





NEVADA STATE ENVIRONMENTAL COMMISSION

**FINAL
MINUTES**

Regulatory Meeting

 TIME	 LOCATION
September 1, 2021 9:00 a.m.	Richard H. Bryan Building 901 S. Stewart St. Carson City, NV

SEC members present:

- Chair Tom Porta
- Vice Chair Jason King
- Commissioner Kacey KC
- Commissioner Tony Wasley
- Commissioner Adam Sullivan
- Commissioner Kathryn Landreth
- Commissioner Jocelyn Torres
- Commissioner Michael Visher
- Commissioner Jennifer Ott
- Commissioner Mark Turner

Nevada Attorney General’s Office staff present:

Ian Carr

SEC staff present:

- Stephanie Simpson, acting Executive Secretary
- Sheryl Fontaine, incoming Executive Secretary
- Misti Gower, acting Recording Secretary
- Jessica Higday, incoming Recording Secretary

Nevada Division of Environmental Protection staff present:

- Jeffrey Kinder
- Danilo Dragoni
- Sig Jaunaraajs
- Kristen Averyt
- Marci Henson
- Greg Lovato

Speakers:

Francisco Vega

Melissa Ramos

Steven Douglas

Thad Kurowski

Andrew McKay

Angie Dykema

Alfred Artis

Elliott Malin

Rudy Zamora

Marie Steele

In these minutes:

- [Call to order, roll call, establish quorum](#)
 - [Public comments](#)
 - [Approval of June 9 meeting minutes](#)
 - [Permanent Regulatory Petition R093-20: Bureau of Air Quality Planning – Low and Zero Emission Vehicle Standards](#)
 - [Administrator’s briefing to the commission](#)
 - [Public comments](#)
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Begin Summary Minutes

1) Call to order, roll call, establish quorum (Discussion)

The meeting was called to order at 9:00 a.m. by Chair Tom Porta. Acting Executive Secretary Stephanie Simpson called roll and established that a quorum was present.

2) Public comments

Commissioner Kacey KC stated that she may need to leave the meeting from time to time to communicate with resources fighting the Caldor Fire.

Chair Tom Porta stated that the commission understood her responsibilities, thanking her and all the men and women fighting fires across the western United States.

3) Approval of June 9 meeting minutes (Action item)

Commissioner Kathryn Landreth moved to approve the minutes. Commissioner Michael Visher seconded the motion, and it passed unanimously.

Regulatory Petitions

4) **Permanent Regulatory Petition R093-20: Bureau of Air Quality Planning – Low and Zero Emission Vehicle Standards (Action item)**

Chair Tom Porta asked that commissioners share any communications they may have had with various entities regarding the regulatory petition. Chair Porta stated he had a Zoom call with Kyle Davis, on behalf of Nevada Clean Cars. Chair Porta also received an email in support of the regulatory petition from Melissa Ramos, policy manager for the American Lung Association of Nevada, on behalf of the Southern Nevada Health District, Division of Public and Behavioral Health, Nevada Minority Health and Equity Coalition, Nevada Public Health Association, American Academy of Pediatrics Nevada Chapter, Nevada Nurses Association, University of Nevada, and PAM Rehabilitation Hospitals.

Vice Chair Jason King stated he received an email in support of the regulatory petition from Jennifer Hiltch, policy manager for the Sears Organization on behalf of Brand Geek, Dignity Health, IKEA Retail U.S., JLL, Legacy Vacation Resorts, Lithium Nevada, Lyft, Patagonia, REI, Siemens, Reno Spa Owners Association, and Uber.

Commissioner Kathryn Landreth stated she also received an email in support of the regulatory petition on behalf of Mormon Women for Ethical Government Nevada Chapter, CHISPA Nevada, Nevada Conservation League, Washoe County Health District, Nevada Clean Air or Clean Cars Coalition, Plug In America, the Southwest Energy Efficiency Project National Resources Defense Council, Nevada Clean Airs, Clean Cars Coalition, and Consumer Report.

Commissioner Jocelyn Torres stated she spoke with Mr. Davis and the Nevada Conservation League.

Commissioner Jennifer Ott stated she was contacted by the groups already listed.

Commissioner Tony Wasley stated he also spoke with Mr. Davis, and received an email from Consumer.org

Chair Porta then confirmed that no commissioners were in contact with one another after being contacted by these entities.

NDEP Presentation

Jeffrey Kinder, Deputy Administrator for the Nevada Division of Environmental Protection (NDEP), then began his presentation. He noted that the Nevada Department of Motor Vehicles (DMV) and NDEP worked together to draft the regulatory petition.

Mr. Kinder stated the presentation would include three parts:

1. Introduction and presentation of the regulatory petition (referred to as Clean Cars Nevada)
2. Implementation, compliance, and enforcement of the program
3. Air quality and economic impacts, as well as stakeholder engagement and public outreach

Mr. Kinder explained that on June 22nd, 2020, Governor Sisolak announced the State of Nevada Climate Initiative (SCI), which included Clean Cars Nevada. He stated Clean Cars Nevada would provide

Nevadans with more choices for low- and zero-emission electric passenger cars and light-duty trucks beginning in calendar year 2024, with model year 2025 new vehicles.

Mr. Kinder stated Clean Cars Nevada contained two programs:

1. **The Low Emission Vehicle (LEV) program**, which requires emission standards for new motor vehicles
2. **The Zero Emission Vehicle (ZEV) program**, which requires additional introduction of clean vehicle technology in Nevada

Mr. Kinder then presented a timeline for Clean Cars Nevada, leading up to the regulatory petition being considered by the commission:

- **June 20, 2020:** NDEP presents the Legislative Counsel Bureau with an initial draft of Clean Cars Nevada
- **December 8, 2021:** NDEP holds a Clean Cars Nevada informal outreach kickoff webinar
- **January 5, 2021:** NDEP presents the draft regulation
- **January 14, 2021 – June 2021:** Engagement begins with a series of webinars, listening session, and other events
- **July 20, 2021:** NDEP provides revisions to the draft regulation and presents a re-drafted version
- **July 28, 2021:** NDEP conducts a public workshop

Mr. Kinder stated the draft regulation is in response to Nevada Revised Statute (NRS) 445B, which requires NDEP to achieve and maintain levels of air quality which:

- Protect human health and safety;
- Preserve plant and animal life;
- Prevent damage to property; and
- Preserve the visibility, scenic esthetic, and historic values of Nevada.

Mr. Kinder explained NDEP addresses three types of pollutants:

- Greenhouse gasses (GHGs)
- Criteria air pollutants, which have an established national or a state ambient air quality standard
- Hazardous air pollutants (HAPs)

Mr. Kinder noted that a major contributor of all three of these pollutants is the transportation sector. He stated Clean Cars Nevada will both address reduce these pollutants. Mr. Kinder then explained that the major issue of pollution from the transportation sector is the formation of ground-level ozone, which results from heat and sunlight reacting with chemicals released from car exhaust.

Mr. Kinder stated that the Clean Air Act requires states to adopt California emission standards (known as Section 177) or federal emission standards. He emphasized that Nevada was considering adopting Section 177 because federal standards can change between administrations, and because Section 177 standards are generally more stringent.

Mr. Kinder explained that Nevada would need to adopt Section 177 identically and would need to adopt it at least two years before implementation – to allow vehicle manufacturers time to come into compliance with the program. Mr. Kinder noted that Clean Cars Nevada would become effective for model year 2025 vehicles, meaning these vehicles would be on dealer lots by 2024.

Mr. Kinder then stated that 15 states have adopted both of California’s LEV and ZEV standards. Two additional states have adopted just the LEV standard. Three more, including Nevada, are working towards adoption. Mr. Kinder added that Section 177 states account for 36 percent of new vehicles produced, and 30 percent of the new vehicle market.

Mr. Kinder stated NRS 445B.760 gives the SEC authority to set emission standards for vehicle exhaust. He added that Clean Cars Nevada would require approval from the DMV director, which was received by NDEP on August 4, 2021.

Mr. Kinder stated the regulation before the commission would be placed in a new section of the Nevada Administrative Code (NAC), NAC 445B.900. The regulation would include which vehicles the program applies to, when the program would be implemented, and what portions of Section 177 will be adopted by reference. Mr. Kinder also noted that many provision of the regulation, including vehicle testing, would be handled by California and vehicle manufacturers. He added that with a few exceptions, the regulation would prohibit vehicles that do not meet Section 177 standards.

Mr. Kinder clarified that LEV program compliance applies to specific vehicles and is based on a fleet average per manufacturer. Compliance in Nevada is determined by annual recording, which NDEP will review. Additional program requirements include warranty provisions, labeling, and recalls.

Mr. Kinder then stated ZEV program compliance is determined by credits, which are awarded to manufacturers that produce these vehicles for sale in Nevada. He clarified that compliance is based on these credits, not on total vehicles sold in the state.

Mr. Kinder stated that onboarding vehicle manufacturers with Clean Cars Nevada includes two additional types of credits:

- Early action credits
- Initial credits

Mr. Kinder explained early action credits accrue when manufacturers produce compliant vehicles in the years leading up to model year 2025. He stated the regulations would consider these credits, as they would encourage manufacturers to invest in clean technology and put clean cars on the road sooner.

Mr. Kinder then stated initial credits that accrue when manufacturers produce vehicles for sale in California and are not being considered in the proposed regulations.

Mr. Kinder stated the regulations would also give NDEP the right to issue civil penalties for noncompliance. He noted that noncompliance had not been an issue with Section 177 states.

Mr. Kinder then stated the regulations could not be enforced until a federal waiver issued to California, which was revoked under the last administration, is reinstated or a new waiver issued. He noted that the Environmental Protection Agency (EPA) was already beginning the process of reinstating the waiver or issuing a new one, and that the process would be completed before Nevada's regulations took effect.

Mr. Kinder then explained why the regulations sought to adopt many sections of California's Code of Regulations (CCR). He stated California has had these regulations in place for many years and has built on to those regulations, requiring Section 177 states to adopt those key implementation steps as well.

Mr. Kinder added that many sections of the CCR fall under the Motor Vehicle Pollution Control Device section, which includes:

- **Test procedures:** How manufacturers demonstrate vehicle compliance
- **Labeling:** How vehicles show they are certified
- **Warranty requirements:** How vehicles continue to show compliance
- **Recall provisions:** How vehicles are recalled in the event they do not meet compliance

Mr. Kinder added that the California Air Resources Board (CARB) works with manufacturers on these requirements.

Mr. Kinder then stated reporting requirements ensure Nevada can review reports and determine manufacturer compliance.

Mr. Kinder concluded by stating California is seeking to adopt Advanced Clean Cars II, for model year 2026 vehicles and newer. The regulation would progressively increase the number of ZEVs required for sale from 2026 until 2035, when all new vehicle sales would have to be ZEVs. Mr. Kinder stated NDEP would bring updated regulations before the commission next year, if California finalizes Advanced Clean Cars II. He added that the new Nevada regulations would consider initial credits, as there will be a steeper compliance requirement for manufacturers to earn enough ZEV program credits.

Danilo Dragoni, Chief of the Bureau of Air Quality Planning, presented to the commission how Clean Cars Nevada would be implemented and enforced. He reiterated that the regulation would have two programs: the LEV program and the ZEV program.

LEV program

Mr. Dragoni stated the LEV program would have two groups of regulations, one for criteria pollutants and HAPs, another for GHGs. He explained the regulations would limit these kinds of emissions in specific vehicles and engines. These include light- and medium-duty cars and trucks, including fleets used by federal, state, or local entities. The LEV program does not apply to:

- Used cars with more than 7,500 miles
- Emergency and military vehicles
- Vehicles sold to from one dealer to another
- Vehicles sold to be destroyed or to be registered out of state
- Off-highway vehicles

Mr. Dragoni then stated Clean Cars Nevada would reduce vehicle emissions by implementing exhaust emission standards and fleet average emission standards. He explained this is done by having the vehicle manufacturer certify the new vehicle with CARB, which performs extensive testing. If the vehicle is certified, it receives a sticker and can be delivered for sale in any Section 177 state.

Mr. Dragoni added that NDEP will review annual reports from vehicle manufacturers to verify compliance. NDEP and the DMV would have authority to perform inspections at dealerships, which can be done during regular DMV inspections already being performed.

Mr. Dragoni stated NRS gives the DMV authority to issue a penalty for noncompliance. He noted NDEP and the DMV would likely coordinate on any enforcement action, though he was not aware of any enforcement action taken by a Section 177 state in the 20 years of the program.

ZEV program

Mr. Dragoni clarified that ZEVs do not emit any criteria pollutant, HAPs, or GHGs. He then explained the different types of ZEVs:

- Battery electric vehicles (BEVs): operate on batteries
- Fuel cell electric vehicles (FCEVs): fueled by hydrogen
- Transitional zero-emission vehicles (TZEVs): partial ZEVs
 - Plug-in hybrid electric vehicles (PHEV): operate with both an internal combustion engine and a battery
 - Hydrogen internal combustion engine vehicles

Mr. Dragoni also stated the ZEV program applies to passenger cars and light-duty trucks.

Mr. Dragoni then explained the ZEV credit program. He stated every manufacturer would need to meet an annual credit requirement. The requirement is based on the percentage of total vehicles sold in the state. If Nevada joins the program for model year 2025, manufacturers will need to earn credits equal to 22 percent of all vehicles sold in the state.

Mr. Dragoni clarified that each ZEV sold earns a specific number of credits, so manufacturers do not need to have 22 percent of all vehicle sales be ZEVs to be compliant. He stated this would make it easier for smaller manufacturers to be compliant, while increasing the requirement for larger manufacturers.

Mr. Dragoni stated at the end of a model year, excess credits earned can be used to meet future model year requirements or transferred to another manufacturer through the state market. Manufacturers that do not meet credit requirements for a model year enter a status of noncompliance.

Mr. Dragoni then stated other states have used onboarding credits to help manufacturers meet credit requirements for the first few years of the ZEV program.

Mr. Dragoni then explained the two types of onboarding credits further:

- **Early action credits:** earned by selling ZEVs and TZEVs in the years before compliance is required (used to incentivize early adoption of the program)
- **Initial credits:** credits assigned to manufacturers based on their credit balance with the California ZEV program, reduced proportionately based on ZEV volume in another state

Mr. Dragoni stated early action credits can be accrued starting next year and used for model year 2025 and beyond.

Mr. Dragoni also noted initial credits can be used starting in model year 2026 if California's Advanced Clean Cars II is approved. The regulations were not being considered by the commission at the meeting but would be addressed at a future meeting if necessary.

Mr. Dragoni stated NDEP would review annual reports from manufacturers to verify compliance and credits earned. He added that CARB will manage the credit and exchange system.

Mr. Dragoni concluded by stating the DMV would issue penalties for noncompliance but would coordinate with NDEP on any enforcement action.

Chair Tom Porta asked if commissioners had any questions.

Vice Chair Jason King asked if NDEP had reached out to any of the other states that have adopted Section 177.

Mr. Kinder answered that NDEP initially reached out to CARB to understand the program better, then contacted other states – including Oregon – to see how the program was implemented. He stated that the program required significant communication between states and vehicle manufacturers on reporting requirements.

Vice Chair King then asked if any other state had reservations about the program.

Mr. Kinder answered that some states shared challenges with the program, but none had expressed regret about adopting the regulations.

Vice Chair King then asked why some states had adopted one part of the program and not both.

Mr. Kinder responded that Washington had adopted the LEV program first before eventually adopting the ZEV program. He added that states must consider air quality challenges and what they want to achieve with the program.

Vice Chair King also asked if the initial credits program could be clarified further.

Mr. Dragoni explained it was like opening a checking account with a bank and receiving a bonus. He added that Nevada would look at the number of credits manufacturers had earned in California and allocate a number of initial credits to manufacturers based on the proportional difference in market size between California and Nevada.

Vice Chair King asked if initial credits were accumulated over several years.

Mr. Dragoni confirmed the initial credits would accumulate from when the program is adopted in Nevada until it would be implemented in model year 2025.

Commissioner Kathryn Landreth asked whether the variability in the credit programs between Section 177 states and California meant there was some flexibility in how regulations were adopted for different states.

Mr. Kinder confirmed that the proportional number of credits required for manufacturers in Section 177 states must be identical to California, but that adopting states could choose to onboard manufacturers into the program with early action and initial credits.

Commissioner Landreth also asked for clarification on the EPA waiver being considered for California's Advanced Clean Cars II program.

Mr. Kinder answered that if the program is approved in California, the state would then reach out to EPA for the waiver, which would allow other Section 177 states to adopt the same regulations. He added that Nevada would not receive a waiver and would have to consider next year whether to continue adopting California regulations or follow federal regulations.

Commissioner Michael Visser asked why 7,500 miles was chosen as the metric for used cars to be exempt from the program.

Mr. Dragoni answered that the number of miles was determined by the CCR, and Nevada would have to match that regulation.

Commissioner Visser also asked if exemptions were based on a vehicle's mileage or model year.

Mr. Dragoni responded that any vehicle that is model year 2024 or older would be exempt from the program, and that the mileage exemption would be applied to model year 2025 vehicles or newer.

Commissioner Adam Sullivan asked for clarification on the ZEV program transfer credits between different manufacturers. He added whether manufacturers could transfer credits between states to meet credit requirements.

Mr. Dragoni answered that there are minor provisions for transferring between states, but that these provisions would likely be defunct in 2025. He stated most transferred credits would be in-state.

Commissioner Jocelyn Torres asked whether RVs or campers would be exempt.

Mr. Dragoni answered they would be exempt. Mr. Kinder added that many vehicle exemptions are determined by gross vehicle weight.

Chair Porta then asked if Californians moving to Nevada had already influenced the market for cleaner cars in the state.

Mr. Kinder answered that that was likely, adding that federal regulations and California regulations have sometimes aligned, meaning certain model year vehicles manufactured in Nevada have met Section 177 requirements.

Sig Jaunarajs, Branch Supervisor of the Bureau of Air Quality Planning, then presented to the commission the air quality and economic benefits of the program, as well as the outcome of the public outreach process.

Mr. Jaunarajs stated Nevada has 2 million registered light-duty vehicles, with about 1,200 being sold every year. Of those sales, 65 percent are light-duty trucks and SUVs. In total, 3 percent of all light-duty vehicle sales in Nevada are ZEVs or TZEVs. Mr. Jaunarajs stated that is a good starting point when introducing regulations like Clean Cars Nevada.

Mr. Jaunarajs stated most car sales are in Clark County and Washoe County. He added that the air quality benefits of Clean Cars Nevada are most needed in these counties.

Mr. Jaunarajs stated the LEV program would incrementally decrease internal combustion engine emissions from vehicles statewide. The program would also create regulatory consistency for vehicle manufacturers complying with other Section 177 states.

Mr. Jaunarajs then stated the LEV program would reduce GHG emissions fleet-wide. There would also be a reduction in nitrous oxides and fine particulate matter.

Mr. Jaunarajs then explained the Nevada ZEV calculator. He stated it was a spreadsheet based on ZEV program rules, which used data from manufacturer sales to predict emission benefits and manufacturer

compliance.

Mr. Jaunarajs then stated NDEP ran three different scenarios to calculate various levels of program benefits:

1. **Business as usual:** Vehicle sales and emission benefits if the ZEV program was not implemented
2. **Minimum compliance:** Vehicle sales and emission benefits if manufacturers attained minimal compliance
3. **Anticipated compliance:** Vehicle sales and emission benefits if compliance was met and manufacturers followed ZEV and TZEV sales trends

Mr. Jaunarajs noted that in the first scenario, there may be a slow increase in ZEV and TZEV sales. In the second scenario, you would have better ZEV and TZEV sales. In the third scenario, you would have the greatest number of ZEV and TZEV sales.

Mr. Jaunarajs added that when manufacturers announce new electric vehicles, those vehicles are sent for sale in Section 177 states. He stated NDEP wants to have these new vehicles available for Nevadans.

Mr. Jaunarajs then noted the emission benefits of the ZEV program. He stated that for each year the program was in effect, more and more vehicles on the road would have reduced CO2 emissions. Mr. Jaunarajs added that other harmful pollutants, like nitrous oxide and non-methane organic gasses, would be reduced. He stated this is important for cities like Las Vegas, where these kinds of pollutants can create ground-level ozone.

Mr. Jaunarajs summarized by stating Clean Cars Nevada would:

- Reduce GHG emissions and help Nevada reach its climate action goals
- Help areas like Clark County reach air quality compliance, improving public health
- Make BEVs and PHEVs more available, improving consumer choice

Mr. Jaunarajs then discussed the economic impacts of ZEV ownership. He stated that after reviewing research, NDEP found consumers looking at purchasing ZEVs were most concerned with:

- Initial cost of vehicle
- Depreciation of vehicle
- Fuel cost of vehicle
- Repair and maintenance cost of vehicle

Mr. Jaunarajs then explained levelized cost of charging. He stated the levelized cost includes electricity cost as well as the cost of charging infrastructure and electricity taxation that is passed on to consumers. He noted Nevadans pay an average of 11 cents per kilowatt hour, which is low compared to other states.

Mr. Jaunarajs then stated Nevada and other West Coast states have high petroleum costs, making gas and diesel fuel comparably expensive. He added that the estimated lifetime fuel cost savings with a ZEV compared to an internal combustion engine vehicle was \$12,000.

Mr. Jaunarajs continued, stating that ZEVs and TZEVs were currently more expensive than internal combustion engine vehicles. He noted that prices were expected to reach parity in the next 5-7 years.

Mr. Jaunarajs also noted that ZEVs and TZEVs were depreciating in value at the same rate as other vehicles. He finally added that repair costs for electric vehicles were considerably lower than internal combustion engine vehicles, as the mechanics in an electric vehicle were much simpler.

Mr. Jaunarajs then discussed economic impacts to small businesses. He noted vehicle manufacturers would be impacted but were not considered small businesses. He stated dealerships would likely see:

- Uncertainty regarding consumer purchasing decisions
- Increase marketing costs
- Loss in revenue for repairs and maintenance
- Added cost of charging infrastructure and new diagnostic equipment

Mr. Jaunarajs noted there would also be a decrease in gas and diesel sales for gas stations and fuel haulers.

Mr. Jaunarajs stated with these factors in mind, NDEP does not anticipate a direct and significant burden to small businesses. He added that the market transition to ZEVs was already underway and stated that Clean Cars Nevada would simply accelerate the process.

Mr. Jaunarajs then discussed the NDEP public outreach process. He stated an 8-month webinar series began in December 2020 after discussions with the Nevada Franchised Auto Dealers Association and environmental groups. The webinar series included:

- An overview session
- Listening sessions
- Technical sessions
- Air impact sessions
- Economic impact sessions
- Stakeholder input session
- Spanish-language session

Mr. Jaunarajs then presented the concerns NDEP heard during the webinar series. He stated dealerships were concerned about the affordability of new ZEVs, warning that the new technology would drive sales costs up. There were also concerns about marketing costs for the new vehicles. Dealerships and manufacturers also expressed interest in initial credits to help with the rollout of the program.

Mr. Jaunarajs stated the petroleum industry felt the program was too focused on a single industry and not broad-based. There were also concerns about environmental impacts from lithium mining and lithium-ion battery production, as well as economic concerns for gas stations.

Mr. Jaunarajs also noted economic groups were concerned that the program would have real emission-reduction benefits. These groups were also opposed to initial credits for vehicle manufacturers, stating

they would limit environmental benefits.

Mr. Jaunarajs stated environmental justice advocacy groups were concerned that low-income and minority groups would not have the same access to ZEVs, even though they already bear a disproportionate burden when it comes to pollutant exposure.

Mr. Jaunarajs stated the main concern between groups was initial credits. After discussions, NDEP determined not to include initial credits in the regulations being brought to the commission. However, if California passed Advanced Clean Cars II, NDEP would seriously consider adding initial credits to the program if Nevada remained in Section 177.

Mr. Jaunarajs stated a public workshop was held July 28, 2021, to discuss the text for the regulation. He noted there was no opposition to the Clean Cars Nevada program from any of the groups present.

Chair Porta asked if commissioners had any questions. Vice Chair King asked if initial credits were part of the regulations being presented.

Mr. Jaunarajs answered they were not included. He added they would be considered in future regulations.

Commissioner Landreth asked if low-income Nevadans could afford ZEVs, and if vehicle battery replacement costs would be a hinderance.

Greg Lovato, NDEP administrator, answered that NDEP was aware of concerns regarding affordability. He added that upcoming legislation and new plans from electric utilities would try to address those concerns in parallel with the Clean Cars Nevada program.

Mr. Jaunarajs added that California is considering rulemaking that would require regulators to measure the longevity of ZEV batteries. He stated these regulations could be considered for Nevada as well.

Commissioner Visher asked if any comments on Clean Cars Nevada were received from rural dealerships. Mr. Dragoni answered there were none.

Chair Porta then asked if emissions from charging infrastructure would still result in environmental benefits compared to using internal combustion engine vehicles.

Mr. Jaunarajs answered that lifecycle emissions were considered. He stated electricity generated with non-renewable sources, which create "upstream emissions," were factored into NDEP's calculations.

Chair Porta clarified his question, asking if emission reductions presented at the meeting considered lifecycle emissions for ZEVs.

Mr. Dragoni answered that NDEP considered emissions from charging stations. He noted emissions from lithium mining and battery production were not included as they are harder to quantify. He added that recent studies showed lifecycle emissions were still lower for ZEVs than for internal combustion engines, especially as Nevada uses more renewable sources for electricity generation.

Additional Speakers

Kristen Averyt, State Climate Policy Coordinator, then spoke about how Clean Cars Nevada fits in with the context of Nevada's climate agenda.

Ms. Averyt stated a report from the Intergovernmental Panel on Climate Change indicated that global warming could be limited to 2.7 degrees Fahrenheit if net-zero GHG emissions were reached globally in the next 20 years. She noted rising temperatures have been increasing the severity of wildfires, droughts, and floods in the western U.S. Ms. Averyt stated that every level of government needs to work

toward net-zero emissions as soon as possible to improve environmental security for the future.

Ms. Averyt stated Nevada had passed SB254 in 2019, setting GHG emission reduction goals for 2025, 2030, and 2050. She noted that under current policies, Nevada would fall short of those goals. In response, Governor Sisolak issued an executive order to develop a state climate strategy, which was released to the public in December 2020.

Ms. Averyt stated the transportation sector is the largest source of GHG emissions. The State's strategy includes several ways to reduce emissions, including adding mass transit options, taking older cars off the road, adopting new fuel standards, and switching to electric and hydrogen-powered engines.

Ms. Averyt stated Nevada would need to implement several policies to transition away from conventional vehicles. She noted that stakeholder feedback suggested affordable and available charging infrastructure was needed. Ms. Averyt stated several projects are underway to support that initiative:

- **Nevada Electric Highway Program:** provides charging infrastructure along Nevada's five major highways
- **Electric Vehicle Infrastructure Demonstration Program:** A \$15 million incentive program to provide charging infrastructure for multifamily/low-income housing and commercial/government locations; fund electric school buses
- **Economic Recovery Transportation Electrification Plan:** \$100 million investment to install more charging depots and stations
- Several long-term programs and incentives from NV Energy to expand transportation electrification

Ms. Averyt concluded by stating Clean Cars Nevada was one of several necessary programs to reduce harmful emissions from the transportation sector.

Marci Henson, director of the Clark County Department of Environment and Sustainability, presented to the commission next. She stated it was critical that vehicle emissions are reduced in Nevada. She added the Las Vegas Valley has ozone levels above the federal standard, as well as high levels of particulate matter, and that it would be difficult to improve those levels without reducing vehicle emissions.

Ms. Henson stated Clark County is a significant contributor to Nevada's transportation emissions, and increased emission standards would benefit residents. She added passenger cars are the principle means of transportation in Clark County. As her department does not have authority to regulate vehicle emissions, Ms. Henson stated she supports NDEP's Clean Cars Nevada program as a solution to reduce GHGs in Southern Nevada.

Francisco Vega, director of the Washoe County Air Quality Management Division, presented to the commission next. He noted Washoe County has had trouble staying below the federal standard for ozone and particulate matter. Mr. Vega stated emission reductions in the transportation sector are required, and that adopting Clean Cars Nevada would be a critical step in protecting public health. He concluded by stating he supports the regulations before the commission.

Melissa Ramos, an advocacy worker for the American Lung Association, presented to the commission next. She stated various health and medical organizations support Clean Cars Nevada, and that Nevadans would benefit from zero-emission policies.

Ms. Ramos stated Americans are experiencing worsening air quality due to climate change, particularly at-risk groups like people of color. She added poor air quality can cause health concerns and an increase in hospitalizations. She noted Las Vegas was ranked the 25th most polluted city in the U.S. for ozone and

particle pollution in an American Lung Association report, while Reno/Carson also ranked high.

Ms. Ramos stated research showed a transition to zero-emission vehicles could reduce annual deaths by thousands nationwide, while also saving the economy billions of dollars. That includes hundreds of millions in public health savings for Nevada.

Ms. Ramos concluded by stating the American Lung Association supports Clean Cars Nevada.

Steven Douglas, representing the Alliance for Automotive Innovation, presented to the commission next. He stated he supported Clean Cars Nevada and the opportunity to onboard vehicle manufacturers into the program.

Mr. Douglas stated manufacturers already produce vehicles that emit virtually no ozone-forming pollution, though electrification is still the future for transportation. He noted charging infrastructure would need to be rolled out in tandem with ZEV requirements to make these regulations successful.

Mr. Douglas concluded by stating that hundreds of new ZEVs would soon be available to consumers, and that manufacturers support the regulations before the commission.

Thad Kurowski, manager on Policy and Business Development for Tesla, presented to the commission next, clarifying that Tesla was not a part of the Alliance for Automotive Innovation. He stated GHG standards would reduce harmful pollution and increase access to ZEVs.

Mr. Kurowski stated the auto industry was already near compliance with the ZEV program in Nevada and that Clean Cars Nevada would help improve the diversity of ZEVs in the state.

Mr. Kurowski stated that initial credits would reduce the number of ZEVs available to Nevada consumers, though Tesla expects more discussion about this policy in the future.

Mr. Kurowski concluded by stating Tesla supports Clean Cars Nevada and hopes Nevada will also support future federal and California emission regulations.

Andrew MacKay, Executive Director of the Nevada Franchised Auto Dealers Association, presented to the commission next. He stated vehicle electrification has been established in Nevada, with money being invested in servicing, charging, and selling ZEVs.

Mr. MacKay stated with new electric vehicles being produced for sale in Nevada, the biggest concern was cost. He stated new regulations would help consumers and manufacturers absorb those costs.

Mr. Mackay also stated manufacturers would not be able to onboard into the program without the crediting system being proposed in the regulations. He concluded by saying the Nevada Franchised Auto Dealers Association was excited to be a part of the transition to electric vehicles.

Angie Dykema, the Nevada representative for the Southwest Energy Efficiency Project (SWEET), presented to the commission next. She expressed SWEET's support for Clean Cars Nevada, stating the regulations would reduce GHG emissions, improve air quality, and provide consumers with more choices and cost savings.

Alfred Artis, with Consumer Reports, presented to the commission next. He stated Consumer Reports supports Clean Cars Nevada, as the program has numerous consumer benefits, including cheaper energy and repair costs.

Mr. Artis added that Clean Cars Nevada will give consumers more options for ZEVs in Nevada, benefitting dealerships in the state. He also stated the cost of electric vehicles is expected to be the same as conventional vehicles by the end of the decade.

Mr. Artis concluded by stating Clean Cars Nevada will improve Nevada's economy and give better cars to

consumers.

Elliot Malin, with the Nevada Petroleum Marketers and Convenience Store Association, presented to the commission next. He stated his feelings toward the program were neutral, stating GHG emission reductions should not be limited to the petroleum industry.

Mr. Malin also expressed environmental concerns regarding lithium-ion battery production and recycling. He concluded by stating the charging stations along Nevada's major corridors should be expanded.

Rudy Zamora, Program Director for CHISPA Nevada, presented to the commission next. He expressed concern with the disproportionate burden low-income Latinx families face in Nevada when it comes to air pollution. He stated CHISPA Nevada supports Clean Cars Nevada as an environmental justice solution.

Mr. Zamora stated Latinx Nevadans had concerns with ZEV costs and charging availability. He added low-income families must have opportunities to purchase ZEVs, suggesting programs that would provide financial assistance, more ZEV options in the state, and more access to charging stations.

Mr. Zamora concluded by recommending that Nevada also work to electrify public transportation, conduct more public outreach for electrification, and hold lithium mining companies accountable for any environmental impacts.

Marie Steele, Electrification Director for NV Energy, presented to the commission next. She stated NV Energy had several programs in place supporting transportation electrification, including:

- Electric vehicle incentives for multifamily/low-income families, as well as commercial partners
- \$2,500 for low-income customers looking to purchase a ZEV
- A \$100 million economic recovery plan supporting electrification

Chair Porta asked if NV Energy was preparing for the increase in electricity generation required for transportation electrification.

Ms. Steele answered ZEVs were considered as part of NV Energy's integrated resource plan and should not put a strain on the energy distribution grid.

Chair Porta then asked for public comment.

Peter Chipman, Senior Director of Policy for Plug in America, expressed his support for Clean Cars Nevada. He stated consumers want ZEVs for the savings in fuel and maintenance costs but were concerned about access to charging stations. Mr. Chipman stated Clean Cars Nevada would help families transition to ZEVs, while reducing pollution and creating manufacturing jobs.

Mr. Chipman added the regulations would help Nevada better utilize potential federal funding for charging infrastructure.

Travis Madsen, Transportation Program Director at the Southwest Energy Efficiency Project, provided comment next. He stated Clean Cars Nevada would improve energy efficiency and result in billions of dollars in economic benefits.

Noah Howe, Manager of the Transportation Team at Ceres, provided comment next. He stated Clean Cars Nevada was an important step for businesses and corporations to meet their economic and sustainability goals.

Mr. Howe added that the program would save consumers money, improve Nevada's economy, create more jobs, and improve access to ZEVs.

Sarah Steinberg, a principal with Advanced Energy Economy, provided comment next. She stated Clean Cars Nevada is critical to achieve Nevada's emission reduction goals. She added the regulations complement recent legislative efforts to expand charging infrastructure.

Ms. Steinberg also stated Clean Cars Nevada would generate more jobs and private investment opportunities. She added that Nevadans deserve access to more ZEVs and that the program would expand consumer choice.

Bethany Khan, a ZEV owner, provided comment next. She expressed her support for Clean Cars Nevada.

Ms. Khan stated gasoline fumes from filling up the tank of her conventional vehicle would give her headaches. She added that Nevadans also have a duty to address climate change.

Ms. Khan then stated the price and availability of ZEVs were a barrier for consumers. She stated Clean Cars Nevada would give more options to consumers and improve the used and pre-owned market. She added that when she purchased her ZEV, she had to ship her vehicle from California.

Ms. Khan concluded by stating the regulations before the commission would have a big impact on Nevadans now and in the future.

Cynthia Moore, the Las Vegas field organizer for Moms Clean Air Force and national lead for EcoMadres, provided comment next. She stated recent wildfires, worsened by the impacts of climate change, were impacting Nevadans' health. She stated Nevada leaders must work to improve air quality by regulating vehicle emissions.

Ms. Moore concluded by expressing her support for Clean Cars Nevada.

Christi Cabrera, Policy and Advocacy Director for the Nevada Conservation League, provided comment next. She stated vehicle emissions were harming public health. She added that more clean cars on the road would reduce air pollution and help Nevada reach its climate goals.

Ms. Cabrera concluded by stating action was needed on air pollution, climate change, and consumer choice. She expressed support for clean car standards.

Leslie Mujica, Executive Director of Las Vegas Power Professionals Powering Nevada, provided comment next. She expressed support for Clean Cars Nevada and assured that there was an adequate workforce to install more charging infrastructure.

Reverend Leonard Jackson, Executive Director of the Faith Organizing Alliance, provided comment next. He stated Clean Cars Nevada would reduce harmful air pollution, help meet state climate goals, and increase consumer choice and access.

Simon Mui, Deputy Director of the Clean Vehicles and Fuels at the Natural Resources Defense Council, provided comment next. He expressed support for Clean Cars Nevada, stating environmental groups, automakers, auto dealers, and NDEP all worked together to address concerns with the regulations.

Mr. Mui also expressed support for implementing early action credits and considering initial credits for future regulatory changes.

Mr. Mui stated Clean Cars Nevada can help address climate change. He added ZEVs were already being produced and will become more cost-effective, benefitting consumers and public health.

Mr. Mui concluded by stating charging infrastructure was also needed for a successful rollout of the program.

Matt Ruben, a clean energy program analyst with Western Resource Advocates, provided comment next. He stated it was critical Nevada meet its emission reduction goals and expressed his support of Clean Cars Nevada.

Chair Porta then asked Stephanie Simpson to read a letter from the Beatty Town Advisory Board into the record. The letter is provided in [Attachment 1](#).

Chair Porta asked the commission if they had any questions.

Commissioner Landreth stated that the regulations could face challenges in bringing charging infrastructure and ZEVs to rural or low-income communities. She asked regulators to keep these communities in mind and adjust the program if necessary.

Chair Porta agreed with Commissioner Landreth, adding that assistance programs had been discussed in NDEP's presentation.

Commissioner Visher then thanked NDEP for its work and stakeholder engagement. Chair Porta stated it was worth noting that so many interested parties agreed on the regulations.

Commissioner Wasley stated the energy needs of Clean Cars Nevada could impact Nevada's landscape and wildlife. He noted Nevada has the opportunity to extract lithium for clean energy generation but added that clean energy comes with other hidden challenges. He stated the commission should not trade air quality improvements for habitat loss, and that clean car regulations should work to protect both.

Chair Porta agreed, stating ZEVs were not completely zero-emission. He added the impacts could be better defined in the future and could be considered in future regulations.

Commissioner Torres stated that meeting air quality standards was important. She noted a balanced and thoughtful approach was needed for Clean Cars Nevada to be holistically effective for the community.

Commissioner Landreth agreed there were tradeoffs and costs with the program.

Chair Porta asked if there were any more questions from the commission. There were none.

Motion: Vice Chair King moved to approve Permanent Regulatory Petition R093-20. Commissioner Wasley seconded the motion, and it was approved unanimously.

5) Administrator's briefing to the commission (Discussion)

NDEP Administrator Greg Lovato introduced the acting SEC staff. He stated Stephanie Simpson was stepping in as acting executive secretary after Val King retired. He added that Val King's position as chief of the Bureau of Administrative Services was filled by Sheryl Fontaine, who would be the SEC executive secretary moving forward.

Mr. Lovato also noted that Bureau of Air Pollution Control Chief Lisa Kremer had retired, and that her position had been filled by Jennifer Schumacher.

Mr. Lovato added that Jessica Higday would be the SEC recording secretary moving forward.

Mr. Lovato then informed the commission about two upcoming regulatory initiatives:

1. NDEP started the informal outreach process to revise water quality regulations, making anti-degradation standards in Nevada more consistent. Mr. Lovato expected to bring the regulatory petition before the commission in December.
2. NDEP also began outreach efforts to revise regulations for granting reclamation permits to “bad actors.” The law – Assembly Bill 148 – is expected to take effect in April 2022. NDEP wanted to begin outreach before the law took effect and anticipates bringing the petition before the commission in February 2022.

Chair Tom Porta asked if there were questions for Mr. Lovato. There were none.

6) Public comments

Chair Tom Porta asked if there were any comments from the public. There were none.

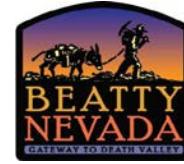
7) Adjournment

Chair Tom Porta thanked everyone for their participation and adjourned the meeting.

ATTACHMENTS

ATTACHMENT 1: Beatty Town Advisory Board Regulatory Petition

Beatty Town Advisory Board
PO Box 837
Beatty, Nevada 89003
775-553-2050



Nevada State Environmental Commission
August 30, 2021

Permanent Regulatory Petition R093-20: Bureau of Air Quality Planning – Low and Zero Emission Vehicle Standard

- 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-duty, 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 that automobile manufacturers earn a specified percentage of credits that are related to the delivery for sale. The proposed revisions include 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 California Administrative Code by reference, LEV program provisions, ZEV program provisions, warranty and recall provisions, and civil penalties

On Monday, August 23, 2021, the Beatty Town Advisory Board and the residents of the Town met and discussed the Permanent Regulatory Petition R093-20: Bureau of Air Quality Planning – Low and Zero Emission Vehicle Standards being proposed by NDEP to amend NAC Chapter 445B.

These comments express their views on this matter and are supported by the Advisory Board.

We support clean energy initiatives, eliminating greenhouse gases, and lowering vehicle emissions as a whole, but cannot support the proposed amendments.

Nevada is a diverse state, each region, county, city, town, and township as different and unique as the geography where they are located. Nevada and California are two very different states by many metrics including population, geography, and demographics.

Forcing Nevadans to conform to a one size fits all policy from another state is not practical or fair. Experience has shown us that this doesn't work for us on a county level and could have many negative consequences for our State and people. While these standards may fit California and its much larger, concentrated population centers they will not work for much of Nevada, especially the rural parts of the State.

Residents in rural Nevada must travel long distances for many essential services. Electric vehicles, even hybrids are not yet capable of traversing the many miles necessary without many stops along the way for charging or fuel.

It is proposed that starting in 2025, new, light-duty or medium-duty motor vehicles. Sold in Nevada must meet the California standards. While many of us would like to purchase a new vehicle with lower emissions and better fuel mileage, most of us would not be able to afford one. Forcing this requirement on Nevadans puts a financial burden on those who are already struggling. Twenty percent of Beatty's population lives at the poverty level.

We urge the Commission to deny the petition until the problems with distance and price can be resolved equitably, the State should draft its own policy, and one that takes into account the distances, economy, and financial situation of those of us living in rural Nevada.

Randy Reed
Beatty Town Advisory Board Chair
beatty@beattynv.com