

brightline DEFENSE PROJECT

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October 18, 2019

Mary Nichols, Chair
California Air Resources Board
1001 I Street
Sacramento, CA 95814

RE: Clean Vehicle Rebate Project

Dear Chair Nichols:

Our environmental justice organization, Brightline Defense, urges you and the board to modify the proposed changes to the Clean Vehicle Rebate Project (CVRP) that will be voted on at the October 24th board meeting. We are pleased that CVRP has an additional \$25 million for lower-income applicants to ensure the equity element of CVRP continues to grow and that rebates are prioritized for lower-income applicants even if funding for standard rebates runs short. We strongly believe increased rebates for lower-income consumers in CVRP, Clean Cars 4 All, and Financing Assistance will help make the purchase of advanced technology vehicles more affordable and realistic for those that otherwise might not be able to access newer, cleaner technologies.

We request some modifications to ensure the overall proposal is more equitable. We urge you to retain the existing incentive of \$2,500 for battery electric vehicles, as well as the waitlist and the existing two rebate cap per person. We request the removal of plug-in hybrid electric vehicles from the program and instead fund a higher rebate for fully electric vehicles with the longest range. We also suggest limiting the application period to 6 months instead of just 3 months. As California struggles with reducing emissions and air pollutants from the transportation sector, now is not the time to reduce incentives to Californians looking to invest in clean cars.

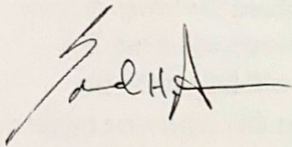
These changes will hinder progress towards reducing vehicle carbon emissions, and will disproportionately impact our local communities in SoMa and the Tenderloin. These neighborhoods are in close proximity to major highways and as a result, the particulate matter concentration is above the SF safety threshold. As I-80 and US 101 services both the East Bay and the South Bay San Francisco bears the brunt of the region's traffic pollution. The rise of transportation network companies (TNCs or ride-hailing services) and super-commuters to San Francisco from outside the Bay Area region have accelerated vehicular congestion, emissions, and pollutants in our local neighborhoods and streets.

While California has a goal of 5 million zero-emission vehicles (ZEVs) on the road by 2030, we are not on track to meet that goal. According to estimates from Veloz, to date, there have been approximately 655,088 ZEVs sold, of which roughly half have received CVRP rebates. Affordability is crucial to increasing the adoption of clean vehicles and reducing the value of CVRP gets us further from that goal.

Some of the proposals to alter CVRP have the potential to harm consumers. This proposal will shrink the number of new vehicles sold and limit the used market for ZEVs, as most consumers buy used vehicles, and rely on these rebates to make purchases of new ZEVs affordable. According to the California New Car Dealers Association, despite a decline in sales of new vehicles in California over the past year, electric vehicle sales are projected to exceed 100,000 by the end of 2019. Furthermore, most concerning is the proposal to remove waitlists and switch to an annual first come first served system. We urge you to retain the waitlist system, as consumers rely on these rebates in order to make these clean vehicles affordable. Having a first-come, first-served system makes CVRP a bonus instead of an incentive program to drive consumer actions, obviating the financial planning needed for households to obtain an EV. Additionally, limiting the time to apply for the rebate from 18 months to 3 months is a drastic change and a more reasonable timeframe of 6 months should be implemented. Consumers - particularly low and mid-income consumers who are not driven primarily by environmental concerns - may not be able to take advantage of these rebates on a first-come, first-serve basis. Please reject these changes to ensure the program remains consumer-focused.

We look forward to your continued leadership in clean air and clean transportation through a redesigned CVRP program that serves as a vital tool in helping consumers transition to truly zero-emission vehicles.

Sincerely,

A handwritten signature in black ink, appearing to read 'Eddie Ahn', with a stylized flourish at the end.

Eddie Ahn
Executive Director
Brightline Defense