

June 13th, 2014

AB 118 – AQIP/GGRF Staff
California Air Resources Board
1001 “I” Street
Sacramento, CA 95814

Subject: Fiscal Year 2014-2015 Funding Plan for Air Quality Improvement Program (AQIP) and Low-Carbon Transportation Greenhouse Gas Reduction Fund (GGRF) Investments

Dear California Air Resources Board AB 118 – AQIP/GGRF Staff,

We appreciate the opportunity to provide comments on the Fiscal Year 2014-2015 Funding Plan for the AQIP and the GGRF Investments. We strongly support these programs and all the programs within the California Air Resources Board (ARB) that provide the needed incentives to fund zero-emission technology advancement to help achieve California’s aggressive greenhouse gas emission reduction goals and benefit communities throughout the state.

Proterra Inc is the leading U.S. manufacturer of zero-emission commercial transit solutions and makes the world’s first all-electric fast-charge public transit bus, the EcoRide™. Our buses are in service in both northern and southern California and throughout the country. In May 2013, Proterra’s EcoRide™ transit bus became eligible for HVIP funding. Operators can drive approximately 30+ miles between charges, charge along their routes in under 10 minutes by utilizing automated roof top charging and then continue on their routes, charging as needed. The EcoRide™ achieves 20+ miles per gallon diesel equivalent performance, 500%+ better than diesel and CNG buses. In addition, this advanced technology avoids mobile smog-causing emissions from diesel and CNG buses, and it reduces carbon emissions by 70% or more compared to CNG or diesel buses. Zero-emission transit buses provide the opportunity for all Californian’s to ride an electric vehicle and realize the health and other associated benefits.

We greatly appreciate the continued commitment from ARB and staff to the AQIP and the proposed GGRF Investments. We support staff’s recommendation to increase HVIP to \$10-\$15 million for FY 2014-2015 in order to help accelerate zero-emission heavy-duty technology. We strongly support staff’s recommendation to increase the voucher amounts within HVIP because the increased amounts will help accelerate the electrification of the entire transit industry, helping to eliminate toxic diesel emissions, clean the air in disadvantaged and impacted communities and alleviate toxic exposures for passengers and the surrounding community.

Proterra strongly supports and appreciates the proposed GGRF investments to create a Zero Emission Truck and Bus Pilot program because zero-emission public transit bus technology is ripe for immediate scaling and fleet expansion now. Fast-charge, zero-emission buses with functionally unlimited range offer immediate

and lasting air quality and health benefits today, with near-term technology transferability to eliminate emissions and associated exposures to disadvantaged communities from the concentrated short-haul goods movement in and around the ports.

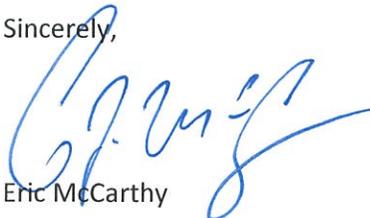
In order to provide flexibility and help guarantee more immediate and near-term air quality and health benefits, we respectfully request that staff include a range between the proposed Zero-Emission Truck and Bus Pilot Program and the proposed Freight Demonstration Project. These two programs are brand new or have a significant increase in funding, so we encourage ARB to allow flexibility and allocate a range \$25 - \$50 million for the proposed Zero-Emission Truck and Bus Pilot program and a \$30 - \$50 million range for the proposed Freight Demonstration program to adjust to needs and opportunities this year¹.

We recognize that the deployment of both zero-emission buses and trucks is important to reduce greenhouse gas emissions throughout the state and toxic emissions in disadvantaged communities. While zero-emission trucks and buses are in similar vehicle classes, they differ significantly in both duty-cycle and cost. Therefore, we respectfully recommend that staff request separate proposals for zero-emission buses and zero-emission trucks within the Pilot Program in order to accelerate widespread, concurrent deployment of both.

Transit buses drive technology advancement for the heavy-duty sector, with many of the transit agencies throughout California having led the nation in deployment of cleaner technologies. In order to build on this success and further advance the transit bus sector, we respectfully request the Zero-Emission Bus Pilot Deployment Program invest in those transit technologies that are completely zero-emission. Fully zero-emission transit bus technologies are commercially available now and scaled fully zero-emission transit bus pilots will help drive down costs and accelerate the commercialization to eliminate emission for the entire industry, as well as provide an opportunity for zero-emission miles for all Californians and directly benefit disadvantaged communities.

Thank you again for the opportunity to provide comments on AQIP and the GGRF investments. We are grateful for the opportunities offered by the potential GGRF funding, especially the proposed increased HVIP voucher amounts and the new Zero-Emission Bus and Truck Pilot Program, and appreciate the efforts of the California Air Resources Board to reduce the mobile source criteria pollutants, toxics and greenhouse gas emissions in order to help improve air quality in communities throughout California.

Sincerely,



Eric McCarthy

VP Government Relations & General Counsel

emccarthy@proterra.com

¹ Both programs benefit disadvantaged communities, so the ranges should not affect GGRF compliance requirements.