



**ENVIRONMENTAL
ENTREPRENEURS**

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June 11, 2008

Mary Nichols, Chairperson
California Air Resources Board
1001 'I' Street, P.O. Box 2815
Sacramento, CA 95812

Re: AB 32 Scoping Plan, SUPPORT Feebates as a Transportation Sector Strategy

Dear Chairperson Nichols:

We write this letter asking you to include feebates as a transportation sector strategy, to meet the mandate of Assembly Bill 32. If it is necessary for CARB to appeal to the state legislature for authorization to implement a vehicle feebate program, we encourage you to do so.

E2 comprises more than 850 business leaders from across the nation who support good environmental laws that make sound economic sense. Over 600 of our members live in California, and they work in technology, consulting, venture capital, financial services, legal, professional and a number of other sectors. Our members have been involved in financing, creating or working in the early development of over 1,200 companies, which have created more than 400,000 jobs. They currently represent more than 20 billion dollars in private equity capital.

Assembly Bill 32 mandates that CARB issue regulations to reduce California's greenhouse gas emissions. We believe that feebates should be included in the AB 32 scoping plan, as an economically beneficial means of meeting the bill's goals.

By reducing the cost of clean cars to consumers, feebates would help consumers purchase cars which are more beneficial to the environment. Since the plan would be revenue-neutral, there would be no government money needed in these times of fiscal crisis. Also, feebates require no mandates, directives, or orders.

Thus, we believe that a feebate program would be good for California's economy. Consumers would be encouraged to buy cars that use less gasoline, and the state's economy would thus benefit. Moreover, businesses would be encouraged to develop the technologies necessary for such automobiles. This would be a win-win program that would be good for our air resources and good for our economy.

We ask you to include feebates in the AB 32 scoping plan, as a transportation section strategy. If necessary, we ask CARB to ask the state legislature for authorization to implement the program. We support the proposed vehicle feebate program.

Thank you for considering our request.

Sincerely,

Bob Epstein, co-founder, E2

Marc Stolman, member, E2

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