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Dear Chairwoman Nichols,

I am writing in support of California's progressive financial support for EV vehicle industry development within the Golden State. California's governmental and financial support of important financial initiatives is crucial to advance the early adoption of EV transportation in California to achieve: 1. lower costs for fleet operations fuel expenditures, 2. lower maintenance costs, and 3. dramatically lower air and noise pollution throughout the state.

SEVERE ECONOMIC AND ENVIRONMENTAL CHALLENGES

We are all painfully aware of the current and future challenges presented by continued dependence on a fossil fuel transportation sector for California, and for the USA. With decreasing oil reserves worldwide and the reality of "peak oil" upon us, rising gasoline and diesel fuel costs are here to stay in California and in the entire USA. Along with these state-wide financial pressures, and along with the \$350 billion trade deficit every year to obtain foreign oil for our country and state, the consequences for our transportation economy and for our society are bleak if we simply continue to head down the path of using oil for 97% of our transportation needs. Moving people and goods by means which are more cost efficient – and with lowered dependence on foreign oil -- is an essential path to competitiveness for California's economy. Our company is planning to site our second vehicle manufacturing plant in California because we see future demand for EVs based substantially on California's well educated commercial fleet managers and from California's crucial state wide alternative vehicle incentives.

MEDIUM DUTY HVIP TRUCK INCENTIVES

My company wishes to congratulate the ARB, CEC, and CalStart on their forward looking and highly competitive HVIP EV and hybrid truck voucher programs for advancing, and accelerating the rate of early adoption for EV trucks and vans and service vehicles for the California economy. The medium duty trucks and vans we manufacture, for example, can save fleet directors substantial operating funds over the course of 10 to 15 year life cycle costs for these new all electric vehicles. In working with and interviewing a over a hundred fleet directors, fleet managers, and maintenance managers for municipal fleets like City of Long Beach and the County of L.A, corporate fleets like Fed Ex, UPS, and federal fleets like the US Postal Service, their number two cost expenditure on their annual budgets is fossil fuel costs (mostly gasoline or diesel). These California fleet directors have been moving to ask their governing bodies to expend more capital up front to acquire hybrid and now all electric vehicles which can reduce their 15 year costs by tens of thousands to hundreds of thousands of dollars per vehicle for using lower-cost, off-peak, locally produced, night-time electricity to charge up their trucks at night so they can do their work in their California communities every day with 75% to 85% lower fuel operating costs, lower maintenance costs, and zero-tailpipe-emissions in and around our cities. However, although these new high tech vehicles are excellent solutions, the initial up-front cost for ownership on these vehicles is higher.

THE TRANSFORMATION OF CALIFORNIA'S COMMERCIAL TRANSPORTATION SECTOR

We are potentially on the brink of an historic transformation of our commercial transportation system in California. This progress is being "fueled" in no small measure by the highly necessary ARB, CalStart / CEC HVIP truck voucher incentive program that is currently in place and is being considered for extension into years 2012 and 2013. From our experience with fleet directors from San Diego to Palm Springs to L.A. to Sacramento

to Northern California, the initial cost barriers to acquisition and use of these highly beneficial new advanced technology all electric medium duty trucks is their biggest budgetary challenge. However, with the newly instated CEC supported increase in per truck incentives to \$30,000 per all EV truck or van in a California fleet, I believe this increase in incentive is going to make a dramatic difference in the ability of fleet directors to move their finance managers to much more EV replacement vehicles in 2012 and 2013. I predict that over \$10 million in incremental new medium duty truck acquisitions will result from this new incentive in 2012 alone, as long as these incentives remain in place. Our municipal governments, our corporate fleets, and our locally based federal fleets all want to “do the right thing” by moving to zero-tailpipe-emission, lower life cycle cost vehicles, but these HVIP incentives are essential to accelerate this shift in the way the state of California does their transportation business. As gasoline prices continue to rise, California’s economy can leap forward competitively for having these lower cost, no oil, lower pollution commercial trucks and vans working in the state.

KEEP UP THESE CRUCIAL INCENTIVES AND GOOD WORK FOR CALIFORNIA’S ECONOMY

Thank you again for the HVIP incentive program and for thus helping our municipal and corporate fleet managers throughout California to do the right thing -- economically and environmentally -- for their fleet organizations, for their local communities, and for our statewide economy.

Our best wishes, congratulations, and thanks,

Gerry Dameron
National Fleet Sales Director
Boulder EV

Carter Brown
President and CEO
Boulder EV

PS: Boulder EV wishes to thank and commend the staff members at CalStart, CEC, ARB, and with the TIAX contractors for their helpful attitudes and their diligent and steadfast work in supporting and advancing the new advanced hybrid and all electric transportation transformations.