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To: California Energy Commission

Dockets Office, MS-4 Re: Docket No. 09-ALT-1 1516 Ninth Street Sacramento, CA 95814-5512

CC: CEC Commissioners and Staff

Re: 2010-2011 Investment Plan for the Alternative and Renewable Fuel and Vehicle Technology

Program

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Please make the below comments by Sierra Club California part of CEC's proceeding on the 2010-2011 AB 118 investment plan.

Sierra Club California comprises 12 chapters representing nearly 200,000 Sierra Club members throughout California. On October 17, 2009, Sierra Club California adopted a policy position on zero emission vehicles, as follows:

RESOLVED: To rapidly achieve needed levels of well-to-wheels greenhouse gas and criteria pollutant emission reductions, it is essential to promote ZEV technology based upon near-term commercial viability as well as scalability, cost, energy efficiency and other performance standards. Sierra Club urges the State to implement regulations and devote resources to promote the large-scale adoption of battery-electric light-duty vehicles and installation of charging infrastructure. This does not imply abandoning funding for research and development of other promising technologies.

On December 2, 2009 Sierra Club California sent the attached letter to California's Air Resources Board urging higher priority to batter-electric vehicles and charging infrastructure. This letter outlined a number of reasons for giving BEVs and PHEVs higher priority.

We now wish to emphasize to California Energy Commission Sierra Club California's views as applicable to the proposed investment plant for alternative and renewable fuel vehicles. In our view, we think that the CEC should allocate more funding and give higher priority to electric vehicles and infrastructure.

We recommend that CEC devote a considerably larger proportion of AB 118 funding in the currently proposed Investment Plan to EV infrastructure and facilitation of large-scale EV market penetration.

California has been a national leader when it comes to reducing greenhouse gas emissions and setting standards for alternative vehicle technology. We want to ensure that we continue to push the federal government when it comes to advancing EV technology. This is why Sierra Club California feels the proportion of the state's AB 118 investment in EVs compared to other fuels is small. Next year we understand that only \$3 million in state funds will go to EV infrastructure compared to \$13 million to hydrogen, while the payoff in actual vehicles on the ground from each investment dollar for EV infrastructure rollout is much greater than that for alternative fueled vehicles.

We urge CEC to do more to move EVs and PHEVs to the investment front burner. They have progressively emerged as the optimum ZEV technology in terms of market readiness as well as scalability, cost, energy efficiency and other performance standards. Standards set by the California Air Resources Board, private investment and corporate planning has accelerated BEV market-sector momentum, CEC's programs can and should also play an important role in moving aggressively to reinforce and enable the EV progress that is already in evidence.

This is the moment where adequate state investment in catalyzing and facilitating charging infrastructure and related EV technology will pay huge dividends in future years. In the alternative fuels "2050 Vision", California's Air Resources Board estimates that by 2050 about three-quarters of all light-duty vehicles will be electricity-driven. Two major white papers by the national Electrification Coalition within the past year have documented the enormously positive economic impacts EVs will have – for decarbonizing the energy economy, energy independence, for boosting national GNP and creating new businesses and jobs. Positive effects are seen on employment, federal revenues, annual household income, transportation costs, oil imports, the trade deficit, global demand for oil, and resilience to future price shocks.

This needs to happen as soon as possible in order to achieve the greatest possible reduction of vehicular carbon emissions. But chances of this happening in California are less without greater near-term support for electric vehicle technology and infrastructure in the currently proposed AB 118 investment plan.

Sincerely,

Bill Magavern

Director