



EPA Phase 3 Rule Fact Sheet

By Jonah Kasdan

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Overview

The U.S. Environmental Protection Agency's (EPA) [final rule](#) setting Phase 3 greenhouse gas (GHG) emissions standards for heavy-duty vehicles (HDVs) aims to reduce carbon dioxide (CO₂) emissions from trucks, buses, and other large vehicles by limiting the amount of CO₂ those vehicles can emit annually. The standards begin in model year (MY) 2027 and increase in stringency through MY 2032.

The standards, which are directed at vehicle manufacturers (not consumers), are technology neutral and give manufacturers flexibility in how they achieve CO₂ emissions reductions; the rule is not a zero-emission vehicle (ZEV) mandate. The rule also does not set standards for non-GHG pollutants such as soot and smog-forming pollutants.

Vehicles Covered

The rule covers HDVs in Classes 2b-8, which includes tractor trucks and "vocational vehicles" such as delivery trucks, refuse trucks, and school buses. The rule does not cover Class 2b-3 pickup trucks and vans, which are included in a [separate EPA rule](#).

Stringency

The standards are the federal government's most stringent GHG regulations for HDVs. Compared to the current Phase 2 standards, the Phase 3 standards are up to 60% more restrictive on emissions for certain vocational vehicles and 40% stricter for certain tractors. However, compared to the EPA's [proposed Phase 3 standards](#), released in April 2023, the final standards are less stringent in early MYs and more stringent in later MYs.

Flexibilities

Although this is the most stringent GHG rule to date, it does contain many flexibilities that may dampen its impact on ZEV deployment and emissions reductions. These include the ability to trade compliance credits across vehicle classes and gain extra credits for producing ZEVs through MY 2027.

Benefits

The standards are expected to yield \$13 billion in net benefits by 2055, including \$10 billion in climate benefits, \$300 million in health benefits, and \$2.4 billion in net savings for the HDV industry due to lower fuel and maintenance costs. In terms of emissions reductions, the standards are expected to cut roughly 1 billion tons of GHG emissions by 2055.

Impact on ZEV Adoption

The impact of the standards on zero-emission HDV (ZE HDV) adoption is unclear, as the path to compliance with the standards is technology neutral. According to EPA projections, however, it is likely that the new standards will significantly boost ZE HDV adoption, especially in lighter vehicle categories. It is likely, however, that much of this adoption will take place in states that have passed the [Advanced Clean Trucks](#) (ACT) rule. The standards' impact on ZE HDV adoption in non-ACT states remains uncertain.