



Lorraine Paskett

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October 23, 2014

Chairman Mary D. 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 Chairman Nichols and Board Members:

On behalf of the Los Angeles Business Council, I would like to express our concerns about the proposed amendments to the Zero Emission Vehicle (ZEV) regulation that you will consider at the upcoming October 23, 2014 Board Meeting. The Los Angeles Business Council is an organization with over 400 members, pursuing economic and environmental sustainability through the collaboration of various sectors and industries. LABC is a supporter Governor Brown's statewide goal, established by executive order in March 2012, to bring 1.5 million electric vehicles to market in California by 2025. The ZEV program plays a critical role in reducing the immediate and long-term public health burdens caused by vehicle pollution and the need for a rapid transition to a zero emission vehicle fleet. Furthermore, we believe that a transition to advanced technology vehicles and simultaneous investment in expanded EV infrastructure has promising potential to create new jobs and promote innovation throughout the state. We encourage the ARB Board to stay the course and reject the proposed revisions to the ZEV Regulation that would both delay the compliance timeline for intermediate volume manufacturers and reduce their ZEV credit percentage obligation for 2018-2025 model years.

With over 25 million registered vehicles, California has the largest market in the U.S. for cars and light-duty trucks. California is also the largest market in the country for electric vehicles with more than 100,000 EVs sold in California since 2010, according to a recent by the California Plug-in Electric Vehicle Collaborative. The California Greenhouse Gas Emission Inventory found that the transportation sector emits 36% of California's total greenhouse gases, making it our largest single source of global warming pollutants. It is critical that the state aggressively pursue a transition to Zero Emission Vehicles in order to achieve its goal to reduce greenhouse gas emissions by 80% below 1990 levels by 2050.

Earlier this year, the California Legislature passed SB 1275. Backed by a broad coalition, SB 1275 directs incentives to expand access to ZEVs and improve electric vehicle charging infrastructure. The bill was crafted in part to help achieve the Governor's goal of ensuring 1.5 million electric vehicles on California's roads by 2025, as noted in his executive order signed in March 2012. In September Governor Brown appeared at the United Nations Climate Summit and highlighted California's commitment to advancing and commercializing electric vehicles as a critical part of its efforts to combat climate change.

The amendments proposed by staff in sections III.B, III.C, and III.E seem to contradict the leadership on ZEVs demonstrated by the Governor and legislature through recent actions referenced above. Provisions III.B, III.C, and III.E of the proposed amendments to the ZEV regulation would delay the compliance timeline for intermediate volume manufacturers (IVMs) and effectively reduce the number of ZEVs brought to market in California by 2025.

We join other concerned environmental and health organizations including the Coalition for Clean Air, National Resources Defense Council, Sierra Club, the American Lung Association and others, in urging you to reject the ZEV regulation amendments that would reduce the IVM compliance requirements. Specifically, we ask that you reject proposed amendments outlined in sections III.B, III.C and III.E of the Initial Statement of Reasons issued on September 2, 2014.

Despite our concerns over these three proposed amendments, we do support the adoption of portions of the proposed amendments that would reasonably change the definition of IVM status to include an additional metric based on global and the proposal to provide more flexibility for pooling in Section 177 states.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink that reads "Mary Leslie". The signature is written in a cursive, flowing style.

Mary Leslie  
President  
Los Angeles Business Council