December 16, 2016

Annette Hebert, Chief California Air Resources Board Emissions Compliance, Automotive Regulations & Science Division 9500 Telstar Avenue El Monte, CA 91731

Dear Ms. Hebert,

Toyota Comments on California's Guidance Regarding VW's California Zero Emission Vehicle Commitment

Toyota appreciates the opportunity to comment on ARB's guidance to Volkswagen's (VW) California Zero Emission Vehicle Commitment (the "Commitment). We fully support California's technology neutral approach to vehicle electrification and strongly agree with ARB's view that the VW investment plan should follow the same principle and support the rollout of both plug-in and fuel cell technologies. As ARB has recognized, both battery and fuel cell technologies will be critical and necessary to meeting the state's clean air and climate goals, and Toyota supports the use of Plan funds to expand the market for both.

ZEV Infrastructure (Category 1)

For the first 30-month investment plan, Toyota believes that the greatest impact on ZEV market development would be investments in ZEV infrastructure. This is particularly the case for the recent launch of fuel cell vehicles, and the significant and immediate needs for hydrogen infrastructure that will not be met completely or as quickly as needed with existing state funds. In fact, unlike electric charging, which is now available more readily at homes and businesses and other locations, hydrogen infrastructure is reliant on significant investment in public infrastructure. Picking winners and losers by funding only electric charging investments runs counter to ARB's decades-long goals and approach to zero-emission technologies.

Education and Outreach (Category 2)

In a similar vein, Toyota recommends that VW work through existing organizations such as the successor of the PEVC (Veloz) and the CaFCP to promote both PEV and FC technology.

If you have any questions regarding this matter, please contact Michael Lord at (310) 787-5644 or michael.lord@toyota.com.

Sincerely,

Tom Stricker Vice President

Jan Str

Product Regulatory Affairs

Toyota Motor North America, Inc.