



## Union of Concerned Scientists

Citizens and Scientists for Environmental Solutions

August 1, 2008

Mary Nichols, Chairperson  
California Air Resources Board (ARB)  
1001 I St., P.O. Box 2815  
Sacramento, CA 95812

### **RE: AB 32 Draft Scoping Plan Transportation—Feebates**

Dear Chairperson Nichols and Members of the Board:

The Union of Concerned Scientists (UCS) is the leading science-based nonprofit working for a healthy environment and a safer world. UCS combines independent scientific research and citizen action to develop innovative, practical solutions and to secure responsible changes in government policy, corporate practices, and consumer choices.

UCS urges ARB to move feebates from a “Measure Under Evaluation” to a “Recommended Greenhouse Gas Reduction Measure” in the transportation sector of the Scoping Plan. Feebates is a powerful, yet flexible incentive program that affects both buyers and makers of automobiles. Economic studies have shown that feebates have the following benefits, which will lead to significant emissions reductions and consumer savings:

- A feebates program can work as a compliment to existing and future global warming regulations. Because a feebates program provides financial incentives for automakers to install clean technology, it motivates automakers to meet California’s GHG regulations sooner.
- Feebates can achieve significant emission reductions in the medium duty passenger vehicle fleet. These vehicles are not covered by existing global warming regulations and will number over 400,000 vehicles by 2020. Feebates will provide an incentive to install emission reduction technologies on these vehicles.
- A feebates program will not only encourage automakers to make improvements in their vehicle fleet, but can engage the general public in the battle to combat global warming by offering direct incentives for consumers to make choices that help the environment.
- A feebates program is self-financing and, according to the ARB Scoping Plan, provides over a billion dollars in savings due to reduced fuel consumption.

Based upon these benefits and the 2-6 MMTCO<sub>2</sub>E in emission reductions from a vehicle feebates program, we strongly encourage ARB to adopt feebates as a “Recommended Greenhouse Gas Reduction Measure” and include medium duty passenger vehicles in the program. If necessary, we suggest that ARB make an explicit request to the legislature to authorize ARB to enact a feebates program.

Sincerely,



Spencer Quong  
Senior Vehicles Analyst