



June 17th, 2014

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

Re: 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,

Thank you for the opportunity to offer comments on the Fiscal Year 2014-2015 Funding Plan for the Air Quality Improvement Program (AQIP) and the proposed Low-Carbon Transportation Greenhouse Gas Reduction Fund (GGRF) Investments. As a leading California manufacturer of zero-emission trucks, we strongly support the goals of the AQIP and the GGRF investments to achieve zero emissions, and we applaud programs within the California Air Resources Board (ARB) that provide needed incentives to accelerate the transformation of California’s diesel truck fleet and eliminate emissions and associated exposures in communities throughout California.

EVI is a California manufacturer of electric trucks, with major commercial deployments of zero-emission delivery trucks throughout California and the United States. In 2009, EVI moved our headquarters and manufacturing from Mexico to Stockton, California, in part due to California’s leading zero emission programs and policies. We are proud to help transform the state’s large dirty diesel medium-and heavy-duty fleet into a clean, cost-effective model of sustainability, powered by state-of-the-art California technology.

We greatly appreciate the continued commitment from ARB and staff to the Air Quality Improvement Program (AQIP) and the proposed Low-Carbon Transportation Greenhouse Gas Reduction Fund (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 medium- and heavy-duty technology. We strongly support staff’s recommendation to increase the voucher amounts within HVIP, as these increased amounts will create a strong spark to accelerate deployments of commercially available medium-duty ZEV technology, especially in disadvantaged communities.

Additionally, we thank staff for recommending and creating the proposed Zero-Emission Truck and Bus Pilot Program, which is vitally important program to bridge the gap between demonstrations and widespread commercial deployment of zero-emission technologies. Zero-emission trucks are commercially viable technologies now that substantially reduce greenhouse gas emissions and eliminate toxic emissions and associated exposures for communities throughout California today. Pilots showcasing California-made



trucks eliminating emissions and creating jobs in California will display lasting environmental and economic benefits.

In order to provide flexibility and help guarantee more immediate and near-term air quality and health benefits, we respectfully request consideration of including 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.

Within the proposed Zero-Emission Truck and Bus Pilot Program, we appreciate the inclusion and eligibility of hybrid-electric trucks, with the ability to operate with all zero-emission miles within disadvantaged communities. In addition to the zero-emission vehicles that are currently commercially offered by EVI, we will be launching a range of primarily zero-emission Range Extended Electric Vehicles (REEV) for various applications such as utility trucks and shuttle buses, which will offer fleet users the benefits of pure electric vehicles and the flexibility of having a non-diesel generator on board to operate the vehicle for extended duty cycles when charging infrastructure is not available. Development and Demonstration of this REEV PowerTrain platform was funded in part by the California Energy Commission and will become available for customer pilot in the summer of 2014. Therefore, we request increasing per truck incentives for range-extended vehicles with long-range capacity in all electric, zero-emission mode be included in next year's FY 2015-2016 HVIP program, as these vehicles will be tested, proven and commercially viable next year to provide substantial zero-emission miles for large utility trucks.

Thank you again for the opportunity to provide comments on AQIP and the Low-Carbon Transportation GGRF investments. We appreciate the opportunities offered by the potential GGRF funding, especially the proposed increased HVIP voucher amounts and the new Zero-Emission Truck and Bus Pilot Program. We are thankful for all of the time and great work invested by staff to develop and carry out the AQIP programs to reduce the mobile source toxics, criteria pollutants, and greenhouse gas emissions in order to clean the air and benefit communities throughout California.

Sincerely,

Ricky Hanna
President and CEO, Electric Vehicles International

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