# California's Leadership and Innovation – A National and International Perspective

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#### **Outline**

- Transportation Focus
- LDV and HDV
- Fuels
- Legislation and Regulation
- U.S. Leadership
- Global Leadership
- Lessons for Future Directions



#### Why is California a Recognized Leader?

- Historical air quality challenges in 40's, 50's and 60's
- Provisions in the U.S. Clean Air Act in 1970 and subsequent amendments
- Test ground for rest of U.S.
- Sustained public, legislative and administrative support
- Leadership from CARB in association with air districts



#### National Impact

- Federal Clean Air Act Exemption for California vehicle emissions standards
  - To meet "compelling and extraordinary" conditions
  - Must meet or exceed federal regulations
  - Can be adopted by other states
  - (15 including Northeast states, Oregon, Washington)
- California Firsts (Examples)
  - Lead-free gasoline
  - Low-sulfur fuels
  - Three-way catalytic converter
  - Stringent NO<sub>x</sub> control
  - First GHG emissions standards for LDV in 2004



#### Policy Instruments

- Performance-Based Emission Standards
  - After treatment effective, but turnover slow
  - Retrofits and repowering also beneficial
  - Fuel improvements provide immediate benefits
- Incentive Funding
  - \$150M per year for diesel engines
  - \$1B for port trucks and equipment
- Market-based Programs
  - Carbon emission trading for large sources
- Enforcement and Monitoring Programs

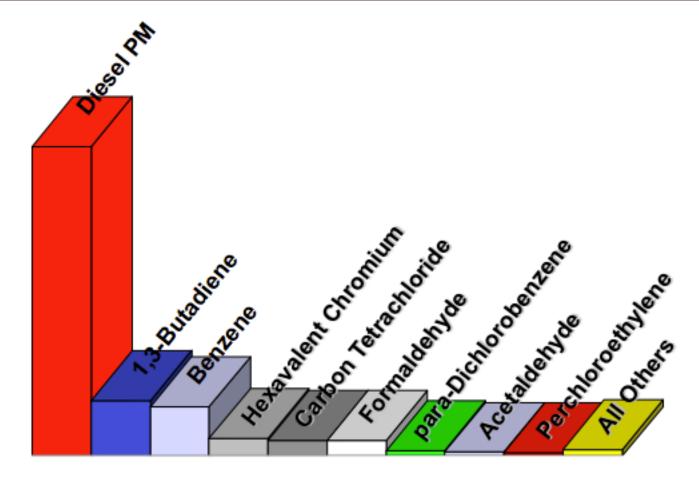


## Landmark Finding in 1998 – Diesel Particulate as TAC

- The identification of diesel particulate matter as a toxic air contaminant – and a probable carcinogen – had a major impact
- Diesel Risk Reduction Plan (DRRP) approved by Board
- Significant Global implications e.g.
  Tokyo



## Cancer Risks from Airborne Toxics \* (90% of risk from traffic pollutants)



<sup>\*</sup> Estimated 400 cases/year in 2005 (dioxins not included)

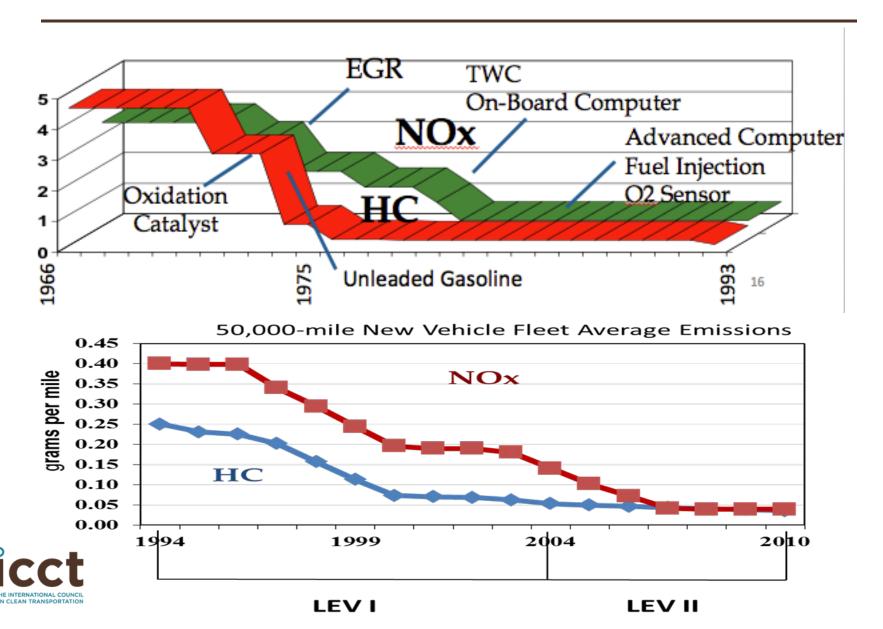


#### Performance-Based Regulations

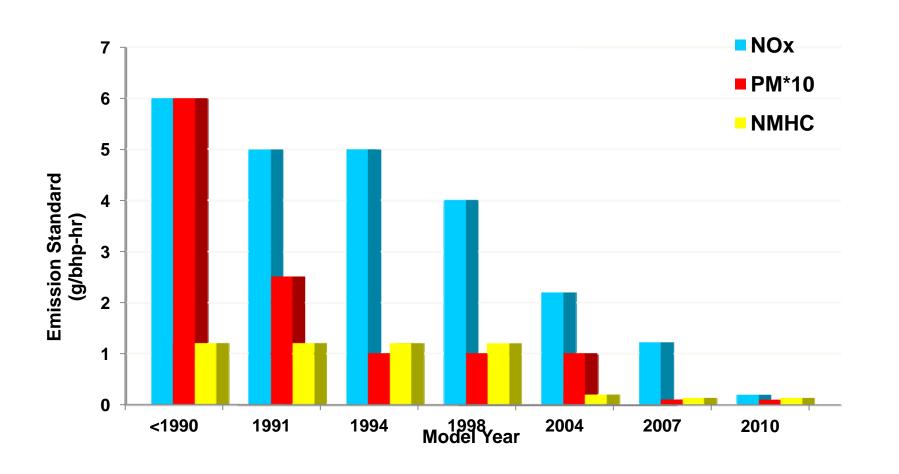
- Mobile Sources (>99% gasoline, 98% diesel reduction)
  - Cleaner engines
  - After treatment
  - Cleaner gasoline & diesel fuel
  - Alternative fuels Importance of Methanol and Natural Gas
- Stationary Sources (80-90% reduction)
  - Low-NO<sub>x</sub> burners
  - Selective catalytic reduction
  - Cleaner fuels
- Area Sources (>75% reduction)
  - Vapor recovery at gas station and on-board vehicle
  - Low-volatility solvents, paints, consumer products



#### **Light-Duty Emission Standards**



#### Heavy-Duty Emissions Standards





#### Key California Leadership Programs

- LEV, especially ZEV requirement for LDV
- ZeBus
- GHG regulation following AB 1493 (Pavley)
- LCFS
- AB 32 Family of programs



#### Major California GHG Policies

- Transportation
  - 54.5 mpg fleet average by 2025
  - 1.5 million zero emission vehicles by 2025
  - 10% lower carbon intensity by 2020
  - ~7.6% per capita VMT reduction by 2020, ~12% by 2035 (SB 375)
- Electricity Generation
  - 33% renewable by 2020
  - No coal after 2025 (SB 1368)
  - 12,000 MW renewable self generation by 2025
- Energy Efficiency
  - Appliance standards
  - \$2.5B for school retrofits (Prop 39), retrofit existing building (AB 758)
  - Zero energy new residential buildings by 2020, commercial by 2030
- Water
  - 20% per capita water consumption reduction by 2020
- Waste
  - 75% diversion by 2020 (AB 341)



## Key California Programs – Incentives and Subsidies

- Vehicle registration fees & application
- First major application Technology advancement program at SCAQMD
- Support for infrastructure e.g. AB 8
- Key role for CEC and ARB
- Coupling of transportation and renewable energy – BEVs and FCEVs



#### Role in Developing World

- Most countries follow the European standards
- However, California is looked upon for technology forcing standards, enforcement and compliance
- Chile adopted California stricter NO<sub>x</sub> standards
- Many other countries, including the U.S., get benefit of strict California standards, earlier
- California is a desired MOU partner:
  - China
  - India ICAMP
  - Mexico



#### Lessons For Future Directions

- Continue to include both criteria pollutants and GHG's to protect public health and climate
- Continue leadership in deploying zero emissions technologies (BEVs, FCEVs) with renewable energy
- Continue to support infrastructure for EVs, FCEVs and emerging natural gas vehicles (especially in medium and heavy duty sector)
- Continue the implementation of AB 32 objectives and set example for other countries (e.g. C & T)
- Use California auction revenues to benefit all California residents e.g. SB 535



### Thank You!

