

**Testimony of David S. Case  
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California Air Resources Board Hearing on ZEV 2.0 White Paper  
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Chairman Nichols and members of the Board, I appreciate the opportunity to comment on the staff's white paper which summarizes their assessment of ZEV technology and possible revisions to the zero emission vehicle regulation to achieve California's 2050 GHG goals. These comments are being made in addition to, and in support of, the Large Volume Manufacturers position on the issue.

First and foremost, Chrysler would like to commend the staff for their thorough and sincere evaluation of the state of ZEV technologies and for reporting the realities to achieving successful ZEV commercialization. We are extremely encouraged that the staff recognizes the importance of, and need for, complementary policies to reduce market barriers that are essential for the successful implementation and commercialization of ZEV technologies.

Chrysler generally supports the concepts under consideration but would also propose that the staff consider other alternatives, including an approach that better equalizes the task among all manufacturers by acknowledging the differing starting points of individual manufacturers. Such an approach could complement the aggressive national GHG program and continue to drive the introduction of low-carbon and carbon-free vehicle technologies as policies to promote the infrastructure and incentivize the technologies are implemented. Complementary policies to develop the infrastructure and incentivize the technology need to be tailored to align with the resultant vehicle technology requirements. Perpetuating the carrot approach for infrastructure development will not result in sufficient quantities of low-carbon and carbon-free fuels to power the significant number of vehicles being considered or provide the level of comfort needed by



customers to embrace the technology. Equivalent policies to those placed on automobile manufacturers should be placed on energy and fuel providers. The objective should be to assure that the fuel (electricity, hydrogen, etc.) will be available in the market at the same time as the vehicle that requires it. Finally, financial incentives needed to bridge the incremental cost of these new vehicle technologies are anticipated to be significant based on ARB's previous estimates. Unless significant new streams of revenue are anticipated to support the number of vehicles under consideration, ARB should consider ways of promoting collaboration among stakeholders to reach economies of scale so the new vehicle technologies are affordable to a much greater customer base.

Chrysler sees additional value in working collaboratively with all stakeholders that have a vested interest in achieving the 2050 GHG reduction goals. This group of stakeholders would judge the rate of technical and economic progress of both advanced, low-carbon vehicle technologies and the complementary policies needed to reduce market barriers to ensure they are aligned to deliver expected benefits for complete transparency.

In closing, Chrysler Group LLC looks forward to working with staff in developing the next ZEV regulation. Going forward, ARB must remain cognizant of the remaining challenges of ZEV technologies while addressing the market barriers that must be overcome to achieve successful commercialization. Chrysler shares ARB's vision and goals of reduced GHG emissions that can only be achieved through the implementation of coordinated and complementary policies that create a market pull for low-carbon and carbon-free vehicle and fuel alternatives.

Thank you.