

January 25, 2012

California Air Resources Board
1001 I Street
P.O. Box 2815
Sacramento, CA 95812
Submitted via web portal: <http://www.arb.ca.gov>

Re: Dockets [zev2012, cfo2012, leviiiighg2012]

Proposed Adoption of the 2012 Amendments to the California Zero Emission Vehicle Regulation, the Clean Fuels Outlet Regulation, and "LEV III" Amendments to the California Greenhouse Gas and Criteria Pollutant Exhaust and Evaporative Emission Standards and Test Procedures

Consumers Union Comments

We appreciate the opportunity to convey Consumer Reports' support for the proposed Advanced Clean Cars rules. Consumer Reports conducts comprehensive tests of approximately 80 new vehicles every year, which we buy anonymously at retail. We provide consumers with objective comparative ratings about performance, fuel efficiency, comfort, handling, safety and reliability of these vehicles. We do not accept outside advertising. Consumer Reports has more than 8 million subscribers to our magazine, web site, and other publications.

Since our inception in 1936, auto safety and value have been paramount for us. We also believe that improving consumer choices is very important. It is our view that the Advanced Clean Cars program will increase vehicle choices by providing cleaner, more efficient vehicles and alternative fuel options that will save consumers money by lowering monthly fuel costs. Once again, California is leading the way towards a clean car future, not only in developing alternative fuel infrastructure, but also in requiring the delivery of cleaner vehicles.

Air pollution and dependence on gasoline are two big problems in California. The Advanced Clean Cars program addresses them both and has several components that will deliver cleaner cars and cleaner air in a cost-effective manner. The new ZEV rules are expected to deliver approximately 1.4 million zero emission and near-zero emission vehicles (such as electric, hydrogen fuel cell, and plug-in hybrids). The Clean Fuels Outlet rules will ensure availability of ZEV fueling infrastructure in the State. By providing more alternative-fuel vehicle options to consumers, Californians will have more choices to reduce or eliminate their gasoline consumption. The new LEV III rules will also decrease greenhouse gas, particulate, and smog-forming emissions, which will reduce

pollution-related illness and improve public health and the quality of life in California.

In November 2011, the Consumer Reports National Research Center conducted a nationally representative survey and found significant consumer interest in improved fuel efficiency and alternative fuel vehicles. According to the survey, 93% believe that fuel efficiency standards for all vehicles should be improved, and over half (56%) of car owners would consider a hybrid, pure electric, or hydrogen fuel cell vehicle for their next vehicle purchase. If availability improves over the next 15 years, 72% of consumers who plan to buy a vehicle would consider an alternative power train, such as hybrid, pure electric, or hydrogen fuel cell.

Importantly, our survey found that consumers are willing to pay more upfront to lower ownership costs: 83% are willing to pay extra for more fuel efficient vehicle if the payback from lower fuel costs is less than five years. While cleaner vehicles do tend to cost more upfront than their traditional gasoline-powered counterparts, the fuel savings are expected to outweigh the additional cost for cleaner technology for most vehicles, especially as these vehicles are deployed in greater numbers and the technology matures. The Advanced Clean Cars rules are expected to have an overall cost-benefit ratio of \$3 in consumer savings for every \$1 invested.

The Consumer Reports National Research Center also surveyed California residents to find out their views on three key elements of the Advanced Clean Cars program. All three received at least 75% support. In fact, 81% of Californians agree that the State should require all automakers to reduce significantly the emissions of greenhouse gases from new cars, light-duty trucks and SUVs. 75% agree that California should require automakers to build fleets that include increasing numbers of zero emission vehicles. Indeed, in our owner satisfaction survey, fuel efficient and alt-fuel vehicles dominated the list of most satisfying vehicles. Chevy Volt topped the list with 93% of buyers saying they'd definitely buy the car again. The Toyota Prius, Ford Fusion Hybrid, and VW Golf TDI and Jetta TDI all ranked at the top or near the top of class for customer satisfaction, and the EcoBoost models ranked highest among large SUVs and full-sized pick up trucks.

Californians also recognize the importance of coordinating alternative fuel infrastructure to match clean vehicle deployment. According to our survey, 77% agree that California should require oil companies to make cleaner fuels like hydrogen or electricity available for public consumption when there are enough cars in the area that need that fuel.

Consumers Union also serves on the California Energy Commission's Advisory Committee for the AB 118 Alternative Fuel Program, and it is very exciting to see the public and private resources being committed to planning and deploying

alternative fueling and charging stations in a competitive process. This program nicely dovetails with the Air Resources Board's work to get cleaner vehicles into the hands of consumers. Together, the Energy Commission and Air Resources Board are solving the chicken-and-egg problem of timing the availability of clean vehicle options with adequate assurance that appropriate fuel can be conveniently and reliably obtained. By taking these key first steps, California is drawing a blueprint for the rest of the country to follow and proving that cleaner cars are possible, desirable, and affordable.

In addition to our surveys, we also called upon our network of consumer activists in California to voice their opinion on the Advanced Clean Cars program. We are pleased to report that 4,488 Californian activists wrote to the Board in support of the proposed rules.

The Advanced Clean Cars program provides broad public and consumer benefits by reducing gasoline consumption, diversifying fuel options, increasing vehicle choice, and putting the state on a long-term trajectory towards cleaner air. We appreciate the Air Resources Board's dedication to and leadership in accelerating the transition to clean cars and leading the nation toward a clean car future. Thank you for your time in considering our views.

Sincerely,

A handwritten signature in black ink, reading "Shannon M. Baker-Branstetter". The signature is written in a cursive, flowing style.

Shannon Baker-Branstetter
Policy Counsel, Consumers Union