



DATE: October 17, 2016  
TO: California Air Resources Board (ARB)  
FROM: Ryan Schuchard, Policy Director  
RE: Innovative Technology Regulation

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**Clean Transportation  
Technologies and Solutions**

[www.calstart.org](http://www.calstart.org)

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Thank you for this opportunity to provide comments on the Innovative Technology Regulation (ITR).<sup>1</sup> Accelerating the introduction of innovative, clean and low carbon transportation technologies is a top priority for CALSTART and its industry member companies. A key means for achieving such acceleration is the streamlining of certification and test processes, for which the ITR is a vital tool.

In general, CALSTART supports the ITR. Staff has worked hard to understand the barriers causing the most challenges and then to find the right balance between certainty and flexibility. We believe the ITR helpfully targets important technology areas that need additional flexibility and reduced barriers to market entry (i.e. low carbon and low NOx engines, and hybrid configurations of all types, from parallel and series designs to start-stop mild designs). Furthermore, the regulation does provide needed relief from on-board diagnostic (OBD) requirements for new technology and small providers.

We also believe the program provides flexibility that will promote faster development of the range-extended electric drive architecture, which is a critical platform for a major heavy-duty electrification pathway.

This past summer, CALSTART, with staff from the ARB, Energy Commission, South Coast Air Quality Management District, and Environmental Defense Fund, staged an Innovators Roundtable to assess the needs and issues surrounding innovative technology development and suppliers for medium- and heavy-duty vehicles.<sup>2</sup>

A key finding from this Roundtable was that innovators strongly call for the state to create more flexible mechanisms to help them deal with regulation and certification barriers when bringing new technologies to market. Traditional regulation has been structured to address high-volume conventional technologies from established companies, yet innovation needed by the state is often initially deployed at very low volume and/or being developed by smaller or less established companies. The proposed ITR can help to remedy this.

That said, we would strongly recommend that the Board and Staff allow themselves flexibility to make adjustments and changes to the ITR to keep it just that: Flexible. At this point, we are concerned the testing provisions still seem complicated, and the allowed number of vehicle platforms allowed per "tier" may be too few to be of sufficient help. However, that is not a reason to block the ITR. Rather, we believe it needs to be put into practice; but that as the staff gets hands-on experience using the ITR they be allowed to adjust and refine it to ensure it function as intended.

In conclusion, we support moving forward, but we also encourage the Board to allow the regulation to take the form of a "living document." By allowing periodic assessments and rapid modifications, ARB will be meeting the intent of driving and supporting innovation by staying nimble and able to adjust to the fast-changing technology options coming to market.

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<sup>1</sup> See <https://www.arb.ca.gov/regact/2016/itr2016/itr2016.htm>

<sup>2</sup> See [http://www.calstart.org/IRT%20Synthesis\\_Final.pdf](http://www.calstart.org/IRT%20Synthesis_Final.pdf)

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