



October 14, 2014

Chairwoman Mary Nichols and Board Members  
California Air Resources Board  
1001 "I" Street  
Sacramento, CA 95814

Re: 2014 Amendments to the Zero Emission Vehicle (ZEV) Regulation

Dear Chairwoman Nichols and Board Members,

CALSTART appreciates the opportunity to provide initial reactions to the proposed amendments to the Zero Emission Vehicle (ZEV) regulation that you will consider at the October 2014 Board Meeting. We want to provide some brief thoughts on the role of incentives as they relate to timelines and requirements. We understand there are ongoing discussions on this topic with industry and other stakeholders, so we will keep our comments brief and high-level in nature. We do not have significant comments on the pooling provisions or definitional changes at this time.

The ZEV regulation has been invaluable in accelerating the development and deployment of zero- and near-zero emission technologies for light duty vehicles. This program, and others like it, will continue to play an important role in accelerating innovation and market transformation. All of the manufacturers in this space are making progress on innovative zero-zero emission technologies, due in part to the ZEV regulation.

Given the importance of this program and the need for regulatory certainty, we recommend very careful consideration of changes that have the effect of reducing or delaying the requirements. We recognize that the regulatory process requires a delicate balancing act and that changes are sometimes warranted. In this case, we think it is important as part to take a holistic view of all of the state's overlapping programs and goals for zero emission vehicles.

The Intermediate Volume Manufacturers (IVMs) have listed several factors that could create additional compliance challenges. As the Board considers how best to balance these concerns with the goals of the state, we recommend looking at what can be done with incentives to help the IVMs sell vehicles. The ongoing availability of Clean Vehicle Rebate Project funding is important but may not be sufficient. We also believe that additional "green stickers" could help these manufacturers sell TZEVs in California. We therefore recommend asking the legislature to authorize 10,000 additional green HOV lane stickers, reserved for the IVMs.

CALSTART looks forward to continued engagement on zero- and near-zero emission transportation programs in California, including both strong regulations and meaningful, targeted incentives.

Sincerely,

Jamie Hall  
Policy Director

**Clean Transportation  
Technologies and Solutions**

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

Board of Directors

**Mr. John Boesel**  
CALSTART

**Mr. Michael Britt**  
United Parcel Service

**Mr. Jack Broadbent**  
Bay Area Air Quality  
Management District

**Ms. Caroline Choi**  
Southern California Edison

**Mr. Ron Goodman**  
Southern California Gas  
Company

**Ms. Karen Hamberg**  
Westport Innovations

**Mr. Brian Olson**  
QUANTUM Technologies  
World Wide Inc.

**Mr. Puon Penn**  
Wells Fargo Bank

**Mr. Paul Rivera**  
Ricardo

**Mr. Dipender Saluja**  
Capricorn Investment Group

**Mr. Chris Stoddart**  
New Flyer Industries Limited

**Mr. George Survant**  
Time Warner Cable

**Mr. Stephen Trichka**  
BAE Systems

OFFICES IN :

48 S. Chester Ave PASADENA, CA 91106 • 626.744.5600 • FAX: 626.744.5610 | 14062 Denver West Pkwy Suite 300 LAKEWOOD, CO 80401-3188 • 303.825.7550 • FAX 626.744.5610  
501 Canal Blvd., Suite G RICHMOND, CA 94804 • 510.307.8700 • FAX: 510.307.8706 | 68 Jay Street, Suite 201 BROOKLYN, NY 11201 • (866) 729-5700