



Union of Concerned Scientists

Citizens and Scientists for Environmental Solutions

January 24, 2012

Chairman Mary Nichols and Board Members
California Air Resources Board
Headquarters Building
1001 I Street
Sacramento, CA 95814

Re: Support For the Proposed Modifications to the Clean Fuels Outlet

Dear Chairman Nichols and Members of the Board,

The Union of Concerned Scientists strongly supports the proposed modifications to the Clean Fuels Outlet (CFO). The proposed modifications to the CFO, along with modifications to the Zero Emission Vehicle (ZEV) program, are critical to achieving California's long-term air quality, public health, climate, and energy goals. We urge the Air Resources Board (ARB) to adopt the revisions to the CFO to give greater certainty to both consumers and automakers that fueling infrastructure investments are made as zero tailpipe emission vehicles come to market.

We support the provisions in the proposal for both hydrogen and electricity, as well as the inclusion of a lower geographic-based trigger. Electric vehicles (EVs) are in the early stages of deployment, with numerous efforts underway to develop public and private charging infrastructure. A large percentage of EV charging is expected to occur at home using residential charging equipment. However, public and workplace charging will likely be an important factor in EV adoption. We recommend ARB undertake a formal data gathering process to evaluate the gaps in public and workplace charging infrastructure as well as ways these gaps might be addressed through the CFO. We urge ARB staff return to the board in two years with recommendations for further actions to ensure the availability of EV charging infrastructure as the EV market grows.

We support staffs proposal to reduce the trigger to 10,000 vehicles in a specific geographic region to ensure that fueling stations are available close to where the vehicles are being operated. Access to public refueling stations will be necessary for hydrogen fuel cell vehicles to be a viable option for consumers. We also strongly support the requirement that oil refiners and importers, those who benefit substantially from California's gasoline consumption, be the responsible party for making up any shortfall in hydrogen refueling infrastructure. The level of investment required from these companies would be extremely small compared to the billions in profits earned by these companies. UCS estimates that the first two years of the CFO would cost the equivalent of about 30 minutes of profits from just the top three U.S. oil companies. A very worst-case scenario would be equivalent to averaging a little over one hour a year of profits for ten years or just 0.013 percent of profits each year.

We strongly urge the board to adopt the proposed modifications to the CFO. This program will ensure that critical investments are being made in fueling infrastructure at the same time automakers are offering consumers battery and hydrogen fuel cell vehicles in the showroom.

Sincerely,

A handwritten signature in black ink, appearing to read "Don Anair". The signature is fluid and cursive, with a large initial "D" and "A".

Don Anair
Senior Engineer
Union of Concerned Scientists