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May 24, 2007

**PUBLIC MEETING TO CONSIDER A STATUS REPORT ON THE ZERO
EMISSION VEHICLE (ZEV) PROGRAM**

**C. Robert Pedraza
Vice President, Strategy and Business Development
Altairnano, Inc.
Reno, NV**

CARB TESTIMONY

Good afternoon my name is Robert Pedraza. I am the Vice President of Strategy and Business Development for Altair Nanotechnologies, an advanced materials and specialty chemicals company based in Reno, Nevada.

Altairnano has spent over \$25 million in the development of this breakthrough lithium titanate battery technology. This technology can be integrated into common lithium ion battery design and existing manufacturing platforms to create an entirely new class of lithium batteries. For the first time, the capability exists to enable full performance battery electric vehicles which are suitable for mass production.

As a small public enterprise with limited resources, including capital and scientific personnel, we must carefully craft our strategy and execute with high precision the commercialization of this environmentally clean lithium battery technology.

If the board makes changes to the ZEV Credit Program which either diminishes or dilutes the value of the TYPE III GOLD Zero Emission Vehicle credits, it will have a profoundly negative impact on a vital revenue stream that is critically necessary for Phoenix Motorcars to commercially introduce our lithium titanate battery technology. Without

this additional revenue stream it is highly unlikely that Phoenix Motorcars will be able to ~~purchase our batteries. This will most likely force us to change direction and~~ commercialize our technology in applications other than full performance battery electric vehicles. It is estimated that the stationary power market, which leverages all of the attributes our technology, is 10 to 25 times larger than the motive market. The economic value that our energy storage and power delivery technology can create in the stationary power market far exceeds the economic value it creates in the motive market. If Altairmano is forced to change our commercialization path, it is a very real possibility that the introduction of our environmentally clean and enabling technology in a full performance battery electric vehicle could be delayed by many years. A change in the ZEV Program **effectively disenables the mass introduction of full performance battery electric vehicles in California.**

I respectfully disagree with the experts panel's finding that the cost for innovative lithium battery technology will not fall in the near term. **We intimately understand the path to significant cost reductions in our technology that can be realized only if the ZEV Program remains unchanged.** These cost reductions will make the technology affordable for all Californians!

I respectfully request that the Board NOT make any changes to the ZEV Credit Program. The ZEV Program is driving innovation, attracting private capital and working to spur the introduction and mass commercialization of clean technologies.