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Testimony on:

**Notice of Public Hearing to Consider Minor Modifications to the Zero Emission
Vehicle Regulation**

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Good morning. I'm Mike Hartrick, Senior Planning Engineer at Chrysler Group LLC, the manufacturer of the Fiat 500e all-electric vehicle. I am here today to express our support for the proposed amendments to the Zero Emission Vehicle (ZEV) regulation. The ZEV program is very resource intensive and Chrysler appreciates the staff's efforts to implement the optional Section 177 state compliance path and to provide a more level playing field by maintaining a minimum ZEV credit requirement for all manufacturers.

Chrysler supports the proposed modifications to the Optional Section 177 state compliance path. Staff's proposals clarify and simplify the requirements of this compliance path and are consistent with the intent of the agreement reached between OEMs and the Section 177 states.

Chrysler also supports staff's proposal to maintain a minimum ZEV credit requirement by capping the use of non-ZEV credits used to meet the minimum ZEV requirement. Specifically, Chrysler understood staff's intent to cap the use of non-ZEV credits at 50% when the rule was finalized in 2012, but special flexibility provisions could conceivably have allowed some manufacturers to comply without placing any pure ZEV's. Staff's proposal to place an overall 50% cap on non-ZEV credits will create a more level playing field and contain the competitive advantage that some manufacturers may obtain through these provisions.

In summary, Chrysler supports staff's proposal that not only provides greater clarity on the Section 177 state optional compliance path, but also provides a clear direction on minimum ZEV requirements.

Thank you and I'd be happy to answer any questions.