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Testimony  
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Public Meeting  
LEV III, CFO, ZEV

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Note: Actual speech may vary from this script

Madame Chair and Committee Members,

I am Klaus Land, representing Mercedes-Benz. It is an honor to be here today.

First, I would like to thank the ARB staff for their tireless effort to work with industry and Mercedes-Benz over the past two years to develop what we believe are very aggressive regulations that address the need for cleaner vehicles.

Second, I would like to make comments on 3 important topics:

First topic: US06 PM standard for Passenger Cars in the LEV III criteria pollutant amendment.

ARB staff is proposing a new US06 PM Standard. It is approximately a 90% reduction compared to the current standard. This was a last minute proposal not allowing industry enough time to determine the possibility to reach this extremely low standard. Independent research institutes also share our concern with the potential effect this standard will have on new technologies, especially low-powered, downsized engine technologies and range extenders that will be necessary to meet the new National Green House Gas standards. Testing has shown that **these PM standards are not achievable for vehicles with these new technologies.** We recommend a PM standard for passenger cars and light duty trucks of 25 mg/mi or as an alternative a SFTP standard of 10 mg/mi composite. This composite formula is also used for other limited criteria pollutants in the LEV III regulation. The CO2 benefit will be extremely high by

bringing low powered vehicles into the US market as they are available in the European Union with more than 20 different models.

Second topic: Need for public fueling infrastructure.

Mercedes-Benz is commercializing green house gas reduction technologies including diesel, hybrid, plug-in hybrid, battery electric and fuel cell vehicles. The Clean Fuels Outlet amendments will assure that ultra-clean fuels such as hydrogen are available to meet vehicle demands brought on by the commercialization of Fuel Cell Vehicles and proposed amendments to the ZEV regulation.

Mercedes-Benz has almost 20 years of Fuel Cell Development. More than 5 million miles of worldwide operation and more than 1,5 billion dollars invested in fuel Cell technology development. 50 million dollars has just been invested in starting small volume production of fuel cell stacks. A plan is in place for high volume production ramp up in the years 2015-2017. Growth of the Fuel Cell Vehicle market is highly dependent on area-wide availability of public hydrogen refueling stations.

As in LEV III, Mercedes-Benz has a proposal on how to improve the CFO – and that is to lower the regional activation trigger. We propose a 2,000 regional vehicle trigger for an air basin. The lower trigger ensures infrastructure will be there when the vehicles are delivered.

Third and final topic: Zero Emission Vehicle Program.

Finally, the Zero Emission Vehicle Program offers flexibilities that we support including TZEV and BEV-X. These vehicles use technologies and infrastructure that will advance the commercialization of Zero Emission Vehicles. No ZEV credit should be granted for National GHG over-compliance. This flexibility will reduce the number of ZEVs having a negative affect on the deployment of fueling infrastructure.

Thank you for considering these important topics.