



November 22, 2010

Mr. Floyd Vergara  
California Air Resources Board  
P. O. Box 2815  
1001 "I" Street  
Sacramento, CA 95812

Dear Mr. Vergara:

The Central Coast Clean Cities Coalition (C5) would like to offer the following comments regarding California's Alternative Fuel for Motor Vehicle Regulation, in particular the portion of the regulation pertaining to Compressed Natural Gas (CNG). Clean fuel vehicles are an essential component of the state's efforts to reach attainment of the health based standard statewide and the goals of AB1007, AB 32 & AB118. In addition conversion of heavy-duty diesel vehicle fleets to clean burning fuels is a critical element of the state and local district Toxic Risk Management Programs.

The Central Coast Clean Cities Coalition has a vested interest in the promotion of CNG vehicles in the state of California. We are writing to you to express our support for updating the California Air Resources Board (CARB) CNG motor vehicle fuel specification regulations ("CARB Regulations") discussed at the public meeting held on May 19, 2010.

During a recent meeting with members of C5, representatives from the Southern California Gas Company (SoCalGas) and San Diego Gas & Electric (SDG&E) presented the following proposal to change the CARB Regulations:

1. Replace the existing prescriptive specification of the CARB Motor Vehicle Fuel Regulations with a performance based, statewide minimum Methane Number (MN) 75 standard through a series of "transition steps".
  - a. Immediate implementation of an interim, statewide minimum MN 80 standard.
  - b. Future implementation of a permanent, statewide minimum MN 75 standard by January 1, 2023.
  - c. Individual stations can transition earlier upon declaration to CARB that only vehicles capable of fueling with MN 75 minimum CNG will refuel at the station in question.
2. Exempt home refueling appliances from the CARB Motor Vehicle Fuel Regulations.
3. Provide a streamlined exemption process for any CNG refueling station that desires to provide gas that complies with California Public Utilities Commission (CPUC) Standards but may not comply with CARB Motor Vehicle Fuel Regulations
  - a. Exemptions should be granted automatically to any applicant
  - b. Applicant must be willing to post a notice of minimum gas quality on the applicable dispenser.

- c. Exemptions should have a term of one year and automatically renewed each year unless the exemption applicant no longer owns or operates the facility in question.
- d. Exemption applicants should only be required to provide minimal information initially - applicant name, contact information, declaration of ownership/operation, fueling station location, and minimum MN to be dispensed. No on-going reporting requirements.

There are numerous ways that state policy makers, such as CARB, can create either opportunities or barriers to the promotion and growth of alternate fuel vehicles. Unfortunately, with respect to CNG vehicles, the current CARB Regulations create unnecessary barriers, for the following reasons:

1. CNG engine technology has advanced considerably since 1992 and fuel that is acceptable to CNG engine manufacturers and CNG vehicle operators is currently prohibited by the CARB Regulations. The proposed performance based specification and home refueling appliance exemption is based on CNG engine manufacturer specifications and should update the CARB Regulations in an appropriate way.
2. Current and future gas supplies from California production, interstate supplies, and imported LNG will not consistently (if ever) meet the current CARB Regulation. The proposed performance based specification should help close the gap between CPUC Standards and CARB Regulations.
3. Test program exemptions are not uniformly granted to all CNG station operators, require significant paperwork to initiate, have a short duration, and require onerous on-going reporting. The proposed exemption process will be provide certainty, reduce administrative overhead, and is needed to address the differences between the CPUC Standards and CARB Regulations.

The proposed revisions to the CARB Regulations advocated by SoCalGas and SDG&E will remove the barriers to the promotion and growth of CNG vehicles and will help CARB achieve its overarching mission to reduce petroleum dependency, lower greenhouse gas emissions, and clean the air in the state of California.

I appreciate your assistance and support in promoting CNG vehicles in California.

Sincerely,



Jonathan Von Bogart  
Central Coast Clean Cities Coalition Vice Chair

Cc: Mary Nichols, Chairman, California Air Resources Board  
Michael R. Peevey, President, California Public Utilities Commission