



## California Council for Environmental and Economic Balance

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May 21, 2018

Rana McReynolds  
Clerk of the Board  
Air Resources Board  
1001 I Street  
Sacramento, California 95814

RE: Proposed Beneficiary Mitigation Plan for the VW Environmental Mitigation Trust

Dear Ms. McReynolds,

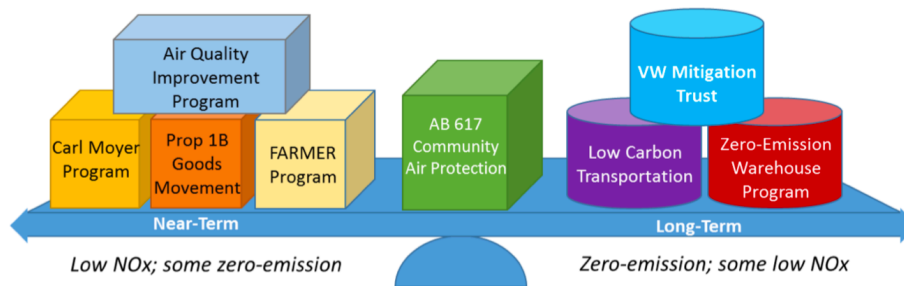
On behalf of the members of the California Council for Environmental and Economic Balance (CCEEB), we submit the following comments on the proposed Beneficiary Mitigation Plan for the VW Environmental Mitigation Trust (“VW NOx Mitigation Plan”). CCEEB has a long history of support for the state’s air quality incentive programs, and has been an active stakeholder at the Air Resources Board (ARB) and the South Coast Air Quality Management District (SCAQMD) in regards to these programs, including partnering with both agencies in legislative advocacy to secure needed funding. We believe the VW NOx Mitigation Plan is another important step towards meeting California’s commitments in the State Implementation Plan (SIP) and achieving national ambient air quality standards in the South Coast and San Joaquin Valley.

CCEEB believes that ARB can best address its air quality goals and needed SIP commitments by prioritizing maximum feasible and cost-effective emissions reductions for oxides of nitrogen (NOx) and fine particulate matter (PM2.5), the two main criteria pollutants driving non-attainment in the South Coast and San Joaquin Valley. Furthermore, we believe this focus is consistent with the intended purpose of the VW NOx Mitigation Plan, which staff correctly point out “is intended to fully mitigate the lifetime excess oxides of nitrogen (NOx) emissions caused by VW’s actions.” We note that, as part of the court-approved consent decree, VW is required to pay \$800 million over a ten-year period to support the increased use and availability of zero-emission vehicles in California, separate and in addition to the VW NOx Mitigation Plan. The VW ZEV funding complements existing state programs supporting zero-emission technologies, such as the Low-Carbon Transportation Program and Zero-Emission Warehouse Program.

CCEEB believes there is ample opportunity to reduce NOx and PM2.5 emissions through the VW NOx Mitigation Plan and other complementary state programs. As the proposed

plan points out: “Statewide, about 12 million Californians live in communities that exceed the federal ozone and particulate matter (PM2.5) standards. Despite improvements made through California’s groundbreaking air pollution regulations, incentives for advanced technology vehicle deployments, and clean energy policies, the South Coast and the San Joaquin Valley are the only two areas in the nation with an Extreme classification for the federal ozone standard and also experience some of the nation’s highest PM2.5 levels.” Prioritizing near-term emissions reductions helps address these air quality challenges, which affect almost a third of California’s residents.

Towards this end, CCEEB questions how ARB balances its funding priorities across all funding programs. As shown in the following graphic from the proposed plan, ARB considers the VW NOx Mitigation Plan as part of its zero-emission strategy. We believe it should rightfully fall among the agency’s low-NOx programs, since mitigating NOx emissions is the intent of fund, and we urge ARB to re-allocate funds to increase expenditures for commercially-available transportation solutions that can offer cost-effective and near-term NOx reductions, regardless of the given technology.



In closing, CCEEB appreciates the significant efforts ARB has made to investigate VW and rectify the air quality and public health damages created by the use of illegal “defeat devices” in VW diesel-fueled light-duty vehicles. We thank you for the opportunity to share our perspectives on the VW NOx Mitigation Plan, and appreciate the work of ARB and its staff to use settlement funds for the benefit of Californians. Should you or others at ARB wish to discuss our comments further, please contact Janet Whittick at (415) 512-7890 ext. 111 or [janetw@cceeb.org](mailto:janetw@cceeb.org).

Sincerely,

*Arnold O. Secundy*

cc: Mr. Richard Corey, ARB  
Mr. Wayne Natri, SCAQMD  
Mr. Seyed Sadredin, SJVAPCD  
Mr. Samir Sheikh, SJVAPCD