

March 19, 2018

The Honorable Mary Nichols Chair, California Air Resources Board Post Office Box 2815 Sacramento, CA 95812

RE: Item 18-2-6: Minimize the Community Health Impacts from Large Freight Facilities

Dear Chair Nichols,

On behalf of the California Natural Gas Vehicles Coalition (CNGVC), we submit the following comments on the agenda item "Minimize the Community Health Impacts from Large Freight Facilities"

Who We Are

The California Natural Gas Vehicle Coalition represents the state's natural gas vehicle industry and includes major automobile manufacturers, utilities, heavy-duty engine manufacturers, fueling station providers, equipment manufacturers, and fleet users of natural gas vehicles. We are working together to advance natural gas as an alternative transportation fuel.

Near Zero Can Help Achieve Emission Reductions; Vital Solution

CNGVC appreciates and supports the board's objectives to clean up the freight facilities in California. However, we must stress the importance of including near-zero technology options. We agree that it is necessary and vital to "reduce freight's contribution to regional ozone and fine particulate levels" as well as to "increase efficiency of freight operations and cut greenhouse gases," but have concerns regarding the unrealistic push towards virtually non-existent electric heavy duty vehicles.

The transportation sector accounts for nearly 40% of all greenhouse gas emissions, heavy duty vehicles being the most concentrated source. Picking technology winners and losers at a stage where the "winners" currently don't exist does not help California's strides towards cleaner air. Near zero alternatives are ready to deploy today and are already doing their part to reduce California's greenhouse gas emissions.

Over the last few years, the NGV industry has weathered the low cost of oil per barrel along with the development and transition to a new technology. As we close out 2017 and look to 2018 great things are on the horizon.

Cummins Westport Inc. has decided to no longer make a regular natural gas engine and will offer only the Ultra Low NOX, .02 g/b/hr emission-certified Near Zero engines in the 6.7L, 8.9L and 11.9L versions in 2018 and beyond. The price of oil is double what it was this time a year ago, coupled with the new diesel excise tax in CA, fleets will be looking for cleaner, cost effective alternatives that the Near Zero engines are ready and available. Incentives will play a vital role in weaning these fleets off diesel.

Specifically, the 11.9L NZ engine will target the sector where diesel still dominates, class 8 trucks. These trucks are essential to the movement of goods and California can enjoy exponentially greater emissions reductions by replacing those diesel trucks with ones powered by this game changing engine. They must be part of any plan to get the large amount of emission reductions needed to meet our clean air goals.

Near-Zero engines running on Renewable Natural Gas are producing short-lived climate pollutants and GHG reductions in mobile sources. With the ongoing investment in projects that create RNG and the implementation of policies such as SB 1383, this fuel will be critical to areas such as the Central Valley and Inland Empire as they work to clean up their heavy duty mobile sources.

We urge the board to include near zero technology and promote a technology-neutral performance standard. California needs greater certainty and policy signals regarding near zero engines, and ARB should incentivize all technology to make the greatest difference possible. The current proposal solely promotes the use of electric vehicles, and prevents California from using every available tool in its toolkit to reduce emissions. The presentation says the ARB "[views] programs through a community lens," and yet doesn't include options that would let communities decide for themselves what technologies work best for them.

CNGVC thanks the ARB for accepting and considering our comments. We look forward to working with you on a comprehensive plan that get the most reductions as fast as it can.

Please don't hesitate to reach out to me, if you have any questions or concerns at thomas@engvc.org or at 888-538-7036.

Sincerely,

Thomas Lawson

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President, California Natural Gas Vehicle Coalition