RHODE ISLAND GOVERNMENT REGISTER PUBLIC NOTICE OF PROPOSED RULEMAKING

DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

Title of Rule: Rhode Island's Low-Emission Vehicle Program

Rule Identifier: 250-RICR-120-05-37Rulemaking Action: Proposed Amendment

Important Dates:

Date of Public Notice: September 29, 2023 End of Public Comment: October 30, 2023

Rulemaking Authority:

R.I. Gen. Laws § 42-17.1-2(19)

R.I. Gen. Laws Chapter 23-23

R.I. Gen. Laws Chapter 42-35

42 U.S.C. § 7543

42 U.S.C. § 7507

Summary of Rulemaking Action:

The regulatory changes proposed in this filing are identical tothe regulatory language originally noticed on 08/07/2023. During that publiccomment period, a technical error within the RICR system may have preventedcomments submitted through RICR's attachment field from being received by theagency. Any comments submitted directly through RICR's text box option (with noattachments) or submitted directly to the agency were processed successfully. 250-RICR-120-05-37is being noticed for a second public comment period to ensure that the agencyreceives all public comments as originally intended.

Comments that were received by the agency during the initialpublic comment period (08/07/2023 through 09/08/2023) will be considered and included in the agency's Concise Explanatory Statement. If you have questions about whether your comment was received by the agency, please reach out to the contact listed below.

The purpose of this rule is to adopt or amend key regulations thatreduce greenhouse gas and criteria pollutant emissions from passenger cars,light-duty trucks, and medium- and heavy-duty vehicles that are delivered forsale or placed in service in Rhode Island. Rhode Island has previously adoptedCalifornia's emissions standards for passenger cars and trucks and, with thisrulemaking, would further optin to California's standards by amending250-RICR-120-05-37 to include new standards for medium- and heavy-dutyvehicles.

This suite of rules includes the adoption of California's AdvancedClean Trucks Rule, the Low NOx Heavy-Duty Omnibus Rule, and the Phase 2Greenhouse Gas Rule, and amendments to California's Advanced Clean Cars programwhich was previously adopted in Rhode Island and incorporates previouslyadopted rules to control criteria and GHG emissions.

The regulation applies to light-duty, medium- and heavy-dutyengine/vehicle manufacturers. The Advanced Clean Trucks Rule (ACT) requires thesale of at least 30% zero-emission trucks by 2030 (depending on vehicleclassification). The Low NOx Heavy-Duty Vehicle Omnibus Rule (HD Omnibus)requires a 90% reduction in NOx emissions for model year (MY) 2027 engines. ThePhase 2 Greenhouse Gas Rule (Phase 2 GHG) sets greenhouse gas emissionstandards for heavy-duty trucks and truck trailers. Advanced Clean Cars II(ACCII) requires that all passenger car and light-duty truck vehicles deliveredfor sale by 2035 meet the definition of zero-emission vehicle and will further educe smog-forming and GHG emissions from new internal combustion enginevehicles (ICEVs).

Additional Information and Public Comments:

All interested parties are invited to request additional information or submit written or oral comments concerning the proposed amendment until October 30, 2023 by contacting the appropriate party at the address listed below:

Chelsea Priest
Department of Environmental Management
DEM - Office of Air Resources
235 Promenade St.
Providence, RI 02908
chelsea.priest@dem.ri.gov

In accordance with R.I. Gen. Laws § 42-35-2.8, an oral hearing will be granted if requested by twenty-five (25) persons, by a governmental agency or by an association having at least twenty-five (25) members. A request for an oral hearing must be made within ten (10) days of the publication of this notice.

Regulatory Analysis Summary and Supporting Documentation:

The regulation applies to light-duty, medium- and heavy-duty engine/vehicle manufacturers.

Advanced Clean Cars II (ACCII) is an amendment to Rhode Island's existing ACC program which covers passenger cars and light-duty trucks. ACCII includes the Low-Emission Vehicle (LEV) regulation that reduces both criteria air pollutant and greenhouse gas emissions from new internal combustion engine vehicles (ICEVs) for model year 2027 and beyond, and zero-emission vehicle (ZEV) program that increases the number of electric vehicles for sale in Rhode Island.

The ACCII LEV regulation requires manufacturers to produce a percentage of vehicles certified to increasingly more stringent emission categories, according to schedules based on vehicle fleet emission averages for each manufacturer. The LEV regulation contains criteria air pollutant exhaust emission standards for 2027 and subsequent model year passenger cars, light-duty trucks, and medium-duty vehicles.

The ACCII ZEV regulation requires that all passenger car and light-duty truck vehicles delivered by manufacturers for sale in Rhode Island by 2035 meet the definition of zero-emission vehicle (ZEV). A ZEV is a vehicle that produces zero vehicle exhaust emissions of any criteria air pollutant or greenhouse gas. The most common types of ZEVS are battery electric vehicles (BEV) and hydrogen fuel cell electric vehicles (FCEV). BEVs utilize batteries to store the electrical energy that powers the motor. FCEVs are fueled primarily by hydrogen stored on board to power a fuel cell in combination with a traction battery that produces electricity to power the electric motors and may also have off-vehicle charge capability. Although not a ZEV by definition because of its internal combustion engine emissions, plug-in hybrid electric vehicles (PHEV) use a battery to power an electric motor, as well as another fuel, such as gasoline or diesel, to power an internal combustion engine.

ACCII is not a requirement that consumers purchase an electric vehicle, or that dealers sell a required volume of electric vehicles. ACCII is a requirement imposed solely on auto manufacturers to deliver a certain annual percentage of ZEVs to Rhode Island, increasing to 100% ZEVs by 2035.

The Advanced Clean Trucks Rule (ACT) is a new regulatory program that has been adopted and implemented in California and a number of other states, including, but not limited to, New York, Massachusetts, New Jersey, and Oregon. Rhode Island has had limited to no regulations covering emissions from medium-and heavy-duty vehicles, this rule will be incorporated by amendment in 250-RICR-120-05-37.

The purpose of the ACT Rule is to accelerate the widespread adoption of ZEVs in the medium-and heavy-duty truck sector and reduce the amount of harmful emissions generated from on-road trucks. The ACT Rule applies to manufacturers of medium- and heavy-duty vehicles over 8,500 pounds gross vehicle weight rating (GVWR) which includes passenger vans, buses, pickups, vocational trucks, box trucks, and tractor-trailer combinations used locally and for long-haul applications.

The ACT Rule has two main components, a manufacturers ZEV sales requirement and a one-time reporting requirement for large entities and fleets. In this rulemaking, the Department does not plan to adopt the one-time reporting requirement for large entities and fleets because Department currently lacks the staff capacity and resources to facilitate data collection and then process the volume of data and information this requirement will generate. The Department intends to adopt this reporting requirement at a later date as resources allow.

The ACT Rule requires manufacturers to sell ZEV trucks as an increasing percentage of their annual sales from model years 2027 to 2035. Manufacturers with annual state sales less than 500 units are exempt from the ZEV sales requirement but can opt-in to earn credits for selling ZEVs. As with ACCII, this is not a requirement that fleet owners or truck operators purchase electric vehicles, but a

requirement on the manufacturers of medium- and heavy-duty trucks to transition from diesel trucks and vans to electric zero-emission trucks beginning in model year 2027.

The Heavy-Duty Engine and Vehicle Omnibus (HD Omnibus) Rule and associated amendments require NOx emissions reductions from new on road heavy duty engines and vehicles and ensure emission reductions are maintained as those engines and vehicles are operated. The HD Omnibus Rule requires a 90% reduction in NOx emission from model year 2027 engines.

The HD Omnibus includes the following amendments summarized below:

- -Exhaust Emissions Standards and Test Procedures for 2024 and Subsequent Model Year Heavy-Duty Engines and Vehicles,
- -Heavy-Duty On-Board Diagnostic System Requirements,
- -Heavy-Duty In-Use Testing Program,
- -Emissions Warranty Period and Useful Life Requirements, Emissions Warranty Information and Reporting Requirements, and Corrective Action Procedures,
- -In-Use Emissions Data Reporting Requirements,
- -Phase 2 Heavy-Duty Greenhouse Gas Regulations, and
- -Powertrain Test Procedures.

The Phase 2 GHG Rule sets standards to reduce GHG emissions associated with medium- and heavy-duty engines, vocational vehicles, heavy-duty pick-up trucks and vans (PUVs), and applicable tractors and trailers. The Phase 2 GHG Rule requires manufacturers to improve existing technologies or develop new technologies to meet the GHG emission standards. It also amends requirements for glider vehicles, glider engines, and glider kits.

The Phase 2 GHG Rule sets new more stringent GHG emission standards for medium- and heavy-duty engines, tractors, vocational vehicles, PUVs, and trailers that are sold in Rhode Island. These emission standards largely harmonize with the structure, timing, and stringency of federal Phase 2 standards jointly adopted by the U.S. EPA and the Department of Transportation's National Highway Traffic Safety Administration in 2016, providing nationwide consistency for engine and vehicle manufacturers. The Phase 2 GHG requirements would apply to model year 2027 and newer Class 2b to 8 medium- and heavy-duty vehicles with greater than 8,500 pounds GVWR and the engines that power them, except for medium-duty passenger vehicles already covered in the light-duty regulations. To meet the proposed standards, regulated manufacturers are expected to apply GHG-reducing technologies, and may additionally elect to take advantage of credit opportunities.

The proposed regulation would provide a positive economic impact to individuals and entities in Rhode Island in the form of cost savings related to vehicle ownership and monetized public health benefits. Please refer to the cost-benefit analysis for additional details.

For full regulatory analysis or supporting documentation contact the agency staff person listed above.

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