Congress of the United States

House of Representatives Washington, DC 20515-0544

April 10, 2017

Mary Nichols Chair California Air Resources Board 1001 I Street P.O. Box 2815 Sacramento, California 95812

Dear Chair Nichols:

We write to urge the Air Resources Board (Board) to seek changes to the Volkswagen Zero Emission Vehicle (ZEV) Investment Plan. As you know, Volkswagen submitted this plan as a consequence of the company's emissions scandal and subsequent consent decree and the Board developed guidelines to inform Volkswagen's plan details and to align with the State's vision for electric vehicles. In the Board's guidelines, which are directly informed by state law, the state urges Volkswagen to dedicate at least 35 percent of the \$800 million ZEV investment in "disadvantaged, low-income, underserved and disproportionately impacted communities." While we welcome the infusion of additional resources into the ZEV infrastructure ecosystem in California, we share the Board's commitment to ZEV investment in underserved communities and urge the Board to ensure that Volkswagen does not leave these communities behind.

Volkswagen is responsible for investing \$800 million in ZEV related infrastructure in California, including charging infrastructure, as a consequence for its illegal installation of "defeat device" software to deceive drivers and regulators. Volkswagen pled guilty to violations of California and U.S. law as a consequence and agreed to pay billions in fines and other spending as a penalty. Additionally, the company agreed to invest \$2 billion dollars - \$800 million in California and \$1.2 billion nationally - to support development of ZEV infrastructure to help defray the environmental damage associated with the company's illegal behavior. The ARB then issued guidelines urging Volkswagen to invest 35 percent of the California ZEV investment commitment in disadvantaged, low-income, underserved and disproportionately impacted communities.

Volkswagen's submission does not address this critical instruction which is designed to ensure that an admitted emissions cheat does not forego installation of ZEV infrastructure in communities that bear disproportionate impacts from air pollution. Volkswagen's plan calls for a \$75 million investment in 50+ charging stations along high-traffic corridors between metropolitan areas but only 25% of those stations will fall in areas that score in the bottom quartile of the CalEnviroScreen, a critical measure for disadvantaged communities. As a result, roughly \$19 million of the required \$200 million deployment would go towards disadvantaged communities, far short of the Board's guidance of 35%, or \$70 million.

We urge you to work with Volkswagen to ensure that it addresses the wide gulf between the guidance and the proposed ZEV Investment Plan. Volkswagen should modify its plan to comport with the Board's Guidelines that at least 35% of the funds go toward investment in disadvantaged communities.

Sincerely,

Nanette Diaz Barragán

Member of Congress

Norma J. Torre

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