



November 20, 2009

To: Mr. Dave Mehl
Mr. Gary Collord
Energy Section
California Air Resources Board

From: Julee Malinowski-Ball, Interim Executive Director

RE: Proposed Concept Outline for the California Renewable Electricity Standard

The California Electric Transportation Coalition (CaETC) is pleased to provide comments on the Air Resources Board's *Proposed Concept Outline for the California Renewable Electricity Standard*. CaETC is a non-profit association with a board of directors that includes: Southern California Edison, Sacramento Municipal Utility District, San Diego Gas & Electric, Pacific Gas & Electric¹, and the Los Angeles Department of Water and Power. CaETC believes there are complex issues that need to be addressed to secure the very substantial greenhouse gas reductions from the use of electricity as a transportation fuel. To that end, CaETC has supported efforts by the State to ensure that the appropriate price signals are conveyed to consumers, and that the State's regulations, incentives, and programs are coordinated to facilitate electric transportation and the State's carbon reduction goals. For example, the future Renewable Electricity Standard (RES), existing Low Carbon Fuel Standard (LCFS) and future cap-and-trade regulations need to work together to send the right price signals to consumers, so that the price difference between low-carbon fuel such as electricity and high carbon fuels (such as diesel or gasoline) diverges instead of converges.

There are many moving parts to the State's GHG reduction and electrification goals. More time is needed to understand and remove any barriers, to coordinate the market with existing and proposed programmatic measures, and to send the proper price signals to both electric and gasoline consumers.

CaETC asks the ARB to consider the following in future revisions to the proposed concept outline for the California Renewable Electricity Standard:

- 1) We ask that the ARB conduct a study to evaluate if displacing petroleum transportation fuels with electricity leads to a cross-sectoral shift in GHG compliance costs and other costs, and the effect of any such shift; conduct a study or workshops to determine how the LCFS should work best with other programs in the AB 32 scoping plan to ensure that the use of electricity as a transportation fuel is not discouraged and to send the right price signals to consumers.
- 2) CaETC wants to ensure that RES accounts for not only Plug-In Hybrid Electric Vehicles, but also includes battery electric vehicles, as well as non-road electric vehicles and equipment. We ask the ARB to develop a

¹ Pacific Gas & Electric will be submitting their own comments to the proposed concept outline and is not included in CaETC's comments.

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A non-profit association
promoting cleaner, healthier air
through the development and use of
zero-emission electric vehicles,
hybrid electric vehicles,
electric mass transit buses and rail.

- 3) mechanism to allow generation of LCFS credits from new categories and applications of electric forklifts and similar electric non-road vehicles and equipment, and to further increase market penetration in existing categories and applications. The non-road sector has potential for significant near-term greenhouse gas reductions using electricity for fuel.

Thank you for the opportunity to provide these comments. Please call should you have any questions.

Sincerely,
California Electric Transportation Coalition

A handwritten signature in black ink, reading "Julee Malinowski-Ball". The signature is written in a cursive style with a large initial "J" and a long, sweeping underline.

Julee Malinowski-Ball
Interim Executive Director