Fact Sheet: The California Clean Cars Program

From dangerous fall heat waves to depleted spring snowpack, from increased severity and duration of wildfire season to extreme drought, and from rise in sea level to increased public health problems, it is clear that global warming is a profound threat in California.

Scientists say we need to cut emissions 20% by 2020 and 80% by 2050 to stave off the worst effects of global warming. The good news is that California has the skills, know-how and ingenuity to lead the way. We cannot do this without cleaning up our cars – and the Clean Cars Program is a cornerstone of the state’s plan for success.

Why Clean Cars? Cars generate more carbon dioxide than any other source of pollution in California, totaling 38% of CA’s statewide global warming emissions. Cars are also the #1 source of soot and smog-forming pollutants that contribute to over 5,000 deaths in California each year.

California’s Clean Cars Waiver

The Federal Clean Air Act requires all states to adopt minimum clean air regulations established by the U.S. Environmental Protection Agency (EPA). The only exception to this is if states instead elect to adopt California’s stronger clean air regulations. Before California or any state can implement California’s stronger clean air regulations, however, the EPA must issue a waiver. California has requested a waiver from the federal government dozens of times over the past several decades. It is extremely rare for the federal government to deny a waiver request – as was California’s waiver request for clean cars standards in 2007 by the Bush administration.

The history of the California Clean Cars waiver began with the 2002 passage of AB 1493, the California Clean Cars Law (more commonly referred to as the Pavley Law). This landmark law directed the California Air Resources Board (CARB) to adopt regulations to reduce global warming emissions from passenger vehicles. In 2004, CARB approved these regulations, requiring fleet-wide tailpipe emissions reductions for new passenger vehicles and light duty trucks starting with the 2009 model year. California then filed a petition to the U.S. EPA for the permission to implement these new regulations.

Currently, California and 14 other states including Washington, DC have adopted California’s standard regulating greenhouse gas emissions from tailpipes. Under California’s rule, automakers have to show a 30% overall reduction in GHG emissions on vehicles by 2016. This is a far more powerful policy for reducing global warming pollution from cars and trucks than the national CAFÉ standard passed in 2007. By focusing on over emissions requirements rather than mileage standards, it provides automakers more flexibility to apply any technology they choose to reduce global warming emissions (including production of vehicles that use lower carbon fuels). Tailpipe regulations are simply a more comprehensive way to address vehicles' contribution to greenhouse gases.

Quick FAQs

1) What is the waiver? The waiver is essentially permission, granted to California by the U.S. EPA, to implement California’s already adopted clean cars regulations. Once granted, it would also allow 14 other states to implement California’s tough standards for greenhouse gas emissions from motor vehicles.

2) What happens once the waiver is issued? The regulations will be phased in over two periods – motor vehicles model year 2009-2012, then model year 2013-2016. Automakers can choose to implement a combination of technologies to comply with the regulations and can average the emission reductions across their entire fleet and bank and borrow emissions from year to year.
CARB expects the standards to achieve a 23% reduction in global warming emissions from new vehicles by 2012 and 30% by 2016.

3) What percentage of US cars will be affected once California’s waiver is given? California, along with 13 other states and Washington, D.C. have elected to adopt the California clean cars standard. The states are: California, Washington, Oregon, Arizona, New Mexico, Maryland, Pennsylvania, New Jersey, New York, Connecticut, Vermont, Rhode Island, Massachusetts, Maine, and Washington DC. Together these states represent more than 40% of the US auto market and more states are soon to follow as well. For example, Florida regulators have adopted the rule and are waiting for the legislature to approve and the standards are currently being considered in Minnesota, Illinois, New Hampshire and North Carolina.

4) How will this affect car buyers? Ultimately, the average consumer will save money. Although the technical modifications needed to meet the standards may increase the upfront cost of new vehicles, these same technology improvements will also reduce the ongoing operating cost of the vehicles. CARB estimates that the average California consumer will save $30/month at the pump as a result of driving a car that complies with the Pavley law.

<table>
<thead>
<tr>
<th></th>
<th>Near-term (2012) 23% less GHG</th>
<th>Mid-term (2016) 30% less GHG</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase in Vehicle Price</td>
<td>$326</td>
<td>$1,048</td>
</tr>
<tr>
<td>Lifetime savings</td>
<td>$2,362</td>
<td>$3,253</td>
</tr>
<tr>
<td>Payback time (years)</td>
<td>1.2</td>
<td>2.9</td>
</tr>
</tbody>
</table>

Source: California Air Resources Board

5) What’s next? There are a number of other policy tools that California can employ to continue to reduce air pollution from cars and trucks. These measures include:

Low Carbon Fuel Standard: A carbon fuel standard is a requirement on fuel providers to ensure that the mix of fuel they sell produces a reduced amount of global warming emissions. California’s Low Carbon Fuel Stanard requires that all fuels sold in California by 2020 be 10% less carbon intensive than today. The standard is essentially a “cap” on global warming emissions that will force fuel providers to look beyond conventional gasoline and diesel, which is responsible for nearly a third of California’s total global warming pollution. With a low carbon fuel standard, Californians can expect to see more renewable fuels at their local gas station and, in time, can look forward to driving a new plug-in hybrid or hydrogen fuel cell vehicle.

ZEV program (Zero Emissions Vehicles): The technology exists today to build a car that emits zero pollution. Such technologies include battery electric cars and fuel cell vehicles. California regulations require automakers to produce 7,500 zero emissions vehicles from 2012 through 2014. However, automakers can produce as few as 5,357 ZEVs if they are long-range fuel cell vehicles. They can also opt to satisfy the requirement by manufacturing 12,500 battery electric vehicles with a range of 100 miles. Now, over 750,000 Californians are currently driving vehicles with near-zero emissions and an extended emissions warranty of 15 years or 150,000 miles, which are 80 % cleaner than the average 2002 model year car.

Nationally, it is also important for congress to continue to increase the Corporate Fuel Economy Standards for all cars nationwide. In 2007, Congress increased CAFÉ standards requiring fleet wide average of 35 miles per gallon by 2020. Congress and President Obama should increase this minimum fuel economy standard even further.

Bottom line: We need to get Californians out of their cars, and make the cars that they are driving more fuel efficient. While passing the waiver is a good start, we also must look to implement a low carbon fuel standard, further invest in public transit, and work toward long-term sustainability in land management, air and water quality.

For more information contact: Caitlyn Toombs at 415-622-0086 x 304 or caitlyn@environmentcalifornia.org.