

January 25, 2012

Ms. Mary Nichols Chair California Air Resources Board 1001 I Street Sacramento, CA 95814 (also sent via email)

Re: Advanced Clean Cars (ACC) program - Low-Emission Vehicle (LEV) III, Zero Emission Vehicles (ZEV), Clean Fuel Outlet (CFO)

Dear Mary:

I am writing on behalf of the California Natural Gas Vehicle Coalition to provide feedback on the Advanced Clean Cars (ACC) program. We have two primary concerns with the staff proposals. Staff attempts to draw a bright line distinction between ZEV Fuels and Non-ZEV Fuels which we believe is incorrect and inappropriate based on life cycle emissions analysis of fuels available today and fuels likely to be available in the future. Secondly the staff report Clean Fuels Outlet significantly understates the numbers of natural gas refueling stations in California.

The California Natural Gas Vehicle Coalition (CNGVC) is an association of natural gas vehicle and engine manufacturers, utilities, fuel providers and fleet operators serving the state. We work with legislators and regulators to develop policies that will increase alternative fuel and vehicle use, support new initiatives and provide up-to-date information on NGV technology and market developments.

Our Coalition strongly supports the goals of the Air Resources Board in creating the Advanced Clean Car Program which proposes to combine "the control of smog-causing pollutants and greenhouse gas emissions into a single coordinated package of requirements for model years 2015 through 2025" and will coordinate "the goals of the Low emission Vehicle (LEV), ZEV, and CFO programs in order to lay the foundation for commercialization and support of ultraclean vehicles." That said, we are very frustrated that CARB staff does not see natural gas vehicles as the "ultra-clean vehicles" they are. To highlight this disconnect we remind you that the American Council for an Energy Efficient Economy (ACEEE) and the Los Angeles Auto

Show, among others named the Natural Gas Honda Civic as the greenest car in America last year.

In contrast, the staff reports are actually quite dismissive of the performance and potential for natural gas. In the CFO report staff writes:

"While use of E85 and CNG help reduce GHG emissions, they do not play a significant role in meeting California's long-term air quality goals for light and medium duty vehicles."

and in the LEV III report

"Regarding alternative fuels other than electricity and hydrogen, the LEV III staff analysis does not project that CNG vehicles will be a significant strategy for LEV III GHG regulatory compliance."

This is really surprising to us given the consistent performance of natural gas vehicles in going beyond emission standards set by the Air Resources Board over the last decade.

However our primary concern is the attempt to draw a bright line between "ZEV fuels" and "non-ZEV fuels". The staff reports identify hydrogen fuel cell vehicles and battery electric vehicles as ZEVs and ZEV fuels and categorizes CNG among the non-ZEV fuels. Curiously the staff reports don't mention biomethane/biogas even though CARB's own life cycle analysis identifies it as one of the cleanest transportation fuels. There is plenty of evidence to suggest that biomethane will be used increasingly as a transportation fuel, whether on its own or blended with conventionally natural gas. There is also lots of information about near-term engine developments that will reduce natural gas engines' already very low emissions even lower.

Given these facts we ask the Board to direct staff to work with our industry to take another look at life cycle emissions of biomethane and conventional natural gas to see if they are today or are likely to be in the time frame of these regulations just as clean as the fuels and technologies that CARB currently identifies as zero emission.

Finally the Clean Fuels Outlet staff report notes that there are "126 public and 98 private CNG stations in place" in California. Our members spent quite a bit of time working on this question with the CA Energy Commission last summer. The best data as of August 2011 was captured in the 2011/12 AB 118 Investment Plan on page 69:

Table 16: Natural Gas Fueling Stations

	Publicly Accessible Stations	Private Access Stations
CNG	140	424
LNG	13	19

Source: California Natural Gas Vehicle Coalition, U.S. DOE Alternative Fuels and Advanced Vehicles Data Center

Tim Camihael

Thank you for the opportunity to comment and for your consideration of our request.

Sincerely,

Tim Carmichael

President

CC: James Goldstene

Tim Cackette Analisa Bevan Clerk of the Board