Clean Transportation Technologies and Solutions

www.calstart.org

November 14, 2023

New Mexico Environmental Improvement Board
Harold L. Runnels Building
1190 St. Francis Drive, Suite N4050
Santa Fe, New Mexico 87505
% Pamela.Jones@env.nm.gov

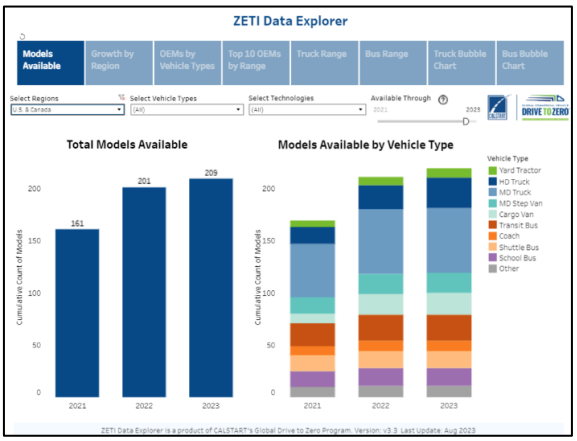
Albuquerque/Bernalillo County Air Quality Control Board
Environmental Health Department
1 Civic Plaza NW - 3rd Floor, Room 3023
Albuquerque, NM 87102

RE: CALSTART Supports New Mexico's Adoption of Advanced Clean Cars & Trucks Standards

Dear Members of the New Mexico Environmental Improvement Board and Members and Commissioners of the Albuquerque/Bernalillo County Air Quality Control Board,

CALSTART is pleased to support New Mexico's proposed adoption of Advanced Clean Cars & Trucks Standards, regulations CALSTART sees as catalysts for the electrification of passenger and commercial vehicles. While CALSTART is equally supportive of the Heavy-Duty Omnibus and Advanced Clean Cars II rules, these written comments will focus primarily on the benefits of the Advanced Clean Trucks rule (ACT). For more than 30 years, it's been CALSTART's mission to develop, assess, and implement large-scale zero-emission transportation solutions to mitigate climate change and support economic growth. CALSTART works with businesses, organizations, governments, and communities to create real-life impacts towards clean air and equitable access to clean transportation for all. CALSTART provides scientific, technical, and policy support for governments on all levels for regulatory development and clean technology and infrastructure acceleration.

New Mexico's adoption of ACT will help expand supply of zero-emission medium- and heavy-duty vehicles by requiring manufacturers to increase model availability to meet the growing demand for these vehicles, further driving investment in clean transportation research and development. This will enable cost-effective electrification of commercial vehicles at the pace and scale needed to meet New Mexico's climate and



Found at: https://globaldrivetozero.org

air quality goals[1], while delivering public health and economic benefits for communities and businesses alike.

This is a unique point in history as rapid technological innovation in the zero-emission truck industry provides a critical opportunity to transition the heavy-duty transportation sector to zero emission vehicles. Globally, there are 843 different models of zero-emission vans, trucks and buses commercially available, and 209 available in the U.S. and Canada, with new models being introduced at an unprecedented rate.[2] This regularly updated list of commercially available medium- and heavy-duty electric vehicles can be found via CALSTART's Zero-Emission Technology Inventory (ZETI) Data Explorer, which can be used to identify available vehicles by applying various filters including vehicle class, manufacturer, and range.

As battery prices fall and technology continues to improve, the total cost of ownership is expected to result in vehicle economics that surpass combustion-based alternatives for a rapidly growing range of use cases. A recent analysis found new tax incentives adopted in the historic IRA will enable purchase price parity for a wide range of heavy-duty zero-emission vehicles (ZEVs) at least 5 years, and as much as 12 years earlier, than would occur without the credit.[3]

Should the state move forward with the adoption of Advanced Clean Cars & Trucks Standards, CALSTART also encourages New Mexico to consider creating, in parallel, voucher incentive programs, e.g. "cash on the hood" for vehicles, and even infrastructure.[4] Robust purchase incentives are critical to offset the initial cost differences of zero emission vehicles, particularly the larger classes of vehicles, through at least the early compliance years. Maine could fund such a program with funding now available from the Infrastructure Investment and Jobs Act (IIJA) to support the purchase of electric trucks as the market develops in the state. Existing programs in the region include the California Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP)[5] the Colorado Clean Fleet Vehicle & Technology Grant Program.[6]

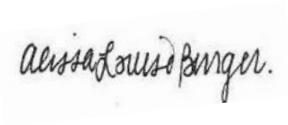
CALSTART also recommends the creation of a technical assistance program to inform and educate fleets about electrification and ease the burden of transition planning. Technical assistance programs are proven to be helpful tools for fleet education and acceleration of electrification goals; a best practice includes tying technical assistance programs to available vehicle incentives. An innovative approach to technical assistance and incentives

[1] https://www.nmlegis.gov/Legislation/Legislation?Chamber=H&LegType=B&LegNo=6&year=22
[2] https://globaldrivetozero.org/tools/zeti-data-explorer/ (accessed August 28, 2023)
[3] https://www.erm.com/public-information-sites/analysis-of-zev-bau-scenarios-for-edf/
[4] https://calstart.org/voucher-incentive-programs-2023/
[5] https://californiahvip.org/
[6] https://cdphe.colorado.gov/clean-fleet-vehicle-technology-grant-program

may be to structure incentives such that fleets who participate in a technical assistance program receive a higher percentage of available incentives.

The ACT rule will go a long way toward making sure all New Mexico residents can breathe clean air, especially those in disadvantaged communities. Market transformation requires an "ecosystem" of regulations, incentives, infrastructure support, and other policy direction. CALSTART strongly supports the adoption of the Advanced Clean Cars & Trucks Standards and applauds the State's leadership to curb dirty gas and diesel emissions.

Sincerely,



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