards (ACCII) to further accelerate the transition to ZEVs through MY 2035.

California's current proposal for ACCII—which states are subsequently able to adopt under the Clean Air Act—will require 35% of new vehicle sales to be zero emission in vehicle model year 2026, with an interim target of 68% by model year 2030, before moving towards 100% zero-emission vehicle sales by MY 2035. A final vote on ACCII is expected in August 2022.

In March 2022, Governor Inslee signed into law a transportation package that set a goal for [100% electric vehicle ZEV sales by 2030](#) in Washington. The ACCII regulation is the key mechanism that will help Washington State achieve this goal for passenger and light-duty vehicles, as well as meet the state's air quality and climate goals. It is important for Washington to adopt this regulation by the end of 2022 so the state can implement and enforce the first model year of the new program (2026).

While the regulation starts at 35 percent sales in MY 2026, ACCII includes several flexibilities that will help to support Section 177 states that may have lower sales percentages than California. These include limited use of Advanced Clean Cars I credits and "early compliance credits" that will allow vehicles sold two model years prior to the

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start of the program to count towards future ACCII compliance. With regards to the ACCI credits, however, states will need sufficient bank of credits from the ACCI program to be able to utilize this flexibility. Since Washington adopted the standards in 2021, due to lead time requirements, the state will only be able to collect ACCI credits in MY 2025. At the time of adoption of ACCI, the state elected to not include any early action credits—that is, allowing vehicle manufactures to start earning credits voluntarily for ZEVs sold in Washington prior to the start of the program. This made sense for Washington at the time, but based on analysis by the Department of Ecology, it appears that because of the lack of early action credits—and the fact that the state can't start accumulating the ACCI credits until MY2025—Washington will fall short of achieving credit compliance for ACCII through MY2030.

The Department of Ecology [proposed several different credit options](#) to fill the potential gap in credit requirements in ACCII. Based on NRDC analysis and review of the Department's proposed options, option number four (early action credits) appears to be the best solution to fill the credit gap and remedies the exclusion of this flexibility—which many other late adopters of ACCI have incorporated in their regulations—from their original Clean Cars program. However, we encourage the Department to ensure that any proposed flexibility in Washington's regulation does not “double count” with the proposed flexibilities in ACCII.

As part of the regulatory package, California also has included provisions that encourage automakers to provide more ZEVs to state programs increasing access in communities historically over-burdened by pollution. There are flexibilities in the regulatory language that allow for states to develop their own equity programs that would achieve similar results to the California-based programs. We urge Washington State to begin development of equity programs—with robust community outreach—that would meet the provisions proposed in ACCII and work to increase the number of zero-emission vehicles made available by manufacturers in access programs.

We look forward to continued engagement on the Advanced Clean Cars II regulation in Washington. Please do not hesitate to reach out with any questions.

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