

Appraiser Blog

California Sets the Pace with Over 20% EV Sales in Q3



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California, often regarded as a harbinger of automotive trends in the United States, is showing remarkable resilience in the electric vehicle (EV) market. According to the California New Car Dealers Association (CNCDA), the Golden State reported robust EV sales figures through the first three quarters of the year.

Pure battery electric vehicle (BEV) sales surged to 21.5% for the year-to-date period and reached 22.3% in the third quarter. These numbers represent a significant increase from the previous year when the year-to-date figure stood at 16.4% and was a mere 9.1% in 2021.



California Setting Automotive Trends

When considering hybrid and hydrogen fuel-cell vehicles alongside BEVs, the total share of electric and alternative fuel vehicles in California reached an impressive 35.4% for the year-to-date period. This shift has naturally led to a decline in the sales of traditional internal combustion engine (ICE) vehicles. The CNCDA reported that ICE vehicles, including both gasoline and diesel-powered cars, accounted for 64.6% of total vehicle sales so far this year, down from 71.6% in 2022 and a significant drop from 88.4% in 2018.

California's role as a trendsetter in the automotive world is underscored by these statistics, with its shifting consumer preferences and progressive government policies often serving as a harbinger for the entire country. Notably, while California's BEV market share has reached over one-fifth of all vehicles sold year-to-date, the national average in the United States is significantly lower at 7.4%. It's worth mentioning that California's regulatory agencies have taken a bold step by banning the sale of new gas-powered vehicles starting in 2035.

Tesla is Leading the EV Sales

Delving deeper into the sales data reveals that Tesla's Model Y and Model 3 are the frontrunners in the BEV market, with 103,398 and 66,698 units sold in the state, respectively. Tesla's overall market share of BEV sales in California stands at an impressive 62.9%. The Tesla Model Y has become the top-selling vehicle overall in the state, followed closely by the Model 3 and traditional models like the Toyota RAV4 (40,622 units) and Toyota Camry (39,293 units).

While Tesla continues to lead the EV market, its overall market share has experienced a slight decline, dropping from 71.8% year-to-date in the previous year. Competing BEVs from brands like Chevrolet, BMW, Mercedes, and Hyundai have been gradually chipping away at Tesla's market dominance.

On the overall sales front, Toyota holds the crown with a 15% share of total vehicle sales in the state, closely followed by Tesla at 13.5%. Interestingly, Tesla briefly overtook Toyota for the top sales spot in the state during the second quarter, but Toyota regained its position in the third quarter.

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Key Points

In terms of year-to-date performance, Tesla's sales in California have grown by an impressive 38.5%, while Toyota's sales have seen a modest 0.7% decline. It remains to be seen whether Tesla can regain its top spot in 2023 or if other EV manufacturers can lure California's EV enthusiasts away from Tesla's allure by offering superior products at competitive prices.

You can read another article about the EV market by clicking on the link: [Nissan and the Quest to Bring Affordable EVs to the Market](#)