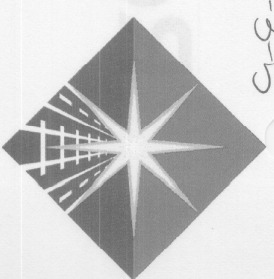


David Madisette
08-3-5



California
Electric
Transportation
Coalition

ARB Staff Proposal has some VERY GOOD and IMPORTANT

Provisions:

1. Creation of the “Enhanced AT-PZEV” category for PHEVs.
2. Adding “Blended” PHEVs.
3. More Equal Treatment of BEVs vs FCVs.
4. Limit on the Use of Old Banked Credits.
5. Simplification of Compliance Paths.

Recommended ADDITIONS to the Staff Proposal:

1. Additional Category for Stronger PHEVs.
2. De-couple the PHEV numbers from ZEV numbers.
3. Ramp-Down the “Early Introduction Credits” for PHEVs in 2012 and 2013.
4. PHEV Battery Warranty Requirement:
Investigate Options to Share Risk.