



December 10, 2008

Ms. Mary Nichols
Chair, California Air Resources Board
1001 I Street
Sacramento, CA 95814

Dear Ms. Nichols:

AIAM appreciates the opportunity to provide its comments on CARB's proposed AB 32 scoping plan for meeting required emissions reductions of greenhouse gases by 2020. AIAM is a trade association representing 14 international motor vehicle manufacturers who account for 40 percent of all passenger cars and light trucks sold annually in the United States.¹

AIAM agrees with the fundamental conclusions on which AB 32 and CARB's scoping plan is based:

- Global climate change is a major concern that justifies immediate action by government and private parties on a national and international scale.
- The reductions in greenhouse gases needed to stabilize climate change are on an immense scale.
- All sectors of the economy must contribute to the required reductions.
- A mixture of traditional command-and-control and market based approaches is needed.
- Coordination with other states and the federal government is essential.
- An open public process is absolutely necessary. We appreciate CARB's diligence in hosting many public meetings, workshops, and Webcasts on the myriad issues as well as the public postings of related documents on CARB's website which have facilitated interactions with all stakeholders.

AIAM fully agrees that the United States should initiate the development of a comprehensive, national approach to reducing greenhouse gas emissions. While California leadership will clearly contribute to this effort, to be successful it is essential for the Federal government and all the States to be involved in establishing a coordinated, comprehensive, and effective

¹ AIAM is a trade association representing 14 international motor vehicle manufacturers who account for 40 percent of all passenger cars and 20 percent of all light trucks sold annually in the United States. AIAM members have invested over \$27 billion in U.S.-based production facilities, have a combined domestic production capacity of 2.8 million vehicles, directly employ over 93,000 Americans, and generate an additional 500,000 U.S. jobs in dealerships and supplier industries nationwide. AIAM members include Aston Martin, Ferrari, Honda, Hyundai, Isuzu, Kia, Maserati, Mitsubishi, Nissan, Peugeot, Renault, Subaru, Suzuki and Toyota. AIAM also represents original equipment suppliers and other automotive-related trade associations. For more information, visit our website at www.aiam.org.

program. Ultimately, as we recently commented to the U.S. Environmental Protection Agency (EPA) on its Advance Notice of Proposed Rulemaking (ANPR) on regulation of greenhouse gas emissions under the Clean Air Act, Congressional action is needed to establish a new and comprehensive national framework to address climate change. The magnitude of emissions reductions necessary to limit climate change impacts and the resulting costs to our society are so great that achievement of a national consensus approach is critical. Only through new legislation – either in the form of an amendment to the Clean Air Act to specifically address climate change or in the form of a new Act of Congress – can such a consensus be achieved.

The 111th Congress is poised to act on both climate change legislation and further national energy policy, both of which are critical in addressing greenhouse gas emissions. We expect that California will be among the national environmental leaders that Congress calls on for advice and recommendations when new legislation is developed.

Any national climate change program must include a significant role for the States. Leadership by many States, including California, has already been instrumental in developing programs such as cap-and-trade. Of course, States also have demonstrated their environmental leadership by shouldering the primary responsibility under the Clean Air Act for achieving National Ambient Air Quality Standards for nearly 50 years.

While we recognize the benefits of State leadership and the need for new Federal legislation, as we commented to EPA on its ANPR, AIAM also supports immediate action by EPA to address climate change in all sectors of the economy. It is extremely important that the Federal government establish leadership on climate change issues, too. However, as we have stated before, we do not support California or other States imposing overlapping and duplicative greenhouse gas emissions standards on motor vehicles that create substantial burdens on vehicle manufacturers without any greater environmental benefit than the corresponding Federal program. It is critical going forward that CARB, other States, EPA, and NHTSA work together to establish one nationally consistent program for controlling light vehicle energy efficiency and greenhouse gas emissions while providing as much flexibility as possible to manufacturers in how they achieve the standards. Flexibility is particularly important given the current state of the economy.

Thank you for the opportunity to comment on the proposed AB 32 scoping plan.

Sincerely,



Michael J. Stanton
President and CEO

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