



Principles for a Strong California Zero-Emission Vehicle Program March 25, 2007

The undersigned organizations support the following principles for a strong, meaningful California Zero-Emission Vehicle Program.

1. California's ZEV Program needs a *Bold New Vision*. The ARB must act now to strengthen the staff proposal by requiring more vehicles in the 2012-2014 timeframe (Phase III) and directing staff to develop a bold, integrated vision for our motor vehicle control program for 2015 and beyond.

- **California needs ZEV technologies to meet our near- and mid-term air quality goals, our public health goals, and our long-term greenhouse gas goals.** We can't wait until 2015, or 2020, or 2030. We need ZEV technologies in place now and in large commercial quantities in the very near term to meet the 2024 SIP attainment deadline and to lay the foundation for meeting our 2050 GHG goals.
- **More vehicles are needed and are possible.** The ARB must require and incentivize the placement of even greater numbers of PZEVs, AT-PZEVs, Enhanced AT-PZEVs and ZEVs on California's roads than called for in the current staff proposal. Some car companies have publicly stated that they can and will produce more vehicles than the current regulation requires.

- **The current ZEV Proposal misses an opportunity to leverage continued automaker investment in clean vehicle technologies.** ARB staff estimates its new proposal will save automakers \$6.6 billion from 2012 – 2017, largely because of the reduced “pure ZEV” requirement. Instead of giving automakers this windfall, ARB should require automakers to re-invest the saved money in other advanced technology vehicles, such as plug-in hybrids.
- **California must significantly reduce GHG from vehicles using all available tools including an aggressive push toward integrating electric-drive technologies throughout the vehicle fleet.** Electrification to improve vehicle operating efficiency (not to enhance power) can reduce petroleum use and improve air quality.
- **California must take a holistic approach and integrate state air quality, greenhouse gas and petroleum reduction goals into a near-term regulatory review.** The relationships between fuels, vehicles, land-use, emissions and energy regulations—and the effects they can have on one another—must not be overlooked.

2. The ARB must ensure full transparency of the ZEV Program.

- **The public must have access to all documentation that tracks and demonstrates compliance with the program, specifically:**
 - Any document provided to ARB to demonstrate compliance with the program, including but not limited to automobile sales, emission information, or credit trading data, shall be publicly available;
 - Any document created or action taken by the ARB to confirm compliance, award credit, or recognize a transfer of credit, shall be publicly available, including tools for calculating and verifying such regulatory compliance;
 - Any document provided to ARB to demonstrate compliance with the program, which is given subject to a claim of trade secret, will be rejected as inadmissible.
- **The ZEV regulation must be more straightforward and simple** for regulated entities, potential investors and for the general public to understand. The current proposal succeeds in simplifying the regulation in some ways, but further complicates it in others.

3. The ZEV Program must provide a stable, certain investment environment in order to drive production and development of innovative new vehicles, components *and* clean fuel infrastructure.

- **The ARB must send a strong and consistent regulatory signal to drive investment.** A consistent and sustained ramp-up of vehicle numbers ensures certainty for supporting industries that produce innovative componentry for vehicles and infrastructure.

- **ARB must develop strong policies to address the “chicken or egg” scenario surrounding alternative fuel vehicles and infrastructure.**
 - For example, ARB should consider revising the state’s alternative fuel vehicle infrastructure requirement or “trigger” mechanism, the Clean Fuels Outlet Program. Instead of waiting until 20,000 alternative fuel vehicles are in place before requiring alternative fueling infrastructure, ARB should make the program more flexible and empower staff to make infrastructure decisions if staff determines there are enough vehicles in a defined geographic region to warrant infrastructure.

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