Air Resources Board

Mary D. Nichols, Chair
1001 I Street • P.O. Box 2815
Sacramento, California 95812 • www.arb.ca.gov

Matthew Rodriquez
Secretary for
Environmental Protection

Edmund G. Brown Jr.
Governor

DATE: November 9, 2015 Mail-Out #MSC 15-27

TO: All Interested Parties

SUBJECT: PUBLIC WORKSHOP ON DEVELOPMENT OF A LONG-TERM PLAN FOR THE CLEAN VEHICLE REBATE PROJECT AND LIGHT-DUTY VEHICLE INCENTIVES

The Air Resources Board (ARB or Board) invites you to participate in a public workshop to discuss long-term planning for the Clean Vehicle Rebate Project (CVRP). Senate Bill (SB) 1275 (De León, Chapter 530, Statutes of 2014) requires ARB to include a long-term plan for CVRP in the Fiscal Year (FY) 2016-17 Funding Plan for Low Carbon Transportation Investments and the Air Quality Improvement Program (AQIP). At this workshop, staff will present an overview of CVRP and the SB 1275 requirements, discuss initial thoughts on the long-term plan, hear from researchers conducting studies that will help inform the plan, and request public input.

The meeting will be held at the following time and place:

Date: Tuesday, December 8, 2015
Time: 10:00 a.m. to 3:30 p.m.
Place: California Air Resources Board
Monitoring and Laboratory Division
1927 13th Street
Sacramento, California 95811

This workshop will not be webcast.

Background

CVRP offers consumer rebates on a first-come, first-served basis for the purchase or lease of eligible new light-duty zero-emission vehicles and plug-in hybrid electric vehicles. The project is designed to help get the cleanest vehicles on California's roadway by partially offsetting the higher initial cost of these advanced technologies. CVRP is funded through ARB's Low Carbon Transportation investments utilizing Cap-and-Trade auction proceeds and AQIP. CVRP is complemented by a suite of pilot projects aimed at increasing access to these clean vehicles in disadvantaged

communities and lower-income households. These pilot projects provide consumer exposure to clean vehicles in these communities through car sharing and other mobility improvement programs and opportunities for ownership through purchase incentives and financing. Investments in charging and fueling infrastructure by the California Energy Commission are also a critical element of the State's clean vehicle incentive strategy.

SB 1275, signed into law in 2014, establishes the Charge Ahead California Initiative with the goals of placing one million zero-emission and near-zero emission vehicles in California by 2023 to establish a self-sustaining market and increasing access to these vehicles for low-income consumers and consumers in disadvantaged communities. Among other requirements, SB 1275 requires ARB to include a long-term plan for CVRP and related programs in the FY 2016-17 Funding Plan. The plan must include:

- A three year forecast of funding needs to support the goals of technology advancement, market readiness, and consumer acceptance of advanced vehicle technologies. Acknowledging the uncertainty in forecasting a dynamic market over an extended period, SB 1275 states that this forecast may be described as a range with high and low funding levels. The three year forecast will cover the period between July 1, 2016 and June 30, 2019.

- A market and technology assessment for each funded vehicle technology (battery electric, plug-in hybrid, and fuel cell) to inform the appropriate funding level, incentive type, and incentive amount.

- An assessment of when a self-sustaining market is expected and how existing incentives may be modified to recognize expected changes in future market conditions.

This workshop will focus only on the long-term plan for CVRP. ARB will discuss the broader development of the FY 2016-17 Funding Plan, including other project categories, at a series of public workshops and work group meetings in 2016 starting after the release of the Governor's proposed FY 2016-17 State Budget.

Meeting Information

At this workshop, staff will discuss and seek input on potential approaches to address SB 1275 requirements in the FY 2016-17 Funding Plan. Specifically, staff will:

- Review CVRP data and present approaches and assumptions to be used in the development of funding need projections over the next three years.

- Discuss the current status of ARB's Advanced Clean Car Program Mid Term Review and present approaches for conducting the market and technology assessment.

- Review light-duty vehicle incentives research that may provide information on the effectiveness of various incentive types and market indicators to assess when a self-sustaining market is expected. This will include presentations from researchers on studies that will contribute to the development of the long-term plan.

Staff will post an agenda on ARB's Low Carbon Transportation/AQIP web page (www.arb.ca.gov\aqip\) the week prior to the workshop.

Special Accommodations

If you require a special accommodation or need this document in an alternate format (i.e. Braille, large print) or another language, please Ms. Graciela Garcia, Air Pollution Specialist, at (916) 323-2781 or Graciela.Garcia@arb.ca.gov as soon as possible, but no later than 10 business days before the scheduled meeting. TTY/TDD/Speech to Speech users may dial 711 for the California Relay Service.

If you have questions regarding the workshop, please contact Ms. Graciela Garcia, Air Pollution Specialist, at (916) 323-2781 or Graciela.Garcia@arb.ca.gov .

Sincerely,

/s/

Erik White, Chief
Mobile Source Control Division

cc: Ms. Graciela Garcia
Air Pollution Specialist
Mobile Source Control Division