

State of New Jersey

DEPARTMENT OF ENVIRONMENTAL PROTECTION

BUREAU OF MOBILE SOURCES 401 East State Street P.O. Box 420, Mail Code 401-02E Trenton, New Jersey 08625-0420 Tel. (609) 292-7953 • Fax (609) 633-8263 www.nj.gov/dep

drivegreen.nj.gov

SHAWN M. LATOURETTE

Acting Commissioner

PHILIP D. MURPHY Governor

SHEILA Y. OLIVER

Lt. Governor

2019 Zero Emission Vehicle Credits

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To provide greater transparency to interested stakeholders, production data for model year 2019 and Zero Emission Vehicle (ZEV) credit balances are now publicly available as per California Code of Regulations title 17 section 1962.1(I), which New Jersey adopted by reference.

Manufacturer Volume Status

The ZEV regulations require large volume and intermediate volume manufacturers to deliver for sale in New Jersey a certain percentage of ZEVs (such as battery electric or fuel cell vehicles), clean plug-in hybrids, clean hybrids, and clean gasoline vehicles with near-zero tailpipe emissions. The table below lists the 2019 Vehicle Manufacturers subject to the ZEV Requirements.

2019 Manufacturer Volume Status			
Large Volume	Intermediate Volume		
BMW	Jaguar Land Rover		
Fiat Chrysler	Mazda		
Ford	Mitsubishi		
GM	Subaru Corporation		
Honda	Tesla		
Hyundai	Volvo		
Kia			
Mercedes-Benz AG			
Nissan			
Toyota			
Volkswagen			

Manufacturer Requirement

A vehicle manufacturer's ZEV requirement is based on a percentage of all passenger cars and light-duty trucks (LDTs) with a Gross Vehicle Weight Rating (GVWR) from 0 to 8500 pounds, delivered for sale in New Jersey. The table below is the volume of 2019 vehicles delivered for sale in New Jersey by Large Volume and Intermediate Volume Manufacturers.

Large and Intermediate Volume Manufacturer 2019 Vehicles Delivered for Sale in New Jersey*				
Manufacturer	Passenger Cars and LDTs			
BMW	27,706			
Fiat Chrysler	68,097			
Ford	52,366			
GM	68,312			
Honda	98,928			
Hyundai	29,929			
Jaguar Land Rover	7,714			
Kia	23,796			
Mazda	15,310			
Mercedes-Benz AG	18,484			
Mitsubishi	4,218			
Nissan	50,902			
Subaru Corporation	29,434			
Toyota	73,126			
Volkswagen	42,075			
Volvo	15,448			
TOTAL	625,845			

^{*}Production volume calculation includes ZEV sales model year 2019 and beyond

Manufacturer Credit Balances

In complying with the ZEV regulation, manufacturers deliver vehicles to NJ which generate varying credits based on vehicle type. There are also other parties generating credits that do not have ZEV requirements. The table below lists the credit balances as of the end of August 31, 2020, generated since the start of the ZEV Regulations in 1990. The credits are in units of ZEV credits.

Per section 1962.1(g)(2)(F) "Converting PZEV and AT PZEV Credits after Model Year 2017. After model year 2017 compliance, a manufacturer's PZEV and AT PZEV credit accounts will be converted to be used for compliance with requirements specified in subdivision 1962.2(b). For Large Volume Manufacturers (LVMs), PZEV accounts will be discounted 93.25%, and AT PZEV accounts will be discounted 75%. For Intermediate Volume Manufacturers (IVMs), PZEV accounts and AT PZEV accounts will be discounted 75%. This will be a one-time calculation after



model year 2017 compliance is complete." This conversion of PZEV and AT PZEV credits is shown in the "DISCOUNT AT PZEV and PZEV" column below.

Manufacturer	FCV	BEV	BEVx	NEV+	TZEV	DISCOUNT AT PZEV and PZEV
BMW	0.00	4,749.29	15,649.64	0.00	0.00	0.00
BYD Motors Inc.	0	0	0	0	0	0
Fiat Chrysler	0	39,120.37	0	0	0	0
Ford	0	27,534.02	0	2,873.62	1,949.39	1,416.64
GM	0	38,136.06	0	3,560.68	258.64	0.00
Honda	3,648.54	16,813.74	0	3,496.70	192.35	0.001
Hyundai	742.78	1110.9	0	0	0	156.59
Jaguar Land Rover	0	1,969.69	0	0	0	-0.002
KIA	666.29	2,141.63	0	0	0.00	989.87
Mazda	0	2183.722	0	0	0	-0.005
Mercedes-Benz AG	394.29	9288.062	0	483.05	4501.76	0
MILES	0	0	0	0	0	0
Mitsubishi	0	24.2	0	0	89.4	832.62
Nissan	167.8	21,233.60	0	0	0	0
Polaris	0	0	0	0	0	0
Subaru Corporation	0	26,153.28	0	0	55.29	1480.17
Tesla	0	37,557.93	0	0	0	0
Toyota	0	40,402.23	0	0	10,992.03	7,682.78
VANTAGE	0	0	0	0	0	0
Volkswagen	0	12,924.46	0	0	0	0
Volvo	0	0	0	0	98.64	482.94
ZENITH	0	0	0	0	0	0
Zipcar	0	0	0	0	0	0
Totals	5,619.70	281,343.19	15,649.64	10,414.05	18,137.50	13,041.60

FCV = Fuel Cell Vehicle

BEV = Battery Electric Vehicle

BEVx = Extended Range Battery Vehicle

NEV+ = Neighborhood Electric Vehicles

TZEV = Transitional Zero Emission Vehicle

Discount AT PZEV and PZEV = Conversion of Advanced Technology Partial Zero Emission Vehicle (clean hybrids) and Partial Zero Emission Vehicle (clean gasoline) per 1962.1(g)(2)(f)



Manufacturer Transfers

Manufacturers may transfer credits between manufacturers and third parties. Below are the ZEV credits transferred from October 1, 2019 through August 31, 2020.

New Jersey ZEV transfers October 1, 2019 through August 31, 2020					
Transferor	Transferee	Type of Vehicle	Number of Credits		
Tesla	Mitsubishi	BEV	1080.00		
		Total	1,080.00		

Frequently Asked Questions

What do these credit balances mean?

All vehicle manufacturers subject to the ZEV Regulation are in compliance through model year 2019. Positive credit balances represent a successful over compliance with the ZEV Regulation. Manufacturers can use these balances to provide flexibility in the timing and production of bringing new clean cars to the market to meet the ZEV requirements in coming years.

Besides earning credits or transferring credits, what else can contribute to a manufacturers' credit balance?

In the ZEV regulation fuel cell vehicles and battery electric vehicles earned in one state are allowed to be counted as earned in all ZEV states, this is called the "travel" provision. When credits earned in the other ZEV states are traveled to California, they are traveled on a one-to-one basis. Travel of BEVs was completed prior to the close of the model year 2019 per the ZEV regulation. The frequency of manufacturers completing travel has varied over the years with some manufacturers traveling BEV credits on an annual basis, and some manufacturers traveling BEV credits accumulated over several years in a single year

How far into the future do these credit balances cover the manufacturers' ZEV requirement?

Each manufacturer is unique in its strategy of compliance with the ZEV Regulation. It is not possible to predict how and when these credit balances will be spent over the coming years due to the complexity and flexibility of the regulation. There are also various mechanisms in the ZEV Regulation which limit how credits are spent. These balances will be taken into account in future amendments to the regulation.



Why are the credit balances in ZEV credits instead of grams per mile Non-Methane Organic Gases (g/mi NMOG)?

For 2015 reporting year and onward credits are expressed in ZEV credits. The purpose of this change is to simplify credit calculations. 2014 balances were divided by .035 to convert g/mile NMOG credits to ZEV credits.

How do you calculate a manufacturer's requirement?

For understanding the calculations involved in the ZEV Regulation, please see the ZEV Tutorial link below.

More Information

ZEV Regulation

ZEV Tutorial

www.stopthesoot.org

Contact Us

For more information, please contact Ann Arnold at the NJDEP Bureau of Mobile Sources: <u>Ann.Arnold@dep.nj.us</u> or (609) 633-0639.

