

**CONSULATE GENERAL OF JAPAN**  
350 SOUTH GRAND AVENUE, SUITE 1700  
LOS ANGELES, CALIFORNIA 90071  
TELEPHONE (213) 617-6700

October 17, 2014

Ms. Mary Nichols  
Chairman, California Air Resources Board

Dear Chairman Nichols,

It has come to our attention that the upcoming October 23<sup>rd</sup> Board meeting will take up the revision on Zero Emission Vehicle regulation. There is great concern that if this ruling does not allow several Japan-affiliated automakers a feasible and even-handed route for remaining engaged in the California market, while making the investments they need to achieve CARB requirements, they will suffer significant impacts.

For the group of 5 auto makers "the IVM5", it is our understanding that the regulatory certainty and implementation milestones they require are found within the compromise agreement they have been negotiating with CARB over the past 18 months, or so.

While only three of the IVM5 automakers are Japanese affiliated firms, two of those Japan affiliates have their US headquarters in southern California, within the area of jurisdiction of my office. They are direct employers of hundreds of talented Californians, they are excellent corporate citizens with decades of continuous dedication to California, and they will be some of the best working partners for CARB in realizing California's clean air mandates as the ZEV process goes forward.

Also, it is important to encourage as many market participants as possible to join in ZEV development to ensure consumer options and sound competition within California. With the achievable target, the IVM5 could expand their investment in ZEVs. Competition with the IVM5 would also prompt all manufacturers to further invest in ZEVs, helping California achieve its emissions control goals. Furthermore, I would hope that CARB would be inclined to pursue its goals while still allowing Californians to benefit from wider options of ZEVs within the marketplace, preserving the employment base of the economy, and allowing the IVM5 to come on board as part of the constructive solution rather than potentially being penalized, fined or forced to cut back on operations.

My request is for CARB to make it possible for them to maintain the full scope of their operations in California by providing these firms with the pathway and the certainty they need in order for them to keep contributing to achieve California's air quality and climate change goals.

Sincerely,

A handwritten signature in black ink, appearing to read "H. Horinouchi", with a stylized initial "H" and a flourish at the end.

Harry H. Horinouchi  
Consul General of Japan