



Clean Cars Nevada

APRIL, 2021



WHAT IS CLEAN CARS NEVADA?

Clean Cars Nevada is an initiative to provide Nevadans with more choices to purchase low-emission and zero-emission vehicles. This initiative is critical to advancing a healthy, resilient, climate-friendly future.

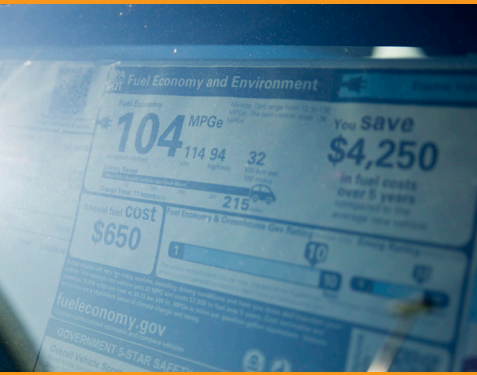
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Transportation is the number one source of climate pollution in Nevada, and without bold action in this sector, the state will fall short of its goal to reduce greenhouse gas emissions to zero or near-zero by 2050.¹ Clean Cars Nevada is designed to bring more low- and zero-emission vehicles to dealerships, increasing affordability and delivering cleaner options for sale in the state.

In 2020, Governor Steve Sisolak directed the Nevada Division of Environmental Protection to start the process of adopting Clean Cars Nevada. The initiative includes a public process to establish low-emission vehicle (LEV) and zero-emission vehicle (ZEV) requirements for automakers similar to those that have already been adopted in several states.

The LEV standards require that automakers deliver new vehicles to Nevada that emit fewer greenhouse gases and harmful air pollutants. Automakers can implement existing cost-effective technologies for gasoline-powered cars, such as improvements in engines and transmissions and the use of lighter materials. 14 states and the District of Columbia have adopted the LEV standard, with other states also considering adoption. The ZEV program ensures that automakers annually deliver more vehicles for sale in Nevada that achieve zero emissions by being partially or fully electric. The 11 states that have adopted the ZEV program have seen increased electric and plug-in hybrid vehicle availability at dealerships in their states as a result.

With these standards in place, all new model year 2025 vehicles offered for sale at dealerships will be cleaner and more efficient and will help drivers save money at the pump.



The Benefits of Clean Cars

An independent report by Shulock Consulting, *Clean Cars Nevada: An Analysis of Its Feasibility and Impact on Consumers and the Environment*, shows that adoption of Clean Cars Nevada will deliver tremendous benefits to the state and its residents.²

Clean Cars Nevada Reduces Climate Pollution

Nevada is experiencing the effects of climate change every day. Las Vegas is the fastest-warming city in the United States, with the average temperature rising almost 6 degrees Fahrenheit since 1970.³ The state has seen record-setting wildfires and spent most of the last 20 years in a state of drought.⁴ These problems will only get worse if the state does not reduce greenhouse gas emissions through initiatives like Clean Cars Nevada.

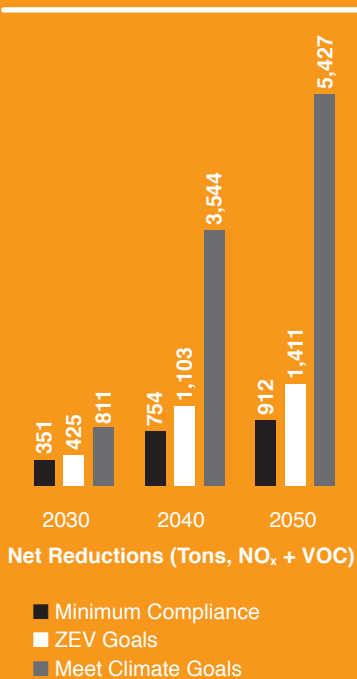
Shulock Consulting found that Clean Cars Nevada will reduce greenhouse gas emissions by approximately 0.6 million tons (MT) per year by 2030, 1.3 MT by 2040, and 1.6 MT by 2050. (Estimates updated March 2021). If Nevada makes an even stronger push to switch to clean vehicles, much larger annual emission reductions—up to 10.8 MMT by 2050—are possible.

Clean Cars Nevada Reduces Unhealthy Smog

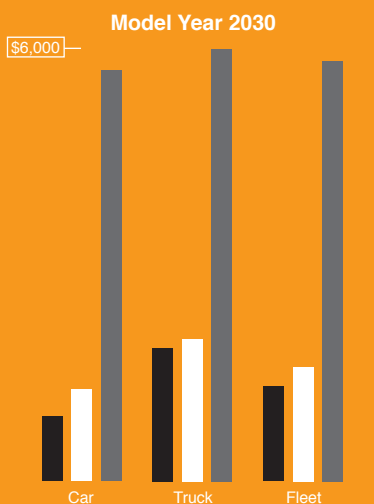
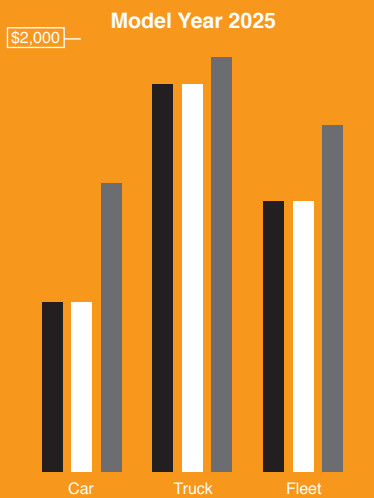
Cars and trucks that run on fossil fuels emit many health-threatening pollutants including fine particulate matter, carbon monoxide, benzene, and formaldehyde. They also release nitrogen oxides and volatile organic compounds, which react together to create smog. Collectively, these pollutants are linked to many adverse health effects, including decreases in lung function, inflammation of airways, aggravated asthma, increased risk of cancer, and damage to the immune system, as well as neurological, reproductive, developmental, and other health problems. The 2019 *State of the Air* report from the American Lung Association gave Clark and Washoe Counties an F grade for ozone pollution (smog) and ranked the Las Vegas metro area as the ninth most polluted in the country for ozone and the 25th most polluted for particulate matter.⁵

The Shulock Consulting report found that by 2050, Clean Cars Nevada will remove more than 900 tons of these health-threatening pollutants from the air every year, as shown in the figure below.⁶

Reductions in Smog-Forming Pollutants



Lifetime Savings Per Vehicle



- Minimum Compliance
- ZEV Goals
- Meet Climate Goals

Clean Cars Nevada Saves Consumers Money

The Shulock Consulting report finds that a Nevadan who purchases a lower-emission vehicle in 2025 will save an average of \$1,250 over the vehicle's lifetime, due mainly to lower fuel bills. The figure to the left breaks down the overall savings. The "Minimum Compliance" estimate reflects savings if the auto industry meets just the minimum ZEV placement requirements in the regulations now being considered, while the "ZEV Goals" and "Meets Climate Goals" estimates show the potential additional savings for scenarios in which ZEV sales exceed the minimum required level.

For the 85 percent of Americans who finance their new passenger vehicles, monthly expenditures for a typical six-year loan on a low-emission vehicle will be lower from day one. Statewide, these savings will range from \$125 million to almost \$800 million annually by 2040.

Other Benefits

Electric Vehicles Save Drivers Money

Consumer Reports found that the total cost of owning an electric car or truck is significantly less than that of a comparable gasoline vehicle, with average savings of \$6,000 to \$10,000 over the life of the vehicle.⁷ Maintenance, repair, and fueling costs for EVs are less than half of those for gas cars, and with the right financing drivers can start saving on day one.

Electric Vehicles Support Jobs and Keep Money in Nevada

Nevada imports virtually all of its gasoline, sending more than \$4.2 billion out of state in 2017.⁸ Electric cars and trucks, however, will increasingly be powered by abundant, homegrown, renewable energy as we move toward our goal of carbon-free energy by 2050. Clean Cars Nevada would keep hard-earned dollars in the state, supporting our local clean energy economy. Greater electric vehicle deployment will also attract investments in charging infrastructure, helping spur additional jobs to install and operate this equipment.





Who Is Supporting Clean Cars Nevada?

Clean Cars Nevada is supported by a diverse coalition of more than 80 business leaders, conservationists, science and public health advocates, labor representatives, community organizations, local governments, and consumer groups that share a commitment to improving air quality and addressing climate change through this initiative.



Cleaner, more fuel-efficient vehicles are not just for urban or wealthier drivers. People living in rural areas are more likely to drive longer distances and have larger vehicles such as pickup trucks, so their savings on fuel will be even greater.

The Facts About Clean Cars

Clean Cars Nevada will reduce the total costs of car ownership.

The lifetime cost of owning a vehicle meeting the clean car standards will be \$1,250 lower on average, even accounting for the incremental up-front purchase price. For those who drive larger vehicles that use more fuel, such as SUVs and pickup trucks, the savings will be even greater. With rapid improvements in technology, the purchase price of an electric vehicle is almost as low as the cost to buy its gasoline counterparts with the advantage of having lower fuel costs.⁹

Clean Cars Nevada sets pollution standards that must be met by the manufacturers of passenger vehicles, not by dealers or individual buyers.

Automakers have already been introducing cleaner vehicles, including electric and plug-in hybrid vehicles, that pollute less and save consumers money. The program would ensure that manufacturers continue those trends in the future.¹⁰ Both auto dealers and the public can continue to purchase the types of cars and trucks they want, but with even more clean models and technologies from which to choose.

Clean Cars Nevada will help reduce costs for low-income families as well as rural families.

Cleaner, more fuel-efficient vehicles are not just for urban or wealthier drivers. People living in rural areas are more likely to drive longer distances and have larger vehicles such as pickup trucks, so their savings on fuel will be even greater.¹¹ Lower-income families tend to spend a larger proportion of their incomes on gas than do higher-income families, meaning that the benefits of lower costs at the pump will be felt more keenly by these families.¹² Also, according to the Shulock Consulting report, lower-income households disproportionately buy used cars. Once Nevada adopts clean car standards, more LEV and ZEV options will become available on the used car market. Used car buyers will benefit from the same fuel savings as new car buyers, while avoiding much of the up-front costs of the improved technology which have been covered by the original purchasers.





Nevadans are interested in EVs but have too few choices.

Consumer Reports data show that 74 percent of potential car buyers in Nevada are interested in purchasing EVs.¹³ However, only 15 models out of the 43 plug-in electric vehicle model offerings in the United States were readily available at Nevada dealerships in the Las Vegas region in 2019. Automakers are already planning to make more EV models available, and clean cars standards will help ensure that those vehicles are offered to Nevada customers.

Auto dealers have continued to grow revenue in states that have implemented Clean Cars programs.

A separate 2018 analysis conducted by Shulock Consulting compared revenue for dealers in states that adopted the ZEV program to revenue for dealers in states without this program.¹⁴ The analysis found that revenue growth from 2012 through 2017 was more rapid in ZEV states than in non-ZEV states and found no negative impacts in the data. While some dealers have raised concerns that the regulations would limit their ability to trade cars between states or buy cars out of state, a thorough investigation of such issues by parties in Colorado found that cross-border trade and registrations can still occur, dealers can continue shipping vehicles to and from other states, and residents can keep purchasing vehicles in the state or in other states.¹⁵

What Are the Next Steps?

The Nevada Division of Environmental Protection (NDEP) has started the process of creating regulations for clean car standards, which will take several months and involve public meetings to get feedback from Nevadans like you. For more information on the state's rulemaking process, visit NDEP's website at <https://ndep.nv.gov/air/clean-cars-nevada>.

Join us in supporting the Clean Cars Nevada initiative at <https://nevadacleancars.org> and follow us on Facebook and Twitter.

ENDNOTES

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- 15 Environmental Coalition, *Rebuttal Prehearing Statement to the Colorado Air Quality Commission*, 2018, 26-30, <https://earthjustice.org/sites/default/files/files/ConservationGroupsREB.pdf>.



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