

**Testimony of Simon Mui, Ph.D.
Scientist
Natural Resources Defense Council**

Hearing on California Air Resources Board Advanced Clean Cars

**January 26, 2012
Los Angeles, CA**

(As prepared for delivery.)

Good afternoon Chairwoman Nichols, members of the Board. I'm Simon Mui with the Natural Resources Defense Council. Thank you for the opportunity to testify – and for your commitment over the years to our landmark clean car standards.

These standards are good for the environment, good for public health, and good for the economy. 90% of us still live in areas of unhealthy air. These standards will further protect public health from smog and particulate matter while cutting carbon pollution significantly. In addition, these standards will save our economy over \$50 billion in fuel savings from 2017 to 2030. That's \$50 billion that will be invested back in our economy instead of being sent to OPEC and other oil producing nations, resulting in nearly 40,000 jobs being created in California.

What's more, the landmark ZEV standard has helped the state become a hub for the EV industry. California companies have now attracted 60% of the world's venture capital investments - \$1.3 billion in the past two years in this space. These standards are helping put California's best scientists, engineers, and entrepreneurs to work, and encouraging high-tech companies to lay down their roots here.

Staff's proposed ZEV targets are a strong start and are eminently achievable, and could even be strengthened further. NRDC is strongly committed to working collaboratively with state agencies and local government, automakers, utilities, and infrastructure providers to make

vehicle electrification a success. But let's be clear - a strong ZEV program still remains the state's strongest policy tool to move forward with large-scale commercialization.

That's why we are very concerned – and oppose – the inclusion of a special carve out for a handful of manufacturers under the ZEV program. This is more than the risky business of losing unknown amounts of ZEVs and TZEVs, it's about sending the wrong signal to those that want to continue kicking the ZEV can down the road. [And as you've heard], it's also about fairness and certainty for many of the companies who are already launching vehicles today to make electrification a success.

Let's avoid adding structural elements that could undermine the program targets and goals for 2022 and beyond. At the very least, the Board can and should adopt sensible protections, such as an industry-wide limit or haircut for participating manufacturers.

The wonderful thing is that – surprisingly – compared to past hearings, there isn't a lot of ZEV controversy except for this one provision. That's because manufacturers have the technology today and vehicles are being launched. The large majority of stakeholders are rolling up their sleeves to work collaboratively to make this work. But we need to move forward with a strong program.

We congratulate ARB staff and management for their diligent, hard work. They have a tough job helping ensure that California's car fleet continues to get cleaner, but they're doing a heck of a job. Let's tune up things here and there, and drive forward with these landmark clean car standards. Thank you.