

From: Carmichael, Tim [<mailto:TCarmichael@semprautilities.com>]

Sent: Monday, June 20, 2016 2:25 PM

To: Cliff, Steve@ARB; McCarthy, Ryan@ARB

Subject: FW: Incentive Funding Plan coming before the Board next week - a couple of requested changes

Hi Steve and Ryan

ARB's Proposed Fiscal Year 2016-17 Funding Plan for Low Carbon Transportation and Fuels Investments and the Air Quality Improvement Program will be considered by the Board next Thursday June 23rd.

Here is the link to the Funding Plan

<http://www.arb.ca.gov/msprog/aqip/fundplan/fundplan.htm#2016-17>

We are very appreciative that staff's proposed plan includes \$23m for Low-NOx (near-zero emission) heavy-duty engine deployment incentives.

We are requesting 2 changes to how that \$23m is invested.

1. Level of incentive for low-NOx (near-zero emission) engines

ARB staff's current proposal is "...a maximum of \$18,000 per engine incentive for the certified 8.9 liter natural gas engine that utilizes renewable fuel," (bottom of page 61).

Request – the maximum incentive for these Low NOx (near-zero emission) engines should be increased to \$25,000

Note - Staff is proposing that this can be combined with other state and local incentive programs which is good but we still believe the ARB incentive should be increased up to a maximum of \$25,000. ARB has combined the original \$15k engine incentive with a \$3k renewable fuel incentive for a combined \$18k incentive.

2. Increased incentives for providing benefits to disadvantaged communities

ARB staff's current proposal is "Hybrid vehicle incentive program (HVIP) provides vouchers of up to \$95,000 per vehicle for California purchasers and lessees of zero-emission trucks and buses..... In addition, HVIP provides increased incentives for vehicles that provide benefits to disadvantaged communities. These fleets qualify for vouchers up to \$110,000 for zero-emission trucks and buses." (bottom of page 63)

Request – ARB should offer a similar increased incentive percentage for near-zero truck and bus engines benefiting disadvantaged communities.

Let me know if you have any questions

Thank you

Tim

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