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**MEMORANDUM IN SUPPORT OF**  
**S.2962-B (Parker)/A.862-B (Woerner)**  
**In Relation to Establishing the Clean Fuel Standard**

March 2022

The Alliance for Clean Energy New York (ACE NY) supports S.2962-A/A.862-A and urges its immediate passage. This bill would require the New York State Department of Environmental Conservation to develop a clean fuel standard to reduce greenhouse gas (GHG) emissions in the transportation sector- specifically, reduce carbon intensity from the on-road transportation sector by 20% by 2030, with further reductions to be implemented based upon advances in technology.

A clean fuel standard (CFS) is a proven, efficient, and cost-effective way to reduce CO<sub>2</sub> emissions and pollution from the transportation sector. A CFS effectively makes polluters pay for the development and deployment of cleaner fuels, including electricity, through a credit-trading system based on total life-cycle emissions. The credit-trading system is based on a carbon intensity (CI) scale. Entities producing fuel above the CI benchmark generate deficits, while those producing below the benchmark generate credits. Entities with deficits will be legally obligated to purchase credits from entities producing below the benchmark.

New York's transportation sector is responsible for 36% of the state's GHG emissions.<sup>1</sup> A CFS would act as a catalyst in drastically reducing GHG emissions from New York State. The nature of the credit-trading system promotes investment and innovation in low-carbon and clean fuels, and electric vehicle technologies. This system would also decrease costs for businesses looking to switch to clean transportation, providing better opportunity for the industry's growth.

In addition, this bill would have substantial public health benefits. Petroleum-based fuels emit three common pollutants associated with a wide range of negative health effects. Elevated exposure to particulate matter, nitrogen oxides, and ozone results in an increase of hospitalizations and premature deaths. Modelling done to evaluate how business-as-usual air pollution and public health would be transformed by 2050 in California through measures including the adoption of low-carbon technologies found that 1,537-2,758 deaths would be avoided annually, which is the equivalent of a 54-56% reduction in the air pollution mortality rate relative to 2010 levels.<sup>2</sup>

For the above reasons, the Alliance for Clean Energy New York supports this legislation. For more information contact Deb Peck Kelleher, Director of Policy Analysis & Operations, at (c) 518-698-3211. All of ACE NY's memos on legislation are available at <https://www.aceny.org/legislative-actions>.

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<sup>1</sup> "Reducing Greenhouse Gas Emissions." *Reducing Greenhouse Gas Emissions - NYS Dept. of Environmental Conservation*, [www.dec.ny.gov/energy/99223.html#:~:text=The%20transportation%20sector%20is%20the,greenhouse%20gas%20emissions%20and%20growing](http://www.dec.ny.gov/energy/99223.html#:~:text=The%20transportation%20sector%20is%20the,greenhouse%20gas%20emissions%20and%20growing).

<sup>2</sup> Zapata, C. et al, "Low Carbon Energy Generates Public Health Savings in California," *Atmos. Chem. Phys.*, 18, 4817-4830, <https://doi.org/10.5194/acp-18-4817-2018>, 2018.