

# California State Senate



## SENATOR RICARDO LARA

April 10, 2017

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

Dear Chair Nichols:

I am writing to respectfully request that the California Air Resources Board reject the Volkswagen (VW) ZEV Investment Plan and direct VW to come back with a plan that will comport with the Board's Guidelines that at least 35% of the funds go toward investment in disadvantaged, low-income, underserved and disproportionately impacted communities.

We know the State of California, under your leadership and the leadership of Governor Brown, has been at the forefront of the effort to move our state away from fossil fuels and traditional vehicles and toward an electrified transportation future. As part of this effort, ARB discovered that Volkswagen installed "defeat device" software to deceive drivers and regulators. Volkswagen has pleaded guilty to fraud and obstruction of justice and agreed to pay billions in fines and other spending, including investing in electric vehicles and charging infrastructure.

As you know, Volkswagen has now submitted to you its ZEV Investment Plan to spend \$200 million in California. Unfortunately, with this spending plan, VW is once again trying to pull the wool over the eyes of California, and in particular, disadvantaged communities that have borne the brunt of multiple pollution burdens for far too long. This time the problem is not secret software, but rather the gross injustice of putting infrastructure *alongside* disadvantaged communities, rather than within them. Charging stations must be conveniently located near people's homes, workplaces, grocery stores, and other common areas frequented by people every day – and not simply along the perimeters of communities.

The VW Plan also ignores current law, ARB's own guidelines, and a resolution recently passed by the Board. Based on the provisions of SB 535 (de León) [Ch. 830, Stat. 2012] and AB 1550 (Gomez) [Ch. 365, Stat. 2016], ARB's Guidelines on page 10, dated February 2017, provide:

"CARB urges VW to dedicate a significant percentage (at least 35%) of the funds for investment in disadvantaged, low-income, underserved and disproportionately impacted communities identified in consultation with state agencies."



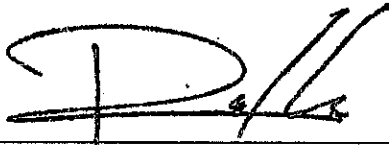
Instead, the VW ZEV Investment Plan, on page 6, calls for a \$75 million investment in 50+ charging stations along high-traffic corridors between metropolitan areas. The ZEV Investment Plan goes on to say that the highway network will, in addition to serving highway ZEV traffic, also help to serve disadvantaged communities. It goes on to say that 25% of *these* stations will fall in areas which score in the bottom quartile of CalEnviroScreen.

If we look at this in a pure quantitative fashion, that \$75 million represents 37.5% of the \$200 million. But not all of it is going to disadvantaged communities. The plan calls for 25% of *those stations* to fall in areas that scored in the bottom quartile of CalEnviroScreen; that totals only 9.375% going to the bottom quartile of CalEnviroScreen, falling far short of the provisions in ARB's own guidelines, which direct at least 35% of the funds to be invested in disadvantaged, low-income, underserved and disproportionately impacted communities. In dollar terms, the VW ZEV Investment Plan is shorting disadvantaged communities by over \$50 million.

These deficiencies compel me to urge ARB to reject VW's plan and require it to come back with a plan that complies with the Board's Guidelines.

Thank you for considering my views.

Sincerely,

A handwritten signature in black ink, appearing to read 'Ricardo Lara', written over a horizontal line.

Senator Ricardo Lara  
33<sup>rd</sup> Senate District

cc: Governor Jerry Brown  
Senate President pro Tempore Kevin de León  
Members, California Air Resources Board  
Richard Corey, Executive Officer, California Air Resources Board