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**Global Automakers Statement  
California Clean Vehicle Rebate Project  
June 26, 2014**

Hello. I am Tony Gonzalez from Rose and Kindel, here on behalf of the Association of Global Automakers<sup>1</sup>.

Global Automakers supports the Clean Vehicle Rebate Project (CVRP). The CVRP is one of the most important incentives that California offers to Zero Emission Vehicles (ZEVs) in its support of ZEV technology.

Although a number of new ZEV models are expected in the coming year, the ZEV market is still in the early stages of market growth. PEVs represent just over two percent of California's new vehicle sales today. Under California's ZEV program, significant increases in ZEV volumes are required starting with 2018, and according to the Air Resources Board's (ARB), ZEV sales must increase more than seven-fold to 15 percent of new vehicle sales by 2025. California's ongoing support of the ZEV market, through programs such as the CVRP, is critical for market growth to be realized, and we expect such incentives will continue to be needed for the foreseeable future.

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<sup>1</sup> The Association of Global Automakers works with industry leaders, legislators, and regulators to create public policy that improves vehicle safety, encourages technological innovation, and protects our planet. Our goal is to foster a competitive environment in which vehicles are designed and built to enhance Americans' quality of life. For more information, please visit [www.globalautomakers.org](http://www.globalautomakers.org).

We support the ARB recommendations to maintain the current levels of rebates in the CVRP for battery electric and plug-in hybrid vehicles and to provide a rebate of \$5,000 for fuel cell vehicles. These changes are essential to maintaining a robust CVRP and providing incentives for the early market for ZEVs.

We also support ARB's plan to remove the contingency plan to reduce rebates, but instead include a mid-course check for a contingency plan, which would be presented to the Board for decision-making. Decisions on rebate availability and amounts have broad reaching impacts on the ZEV market that warrant public comment and consideration by the Board, and we support ARB's plan to include a Board decision.

Finally, as explained in our comments submitted jointly with the Alliance of Automobile Manufacturers on June 20<sup>th</sup>, we do not support ARB's proposal to impose a two per lifetime cap on rebates. A cap would unnecessarily limit the market and penalize the most enthusiastic ZEV adopters. We recommend eliminating the cap at this time.

Thank you.