

DRAFT FORM # 1

**FORM FOR PETITIONING THE STATE ENVIRONMENTAL COMMISSION FOR
ADOPTION, FILING AMENDMENTS OR REPEAL OF COMMISSION REGULATIONS**

1. **Nevada Division of Environmental Protection**
901 South Stewart Street, Suite 4001
Carson City, NV 89701-5249
CleanCarsNevada@ndep.nv.gov

2. **Specific type of petitioner (individual, partnership, corporation, government agency, or other) and the exact occupation or business, including a description of the occupation or business if necessary:**
 - a) The Nevada Division of Environmental Protection (NDEP), which is a division of the Nevada Department of Conservation and Natural Resources (DCNR) of the State of Nevada.
 - b) The Nevada Department of Motor Vehicles (DMV).
 - c) DCNR and DMV are government agencies.

3. **Exact and specific nature of changes sought, including delineation of the regulations, statutory provisions of Commission decisions involved. May include a statement of the written term or substance of the proposed regulatory action, or a description of the subjects and issues involved:**

Nevada Revised Statutes (NRS) 445B.100 establishes that it is public policy of the State of Nevada and the purpose of NRS 445B.100 to 445B.640, inclusive, to achieve and maintain levels of air quality which will protect human health and safety, prevent injury to plant and animal life, prevent damage to property, and preserve visibility and scenic, esthetic and historic values of the State. It further states that it is the intent of NRS 445B.100 to 445B.640, inclusive, to require the use of reasonably available methods to prevent, reduce or control air pollution throughout the State of Nevada.

Nevada Revised Statutes (NRS) 445B.760 establishes the authority of the SEC to adopt standards for emissions from mobile internal combustion engines found in motor vehicles after those standards have been approved by the Department of Motor Vehicles.

The amendments proposed here to section of Nevada Administrative Code (NAC) Chapter 445B adopt:

- a) The California Low Emission Vehicle (LEV) standards for exhaust emissions and fuel evaporative emissions of criteria pollutants and greenhouse gases from mobile internal combustion engines found in new, light- and medium-duty motor vehicles sold in Nevada starting from model year 2025.

- b) The California Zero Emission Vehicle (ZEV) program, starting with sales of model year 2025 vehicles. The ZEV program requires an increasing percentage of new vehicle sales of to be zero emission vehicles; this is achieved by requiring vehicle manufacturers to meet minimum credit requirements through a combination of sales of zero emission vehicles and vehicles deploying zero emission technologies.

SPECIFIC CHANGES:

NDEP is proposing to amend NAC 445B by creating a new subsection for the LEV and ZEV programs under the Emissions from Engines section. The subsection includes general provisions, definitions, severability, adoption of the California Code of Regulations by reference, LEV program provisions, ZEV program provisions, warranty and recall provisions, and civil penalties.

4. A statement of the need for and purpose of the proposed regulations:

Governor Sisolak has directed his administration through Executive Order 2019-22 to evaluate policies and regulatory strategies, including but not limited to those identified pursuant to Senate Bill 254 from the 2019 Legislative Session, to achieve reductions in greenhouse gas emissions consistent with Nevada's commitment as a member of the U.S. Climate Alliance. Nevada has set goals of reducing statewide greenhouse gas emissions 28% by 2025 and 45% by 2030 as compared to 2005 emissions.

NDEP, per NRS 445B.380, has prepared a statement of policies that, if implemented, could result in reductions in projected greenhouse gas emissions necessary to achieve those goals. One of those policies listed is the adoption of California LEV and ZEV standards for new motor vehicles sold in Nevada. This regulatory amendment, if adopted, would reduce greenhouse gas emissions from the transportation sector.

Additionally, this regulatory amendment would reduce emissions of criteria pollutants (including oxides of nitrogen [NO_x], particulate matter [PM], and carbon monoxide [CO]). These transportation related emissions are a principal source of air pollution in Nevada's urban areas. NO_x emissions contribute to the formation of ground level ozone (smog), for which the Las Vegas valley has been designated in nonattainment by the U.S. Environmental Protection Agency. The Truckee Meadows, an area of Washoe County, is currently in attainment for ozone, but concentrations have been very close to the nonattainment threshold in recent years.

The regulation proposed here aims to reduce both greenhouse gas and criterial pollutants emissions from the fleet of vehicles sold annually by motor vehicle manufacturers in this State.

5. **A statement of the:**

a) Estimated economic effect of the regulation on the business which it is to regulate:

The proposed regulation will have an economic effect on regulated businesses and industry; including new motor vehicle dealers, auto repair facilities, auto parts suppliers and retail outlets, and the motor vehicle manufacturers. However, the general impact on these businesses cannot accurately be predicted. The requirement of selling an increasing percentage of ZEVs may increase costs for the dealers, as adjustments on the for-sale fleet composition may need to be taken. Dealers could also expect vehicle service revenue to decline over time due to the greater reliability of and lower maintenance costs for electric vehicles. Manufacturers will incur compliance and reporting costs. Auto repair and parts suppliers will have to offer for sale California-compliant emission system parts.

b) Estimated economic effect on the public:

The proposed amendments will have an economic effect on the public. Prices of ZEVs are likely to be initially higher than comparable vehicles, though over time prices are expected to achieve parity. Repair costs of ZEVs are expected to be lower over the life of the vehicle due to fewer moving parts. Fueling costs of ZEVs is also already much lower when compared to internal combustion engine equivalents. In general, the requirement for increasing ZEV sales will provide a much larger choice of models of ZEVs available to the public, and eventually, with greater market competition, lower prices. In the long term, the fleet transformation and electrification will lead to significant reductions in criteria pollutants and greenhouse gases from the transportation sector; this is expected to provide significant societal benefits, especially in those areas already impacted by air pollution.

c) Estimated cost by the agency for enforcement of the proposed regulation:

The proposed amendments will have an economic effect on the Nevada agencies charged with implementing the amendments, NDEP and DMV. Additional staff will be needed, and program development and implementation costs will be incurred by the enforcing agencies.

6. **A description of any regulations for other state or government agencies which the proposed regulation overlaps or duplicates and a statement explaining why the duplication or overlapping is necessary. If the regulation overlaps or duplicates a federal regulation, the name of the regulating federal agency:**

The Clean Air Act provides exclusive authority for the EPA to regulate emission standards from motor vehicles, with the exception of the state of California, which can adopt more stringent standards with the approval of the EPA through a waiver process. Other states can adopt California vehicle emission standards as long as they are identical to those adopted by California. This option is made available to states in order to facilitate additional emissions

reductions that states can use to meet individual statewide emission reduction goals to meet compliance with federal National Ambient Air Quality Standards.

This regulation proposes to adopt California standards for certain types of vehicles and model years, and therefore being more stringent than the federal standards.

7. If the regulation provides a new fee or increases an existing fee, the total annual amount the agency expects to collect and the manner in which the money will be used:

The proposed amendments do not address fees.

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