October 17, 2008

Mr. James Goldstene Executive Officer California Air Resources Board 1001 "I" Street Sacramento, CA 95814

Dear Mr. Goldstene:

South Coast AQMD Staff Comments Regarding the 2008 Proposed Amendments to the California Zero Emission Vehicle Program Regulations

The following are the South Coast Air Quality Management District (AQMD) staff's specific comments regarding the proposed amendments to the ZEV regulation.

## Provide More Equal Treatment of Battery Electric Vehicles

In our previous comments dated August 14, 2008, we recommended that the fast refueling requirement be eliminated from the Type IV and V vehicles such that a plug-in hybrid electric fuel cell vehicle would be sufficiently incentivized based on range capability. We agree with the proposed modification to Section 1962.1(d)(5)(B) to allow the Executive Officer to waive the fast fueling requirement for Type IV & V ZEVs if a vehicle utilizes more than one ZEV fuel and to base the amount of credit earned on UDDS ZEV range should provide flexibility to ensure equivalent treatment.

## "Travel" Provision

The travel provision does not provide any benefit to California, and the modified proportionality proposed reduces the incentive for placing ZEVs in California. If the Travel Provision is extended, we recommend a compensatory trade-off to ensure the foregone emissions benefits are realized. The burden of adapting California's regulation in other states should be placed on those states.

In consideration of future ZEV regulatory revisions, AQMD staff recommends that the concurrent deployment of fueling infrastructure be addressed. For example, a regulatory mechanism needs to be evaluated for encouraging and even incentivizing adequate fueling for early ZEV deployment. Without such fueling certainty, the early market for ZEVs will be severely damaged.

Staff should evaluate mechanisms for supporting fueling infrastructure in considering future regulatory revisions.

We look forward to working with CARB on the above critical issues and participating in the ongoing regulatory process. Together, we need to aggressively accelerate the reduction of critieria pollutant emissions, which is needed in nonattainment regions such as the South Coat Air Basin. Please contact me if you have any questions or would like to further discuss our comments in more detail.

Sincerely,

Barry R. Wallerstein, D.Env.

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**Executive Officer** 

cc: T. Cackette

A. Bevan

E. Keddie

CSL:MMM:LHM