



June 25, 2021

The Honorable Cottie Petrie-Norris  
Chair, Assembly Committee on Accountability and Administrative Review  
1020 N Street, Room 357  
Sacramento, CA 95814

**RE: SB 551 (Stern/Hertzberg) - Opposition**

Dear Chair Petrie-Norris,

The coalition of organizations represented on this letterhead<sup>1</sup> writes in **opposition of SB 551 (Stern/Hertzberg)**. As the language stands in this committee, the California Electric Vehicle Authority established by SB 551 is unnecessarily duplicative of the role the Governor's Office of Business and Economic Development (GO-Biz) plays in development and deployment of the Zero-Emission Vehicle Strategy (ZEV Strategy), and as written, the authority would only oversee battery electric vehicles (BEVs) since the language is not inclusive of fuel cell electric vehicles (FCEVs).

The ZEV Strategy was created through Executive Order N-79-20 in September 2020 to coordinate government and stakeholder innovation in the development of zero-emission vehicles (ZEV), ZEV infrastructure, ZEV end users, and a ZEV workforce to support shifting light duty and drayage transportation market segments to zero-emissions by 2035 and the medium and heavy-duty markets by

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<sup>1</sup> California Hydrogen Business Council, California Hydrogen Council, Western States Hydrogen Alliance, Loop Energy, Community Environmental Services, Nikola, Nel Hydrogen, Sheldon Research and Consulting, PowerTap Hydrogen, Ballard, IGX Group, Energy Independence Now

2045.<sup>2</sup> The ZEV Strategy incorporates both BEVs and FCEVs in its plan to achieve zero-emissions.<sup>3</sup> The California Electric Vehicle Authority proposed in SB 551 does not include FCEVs, although this lack of parity was identified in the Senate Transportation Committee analysis. Without FCEVs, the California Electric Vehicle Authority would be ignoring essential technology available at market today that helps decarbonize California and it would be overseeing entities that are inclusive of FCEVs, threatening progress made by the FCEV market.

If enacted, SB 551 would severely complicate the state's efforts to move to 100 percent ZEVs because the stated purpose of the California Electric Vehicle Authority is nearly identical to the GO-Biz mission for the ZEV Strategy, excluding any language relating to FCEVs. Like the ZEV Strategy, SB 551 states that *"the authority [California Electric Vehicle Authority] shall coordinate activities among state agencies to advance electric vehicle and zero-emission charging infrastructure deployment, as well as ensure related equity, workforce development, economic development, and other needs."*

Besides the exclusion of FCEV language, there are a few key differences between the ZEV Strategy and the proposed California Electric Vehicle Authority that illustrate the efficiency and value of the ZEV Strategy as compared to the proposed authority. For example, SB 551 creates a new entity in a capacity where one exists, while the ZEV Strategy was cautious to "not create a new layer of government, but instead organizes [sic] efforts to work more effectively and efficiently to transition to a self-sustaining ZEV market." Additionally, the ZEV Strategy *requires* yearly reporting and analysis throughout the 25-year transition, whereas the California Electric Vehicle Authority *may* publish updates about progress towards the authority's stated purpose every two years until January 1, 2029 when the statute sunsets.

The Governor's Office has already begun the work to reach the state's decarbonization and air quality goals by issuing E.O. N-79-20 and ensuring its success by developing the ZEV Strategy program to guide the critical transition to ZEVs. The first action plan for the ZEV Strategy was published in February 2021.<sup>4</sup> The organizations of this coalition are pleased with the GO-Biz strategy and the progress that has and continues to be made, and, therefore, sees no need to create another entity to serve the same purpose. If the author of SB 551 believes GO-Biz requires changes, then these changes should be addressed with the Governor's office rather than tasking the legislature to change the Governor's office.

Californians are already experiencing the devastating effects of climate change. In fact, a contributing factor towards the creation of the ZEV Strategy is the recognition of increasingly intense and extended wildfire seasons, extreme droughts, and unpredictable weather patterns brought on by the climate crisis.<sup>5</sup> California cannot afford to complicate the work being done to decarbonize the state and improve air quality by mandating an additional, temporary layer of government within the Governor's office to oversee work that has been, and continues to be, led successfully by GO-Biz.

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<sup>2</sup> [https://static.business.ca.gov/wp-content/uploads/2021/02/ZEV\\_Strategy\\_Feb2021.pdf](https://static.business.ca.gov/wp-content/uploads/2021/02/ZEV_Strategy_Feb2021.pdf) . Accessed June 21, 2021.

<sup>3</sup> [https://static.business.ca.gov/wp-content/uploads/2021/02/ZEV\\_Strategy\\_Feb2021.pdf](https://static.business.ca.gov/wp-content/uploads/2021/02/ZEV_Strategy_Feb2021.pdf) . Accessed June 24, 2021.

<sup>4</sup> [https://static.business.ca.gov/wp-content/uploads/2021/02/ZEV\\_Strategy\\_Feb2021.pdf](https://static.business.ca.gov/wp-content/uploads/2021/02/ZEV_Strategy_Feb2021.pdf) . Accessed June 21, 2021.

<sup>5</sup> [https://static.business.ca.gov/wp-content/uploads/2021/02/ZEV\\_Strategy\\_Feb2021.pdf](https://static.business.ca.gov/wp-content/uploads/2021/02/ZEV_Strategy_Feb2021.pdf) . Accessed June 21, 2021.

Collectively, the organizations of this coalition are excited to continue the work with GO-Biz, engaged stakeholders, and participating state agencies to transition California to 100 percent zero-emission vehicles. We look forward to helping California reach its stated decarbonization and air quality goals. To ensure our state's progress towards this transition is not disrupted, **we respectfully request your No vote.**

Respectfully Submitted,

California Hydrogen Business Council

California Hydrogen Council

Western States Hydrogen Alliance

Loop Energy

Community Environmental Services

Nikola

Nel Hydrogen

Sheldon Research and Consulting

PowerTap Hydrogen

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