

### **Stakeholder Outreach** Consideration to Revise 6 NYCRR Part 218 to Incorporate California's Advanced Clean Trucks, Heavy-Duty Low NOx Omnibus, and Phase 2 Greenhouse Gas Standards

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**DEC Panelists:** 

- Jeff Marshall
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# Agenda

- Background
- On-going Medium- and Heavy-Duty (M/HD) Vehicle Electrification Efforts
- California's (CA) Advanced Clean Truck Standards
- Q/A Period
- CA HD Low NOx Omnibus Standards
- CA Phase II Greenhouse Gas Standards
- Q/A Period



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# Background

- Ozone National Ambient Air Quality Standards (NAAQS)
  - Oxides of Nitrogen (NOx) contribute to ground-level ozone;
  - State Implementation Plan (SIP) commitments
- Climate Leadership & Community Protection Act (CLCPA)
  - 40% greenhouse gas emissions reductions from 1990 levels by 2030
  - 85% greenhouse gas emissions reductions by 2050

## Ongoing NYS Medium- and Heavy-Duty Activities





### **Clean Transportation NY**

Using the Volkswagen Settlement to Drive Clean Transportation in New York

















Expanding the Success of NYC DOT Hunts Point Clean Trucks Program

Apply For Funding >>







- \$701M Total Budget
- \$206M for Equitable Access in DACs
- \$20M Clean M/HD Innovation Prize
- \$15M in M/HD Fleet Make Ready
- \$10M in SOTS Transit Bus Make Ready
- Fleet Assessment Services



## Medium- and Heavy-Duty (M/HD) Zero Emission Vehicle (ZEV) Memorandum of Understanding

- Commits signatories to work together to foster a self-sustaining market for zero emission medium- and heavy-duty vehicles.
- Calls for 30% of new truck and bus sales to be zero-emission by 2030 and 100% by 2050.
- Emphasizes need to accelerate deployment of zero-emission trucks and buses in disadvantaged communities.
- Directs development and implementation of a M/HD ZEV Action Plan ... Give consideration for leveraging the environmental and air quality benefits associated with adoption of California's Advanced Clean Trucks rule.



Hawaii

The 15 signatory states and Washington, D.C. account for almost 50% of the U.S. economy and nearly 40% of goods moved by truck (by value).

Sources: U.S Bureau of Economic Analysis; FHWA Freight Analysis Framework

NEW YORK

## **Clean Transportation Roadmap**

- Chart a course to 2030/2050 GHG emissions targets for transportation sector
- Help align and inform policies of NYS agencies working on clean transportation initiatives



# **Transportation Advisory Panel (TAP)**

- The Climate Action Council will prepare a Scoping Plan to achieve NY's clean energy and climate agenda.
- TAP will make recommendations for the Council's Scoping Plan in April.
- TAP subgroups: electrification/fuels, public transportation, smart growth, and market-based mechanisms





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#### + Achievement of emissions reductions to meet state law requires action in all sectors

+ A 30-year transition demands that action begin now



NEW YORK STATE Conservation

\*Zero-Emissions Electricity (ZEE) includes wind, solar, large hydro, nuclear, CCS, and bioenergy; MDV includes buses

### **NYS NOx Emissions Inventory**



Department of Environmental

Conservation

### **NYS NOx Emissions by Transportation Sector**



### **NYS GHG Emissions by Sector**





This map shows life cycle global warming emissions as a function of different sources of electricity for a common type of delivery truck (Class 5 stepvan). Percentages represent emissions reductions for the electric delivery truck compared with a similar diesel delivery truck.



Department of Environmental Conservation

SOURCES: CARB 2018B; EPA 2018B; SANDHU ET AL. 2014; BARNITT AND GONDER 2011.

# Part 218 History

- Section 177 of the Clean Air Act
- Identicality requirement
- NY adopted CA LEV & ZEV programs 1992
- Adopted CA medium-duty standards 2004 Model Year (MY)
- Adopted CA heavy-duty standards 2005 MY, but reverted to federal heavy-duty diesel standards with 2008 MY
- Revised periodically, most recent revision 2020



## **Potential 218 Adoption Schedule**





# **Advanced Clean Truck Standards**

- Zero emission vehicle standards for medium & heavy-duty vehicles
- CAACT has two main components:
  - Original Equipment Manufacturers (OEM) annual sales requirements
  - A one-time large entity reporting requirement



### Source: U.S. Department of Energy

# **Truck Classifications**

- Vehicle classes are based on gross vehicle weight rating (GVWR)
- Medium-duty 8,501 lbs to 14,000 lbs GVWR
- Heavy-duty 14,001 lbs and greater GVWR



## Medium & Heavy-Duty Zero Emission Vehicle Sales Requirement

- OEM annual sales requirement by vehicle class
- Could start with MY 2025 in NY
- ZEV sales increase annually
- 100% ZEV by MY 2045 where feasible
- ZEV & NZEV credits
- Credit averaging, banking, trading
- Percentage requirements identical to CA; Use NY sales numbers

## **Annual M/HD ZEV Sales Requirements**

ACT ZEV Sales Percentage Schedule						
Model Year	Class 2b-3	Class 4-8	Class 7-8			
woder tear	Group	Group	Tractors Group			
2024	5%	9%	5%			
2025	7%	11%	7%			
2026	10%	13%	10%			
2027	15%	20%	15%			
2028	20%	30%	20%			
2029	25%	40%	25%			
2030	30%	50%	30%			
2031	35%	55%	35%			
2032	40%	60%	40%			
2033	45%	65%	40%			
2034	50%	70%	40%			
2035 and beyond	55%	75%	40%			



### Medium & Heavy-Duty Vehicle Classes & Credits

- Class 2b-3; Class 4-8; Class 7-8 tractors
- Similar to existing light-duty ZEV program
- Credit obligation applies only to OEMs
- Credit/deficit program
  - Deficit for selling vehicles in NY
  - Credit for selling ZEV & NZEV
  - Heavier vehicles generate more deficits & credits
- Credit banking & trading
  - 5-year credit lifetime
  - Oldest credits used first
  - Can trade between classes & credit types
  - Class 7-8 tractor deficits only met with class 7-8 tractor credits



# Zero Emission Truck Availability

- Growing number of models across various weight classes currently available from several manufacturers.
- Several manufacturers have announced plans to introduce zero emission trucks in coming model years.
- Most trucks operate less than 100 miles per day and dispatch from central location. Ideal operating conditions for zero emission trucks.
- Technology advances are making zero emission trucks suitable for more applications.



#### Total cumulative vehicle models by vehicle type and year, U.S. & Canada





# Zero Emission Truck Economic Feasibility

- Higher upfront purchase cost compared to conventional trucks.
- Lower operation & maintenance costs compared to conventional trucks.
- Total cost of ownership (TCO) for some classes/applications achievable now or within next 5 years without incentives. As technology costs decrease, TCO parity expected for all classes.
- Vehicle and charging infrastructure incentives available to offset initial increased costs of transitioning to zero emission trucks.





#### FIGURE 8. Total Cost Comparisons, Class 6 Delivery Trucks

Vehicle

**Registration Fees** 

The total cost of ownership for Class 6 electric delivery trucks is competitive with diesel vehicles today and estimated to be significantly lower within the next decade.

Maintenance

**Time Penalty** 

Infrastructure

Notes: In the ICCT study, "today" corresponds to 2020; in the CARB and ICF studies, 2018. Vehicle costs in the ICF and CARB analyses account for the value of the vehicle at the end of its assumed period of ownership.

Weight Penalty

SOURCES: HALL AND LUTSEY 2019; ICF N.D.A, CARB 2019A.

Fuel

#### FIGURE 9. Total Cost Comparisons, Class 8 Short-Haul/Drayage Trucks



The total cost of ownership for Class 8 electric short-haul/drayage trucks can be lower than diesel today with financial incentives, and is estimated to be lower for diesel trucks within the next decade without such incentives.

Notes: In the ICCT study, "today" corresponds to 2020; in the CARB and ICF studies, 2018. Vehicle costs in the ICF and CARB analyses account for the value of the vehicle at the end of its assumed period of ownership.

SOURCES: HALL AND LUTSEY 2019: ICF N.D.A, CARB 2019A.

# Large Entity Reporting

- One-time reporting (NY: 2022/2025MY)
  - Any business with more than \$50M annual revenue with at least 1 M/HD vehicle and in-state facility
  - Fleets with 50+ M/HD vehicles with an in-state facility
  - Brokers with 50+ M/HD vehicles with an in-state facility
  - State, local, government entities with at least 1 M/HD vehicle
- School districts, transit agencies, emergency vehicles, military tactical vehicles, and vehicles awaiting sale are exempt



# Reasons for a Large Entity Reporting Requirement

- Information will be used to support regulatory rulemaking activities
- Provide insight into existing use cases
- Ensure level playing field for all vehicle owners/operators
- Assess EV infrastructure needs



# **Requested Reporting Information**

- Company & facility information
  - Company name, contact person, identification & permit numbers
  - How many contracted trucks & companies under contract
  - Address of each location with M/HD vehicles & what fueling infrastructure is present
- Vehicle information
  - Number of vehicles (grouped by fuel type, body type, weight class)
  - VMT (daily & annual), usage patterns, returns to base/operates near base, used to support emergencies, replacement cycle

# **ACT Questions and Comments**

 To type in a question or comment, or if you're having technical difficulties, you can use the Chat feature.

• For technical difficulties you can also call, 518-402-9710.

### From a PC/Desktop Computer



### From the Webex mobile app

Click button at upper right to open Participants Panel, then Chat button at bottom.





# **Omnibus Heavy-Duty Low NOx Standards**

- Proposed NOx standards 90% lower than current standards
- In-use compliance standards
- Low Load Cycle (LLC) standards
- Useful life & warranty
- OBD, durability demonstration, credits
- Powertrain certification testing





# **Proposed Exhaust Emission Standards**

- Applies to medium & heavy-duty vehicles >10,000 lbs GVWR
- Heavy-Duty Diesel (HDDE) & Otto-cycle (HDOE) engines
- Could start with MY 2025 in NY (CA MY2024)
- Additional Optional Low NOx standards



## **Proposed Exhaust Emission Standards**

Model Year	Proposed NOx Exhaust Emissions Standards				
		HDOE			
	FTP/RMC (g/bhp-hr)	LLC (g/bhp-hr)	Idling (g/hour)	FTP (g/bhp-hr)	
2024*-2026	0.05	0.20	10	0.05	
2027 +	0.015-0.030	(1-3) x FTP	<= 10	0.015-0.030	
Model Year	Proposed PM Exhaust Emissions Standards				
2025 +	0.005			0.005	



# **Heavy-Duty In-Use Compliance Testing**

- Moving Average Window method (MAW)
- Considering Exponentially Weighted Moving Average Window
- 25% of engine families per year
- OEM submits test plan for CARB approval
- Real world driver and route for full day or OEM testing with prior CARB approval
- 3 Bin MAW approach groups related activity



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# Low Load Cycle (LLC)

- Supplemental certification cycle to control emissions during low load operation
- Significant NOx reductions using advanced engine hardware, improved engine calibrations and advanced aftertreatment system
- Cycle lasts approximately 90 minutes
- Challenge scenarios: Low Load Transient, Idle, Motoring, and return to High Load events



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# Heavy-Duty Useful Life & Warranty

- Useful Life
  - Period during which engine must demonstrate compliance with emission certification standards
  - Estimate of typical time to rebuild or retire engine family
  - Applies to engine & emission control systems
- Warranty
  - Assurance that vehicles, engine, control systems free from defects
  - Ensures that emission control systems will be effective & durable throughout useful life
  - Encourages vehicle owner to maintain/repair malfunctioning emissions control systems during warranty coverage period since manufacturer pays for repair/replacement

# **Heavy-Duty Useful Life & Warranty Periods**

Vehicle/Engine Category Gross Vehicle Weight Rating (GVWR)	Useful Life Phase-In Effective MY 2027 (Miles)	Useful Life Phase-In Effective MY 2031 (Miles)	Warranty Period Effective MY 2027 (Miles)	Warranty Period Effective MY 2031 (Miles)
Heavy Heavy-Duty Diesel Class 8 GVWR > 33,000 lbs.	600,000 11 years/30,000 hours	800,000 12 years/40,000 hours	450,000 7 years/22,000 hours	600,000 10 years/30,000 hours
Medium Heavy-Duty Diesel Class 6-7 19,500 < GVWR ≤ 33,000 lbs.	360,000 11 years	450,000 12 years	270,000 7 years/13,000 hours	360,000 10 years/18,000 hours
Light Heavy-Duty Diesel Class 4-5 14,000 < GVWR ≤ 19,500 lbs.	240,000 12 years	320,000 15 years	180,000 7 years/9,000 hours	240,000 10 years/12,000 hours
Heavy-Duty Otto GVWR > 14,000 lbs.	190,000 12 years	250,000 15 years	150,000 7 years/7,000 hours	200,000 10 years/10,000 hours



# Heavy-Duty Useful Life & Warranty Periods

- Phase-In starting MY 2027, completed MY 2031
- Applies to Class 4+ engines used in Class 4-8 vehicles
- Applies to engines certified to Diesel-cycle & Otto-cycle standards
- Also applies to applicable diesel-fueled engines used in HEVs
- Does NOT apply to ZEV
- Warranty follows engines used in CA certified vehicles sold & used outside CA
- Applies to vehicle & engine parts that affect regulated criteria pollutant emissions, including any parts that illuminate the OBD MIL

## Phase 2 Greenhouse Gas Standards

- CA and federal Phase 2 GHG standards are harmonized
- Applies to GVWR > 8,500 lbs.
- CA specific requirements beyond federal Phase 2
  - Certification documentation
  - Warranty
  - End-of-year reporting
  - Environmental performance label specifications
  - Air conditioning leakage requirements



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## **Thank You**

For more information and updates, go to the DEC Website:

- M/HD ZEV MOU: <a href="https://www.dec.ny.gov/chemical/121209.html">https://www.dec.ny.gov/chemical/121209.html</a>
- NYS VW App D: <u>https://www.dec.ny.gov/chemical/109784.html</u>

Stakeholder Comments for possible NY adoption of California's ACT, Omnibus Heavy-Duty Low NOx Standards, Phase 2 GHG can be submitted to: mailto:MHDZEVPlan.Air@dec.ny.gov

<u>DEC Panelists</u>: Jeff Marshall, James Symon, James Clyne Contact us at: <u>air.regs@dec.ny.gov</u>