



September 15, 2009

The Honorable Jim Boyd  
Vice Chair, California Energy Commission  
Re: Docket No. 09-ALT-1  
1516 Ninth Street  
Sacramento, CA 95814-5512

**DOCKET**  
**09-ALT-1**

DATE 9/15/2009

RECD. 9/16/2009

**Re: Feedback on CEC Staff Workshop for the 2010-11 Investment Plan - Electric Drive Vehicles**

Dear Chairman Boyd:

Zero Motorcycles is a new business that has created more than 40 "green" jobs in Santa Cruz, California. We make high performance electric motorcycles which are extremely fun and environmentally friendly. We appreciate your assistance and support on driving forward California incentives for electric vehicles and their manufacturers, specifically electric motorcycles.

We support the CEC staff efforts to include Zero Emission Motorcycles (ZEMs) in the EV manufacturing equipment and facilities portion of the AB118 Investment Plan. We urge the CEC to fund the program appropriately to support the additional ZEM vehicles. We are part of a coalition of a dozen companies designing and manufacturing 2 and 3-wheeled plug-in who have not had the ability to participate in Department of Energy funding opportunities, not because they lack merit, but because they simply don't have 4 wheels. Consumers want these vehicles as options, we should allow consumers choice and support these companies.

We also fully support the proposal to use the funding allocated for EV manufacturing equipment and facilities as leverage for a guaranteed loan program, similar to the CALCAP program being used by ARB for the AB118 AQIP program. This would allow seven times the leverage in funding and provide for a direct return on your investment which could be used in later years.

Highway capable Zero Emission Motorcycles can significantly impact CEC's goals to both reduce GHG and petroleum consumption. With a range of 50 miles and a top speed of 60 mph, our Zero-S Supermoto Street Bike (Available Q3-2009) is freeway capable and could serve more than 75% of California commuters. Hundreds of thousands of motorcycles are sold each year in California, often to replace cars for commuting. Doesn't it make sense to incentivize building the most affordable type of zero emission vehicle?

Zero Motorcycles can make a meaningful contribution with access to this funding. We estimate that we could increase our sales volume in California by as much as 30%, if we had additional manufacturing capability. This in turn will allow us to add hundreds of new jobs here in California over the next few years.

In response to other questions raised at the workshop, Zero Motorcycles believes that EV infrastructure and chargers should be widespread and sited at popular destinations (shopping malls, theatres, sporting venues, airports, etc). We use 120V charging at regular AC outlets, so our customers can charge almost anywhere. We would like to encourage you to make sure 120V charging is available at all EV charging stations. Our consumers are primarily urban, so urban charging is most useful for our application.

On question 2, the main item the utilities need to do is to streamline the process for providing rates for any EV consumer, including those with electric motorcycles. All EVs should have access to low-cost overnight electricity to promote the best use of the grid.



Finally, with respect to carbon credits, we believe that vehicles should get to benefit from the carbon credits that they offset by driving and that those benefits should accrue to the consumer. We think that the best scenario at the moment would give the carbon credits to the EV manufacturer and then have the EV manufacturer pass them on to the consumer as an additional incentive, reducing the vehicle price. This mechanism is in the very early stages but CEC could have a significant impact.

Please feel free to contact me if you have any questions and thank you again for all the great work you to reduce our petroleum dependence and carbon footprint.

Sincerely,

QuickTime™ and a  
decompressor  
are needed to see this picture.

Gene Banman  
CEO, Zero Motorcycles

Cc: Tim Olson, California Energy Commission  
Peter Ward, California Energy Commission