STATE OF COLORADO

OFFICE OF THE GOVERNOR

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B 2018 006

John W. Hickenlooper

Governor

EXECUTIVE ORDER

Maintaining Progress on Clean Vehicles

Pursuant to the authority vested in me by Article IV, Section 2 of the Colorado Constitution, I, John W. Hickenlooper, Governor of the State of Colorado, hereby issue this Executive Order to ensure that the State of Colorado maintains the progress made in achieving a cleaner motor vehicle fleet.

Background, Need and Purpose

As the highest-elevation state in the country, Colorado has unmatched natural beauty and world-elass recreational opportunities, but it also creates unique challenges. Our communities, farms and wilderness areas are susceptible to air pollution and a changing climate. It's critical for Coloradans' health and Colorado's future that we meet these challenges head on. The state has therefore become an innovator in adopting and implementing strategies to protect and improve our air quality. From developing advanced fuel formulation standards in the 1990's, to passage of the first voter approved renewable energy standard in 2004, to the adoption and implementation of the country's first methane regulations for the oil and gas industry in 2014, Colorado has been a clean air leader.

Executive Order D 2017 015, was issued to establish a goal for the State of Colorado to reduce statewide greenhouse gas emissions by more than 26% by 2025. We can achieve this goal by harnessing technological advancements in the clean energy field and implementing cost-effective strategies that reduce our emissions while protecting our vibrant economy. We must continue our progress in reducing greenhouse gas emissions from the transportation and electric generating sectors, which are now, and will continue to be, the largest source of greenhouse gas emissions in Colorado. Over the past several years, Colorado has made tremendous gains in transitioning to cleaner forms of electricity generation while maintaining Colorado's position as one of the lowest energy cost states in the nation. That success has been bolstered by the adoption of the State's Electric Vehicle Plan at the end of January 2018, and ongoing fuel efficiency improvements for gasoline and diesel powered vehicles.

On April 13, 2018, the federal government announced its intention to roll back vehicle greenhouse gas and fuel efficiency standards for model years 2022 and beyond. This decision ran against the conclusions drawn in comprehensive analyses by the Environmental Protection Agency (EPA) and the State of California showing that the existing standards are technologically feasible and will over the life of the vehicle actually save motorists money through reduced fuel costs. This decision could also have serious consequences for Colorado's efforts to meet our clean energy goals by increasing earbon dioxide emissions from Colorado's vehicle fleet by approximately 1.9 million tons a year by 2030.

The Clean Air Act allows states to adopt California's alternative vehicle standards as approved in a waiver from the EPA, instead of adhering to the federal standards where, as here, the federal government's standards fail to meet a state's clean air goals. Twelve other states have already adopted California's alternative vehicle standards. These standards include both a Low Emission Vehicle (LEV) program, which mirrors the current federal vehicle greenhouse gas and other emissions standards, and for nine of the twelve states, a separate Zero Emission Vehicle (ZEV) program, which establishes requirements for manufacturers to sell a specified percentage of electric and other zero emission vehicles. By joining these states, Colorado can continue to make progress toward achieving its clean energy goals.

II. <u>Directives</u>

In order to maintain progress in reducing greenhouse gas emissions from vehicles sold in Colorado, the Colorado Department of Public Health and Environment shall:

- develop a rule to establish a Colorado LEV program, which incorporates the requirements of the California LEV program; and
- propose that rule to the Colorado Air Quality Control Commission during its August 2018 meeting for possible adoption into the Colorado Code of Regulations by December 30, 2018.

III. Duration

This Executive Order shall remain in effect until modified or reseinded by future Executive Order of the Governor.

GIVEN under my hand and the Executive Seal of the State of Colorado, this eighteenth day of of June, 2018.

ohn W. Hickenlooper

Governor