



June 4, 2013

Senator Andres Ayala
Representative Selim G. Noujaim
Regulations Review Committee, Room 011
State Capitol
Hartford, Connecticut 06106

Re: Consideration of Amendments and Adoption of Air Quality Regulations

Dear Senator Ayala and Representative Noujaim:

Pursuant to section 4-170 of the General Statutes, I write to request your approval for a regulatory package for consideration at your July meeting. This regulatory package will enable the Department to adopt permanent updates to the Connecticut Low and Zero Emission Vehicle (LEV and ZEV) program.

The Department is required to adopt and maintain consistency with the California Low Emission Vehicle program by section 22a-174g of the Connecticut General Statutes. Additionally, the Department is required by section 177 of the federal Clean Air Act (CAA) to maintain identity with the California standards. California adopted changes to the program in August of 2012. Due to federal CAA two year lead-time requirements necessitating adoption before January 1, 2013, the Department, with the assistance of your committee, adopted emergency regulations as a stopgap measure on December 31, 2012.

This proposal has two components:

- Amendment of section 22a-174-36b of the Regulations of Connecticut State Agencies (R.C.S.A.), which contains the Low Emission Vehicle II program.
- Adoption of new R.C.S.A. section 22a-174-36c, which will adopt the Low Emission Vehicle III program, which will establish new vehicle emissions standards from 2015 to 2025.

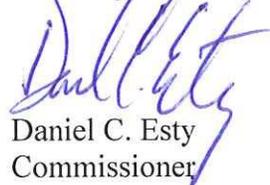
The new regulations will decrease emissions from conventional vehicles by 73% by 2025, providing important reductions of potentially harmful pollutants, which can lead to adverse health effects for Connecticut's citizens. Additionally, the [Connecticut Comprehensive Energy Strategy](#) identified the Zero Emission Vehicle program as a measure that will help to bring new advanced technology vehicles to the state, provide new job opportunities, and help ensure less reliance on foreign oil for our transportation needs.

The Department understands there are some concerns regarding the ZEV program. While the hearing report addresses these thoughtful concerns, it is important to note the limited potential impact of the ZEV program on Connecticut's new car dealers. The ZEV program only regulates the auto manufacturers by requiring that a certain percentage of the vehicles they deliver to the state be advanced technology vehicles. It does not regulate auto retailers, nor require they carry a certain amount of advanced technology vehicles. To the contrary, both the California and Connecticut rules introduce a number of measures to increase compliance flexibility for the auto manufacturers. These flexibilities include credit banking, trading, and pooling provisions. Pooling is especially flexible, because this provision allows each manufacturer to comply with the regulation regionally and distribute vehicles according to consumer demand. In effect, the program structure is such that the ZEV program will be a competitive regional program. As such, the Department is working closely with local stakeholders to ensure Connecticut is better positioned than our neighboring states to receive advanced technology vehicles and develop the new jobs that will go along with keeping these vehicles on the road.

California continues to work closely with the manufacturers and the states adopting the regulation to ensure these changes to the program are flexible, attainable and are within the goal of the program to commercialize advanced technology vehicles. California has also committed to reanalyzing these goals and will begin a program review in the near future with the goal of publishing their findings by November 2017.

If there are any questions regarding this proposal, please contact Robert LaFrance, the Department's Legislative Liaison, at 860-424-3401. Thank you for your consideration and assistance with this matter.

Sincerely,



Daniel C. Esty
Commissioner

Cc: Robert LaFrance, DEEP Legislative Liaison