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## **2022 Zero Emission Vehicle Credits**

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To provide greater transparency to interested stakeholders, production data for model year 2022 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 2022 Vehicle Manufacturers subject to the ZEV Requirements.

2022 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 2022 vehicles delivered for sale in New Jersey by Large Volume and Intermediate Volume Manufacturers.

Large and Intermediate Volume Manufacturer 2022 Vehicles Delivered for Sale in New Jersey*				
Manufacturer	Passenger Cars and LDTs			
BMW	23,775			
Fiat Chrysler	38,278			
Ford	40,455			
GM	44,285			
Honda	63,087			
Hyundai	30,684			
Jaguar Land Rover	3,895			
KIA	24,057			
LUCID	124			
Mazda	13,677			
Mercedes-Benz AG	15,165			
Mitsubishi	5,200			
Nissan	25,646			
RIVIAN	962			
Subaru Corporation	23,089			
Tesla	16,066			
Toyota	61,832			
Volkswagen	28,487			
Volvo	7,434			
TOTAL	466,198			

<sup>\*</sup>Production volume calculation includes ZEV sales model year 2022 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, 2023, 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	2,822.93	7,581.03	0.00	361.74	0.00
BYD Motors Inc.	0.00	0.00	0.00	0.00	0.00	0.00
Faraday & Future Inc	0.00	0.00	0.00	0.00	0.00	0.00
Fiat Chrysler	0.00	21,777.13	0.00	0.00	0.00	0.00
Ford	0.00	26,954.95	0.00	1,086.06	9.75	0.00
GM	0.00	14,851.72	0.00	1,199.53	0.00	0.00
Honda	5,341.55	5,008.97	0.00	1,092.60	0.00	0.00
Hyundai	0.01	3,038.37	0.00	0.00	0.00	0.00
Jaguar Land Rover	0.00	170.67	0.00	0.00	0.00	0.00
KIA	0.00	5,122.38	0.00	0.00	0.00	349.94
Lightning Systems	0.00	0.00	0.00	0.00	0.00	0.00
LUCID	0.00	496.00	0.00	0.00	0.00	0.00
Mazda	0.00	0.38	0.00	0.00	0.00	0.00
Mercedes-Benz AG	0.00	5,918.17	0.00	274.54	2,677.81	0.00
MILES	0.00	0.00	0.00	0.00	0.00	0.00
Mitsubishi	0.00	815.50	0.00	0.00	0.00	682.79
Nissan	0.00	1,272.79	0.00	0.00	0.00	0.00
Polaris	0.00	0.00	0.00	0.00	0.00	0.00
RIVIAN	0.00	3,675.41	0.00	0.00	0.00	0.00
Subaru Corporation	0.00	18,425.42	0.00	0.00	0.00	0.00
Tesla	0.00	157,730.80	0.00	0.00	0.00	0.00
Toyota	0.00	15,744.71	0.00	0.00	7,656.93	5,356.80
VANTAGE	0.00	0.00	0.00	0.00	0.00	0.00
Volkswagen	0.00	11,352.19	0.00	0.00	196.21	0.00
Volvo	0.00	3,218.96	0.00	0.00	0.00	0.00
ZENITH	0.00	0.00	0.00	0.00	0.00	0.00
Zipcar	0.00	0.00	0.00	0.00	0.00	0.00
Totals	5,341.56	298,397.47	7,581.03	3,652.73	10,902.44	6,389.52

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, 2022, through August 31, 2023.

New Jersey ZEV transfers October 1, 2022 through August 31, 2023					
Transferor	Transferee	Type of Vehicle	Number of Credits		
GM	Honda	TZEV	108.24		
GM	Honda	NEV+	339.00		
GM	Honda	BEV	8,698.76		
		Total	9 146 00		

## **Frequently Asked Questions**

#### What do these credit balances mean?

All vehicle manufacturers subject to the ZEV Regulation are in compliance through model year 2022. 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 2022 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** 

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## **Contact Us**

For more information, please contact the NJDEP Bureau of Mobile Sources: NJLEV@dep.nj.gov or (609) 292-7953.