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**OVERCOMING ROADBLOCKS TO NEXT GENERATION LOW
EMISSION VEHICLES**

New Report: Industry experts weigh in

San Francisco CA – In advance of California’s upcoming zero emission vehicle (ZEV) policy review and update, an influential group of venture capitalists, vehicle entrepreneurs, policy makers, and industry experts gathered from across the nation to assess technological, market, and policy barriers to the development of zero or near zero emission vehicles. “*Driving Transportation Innovation*,” a new report released today by Next 10, the nonpartisan, nonprofit organization that convened the group, presents an overview of the discussion and concludes that strategic sustained policymaking is required to trigger the technology and market transformations necessary to achieve near zero emission transportation.

“We are at a pivotal moment of extraordinary challenge and opportunity. The recent initial public offering from A123 Systems, a leading supplier of high-power lithium ion batteries, is a clear indicator that near-zero emission transportation technology is on the way to becoming profitable for investors,” said F. Noel Perry, founder of Next 10, “But while there are exciting developments in clean vehicle technology, barriers remain to the full throttle race we need. The policies we have identified will help remove those hurdles, ignite the market and spur economic growth and new jobs.”

“Companies, investors and consumers need long term market signals. Policy decisions made now will determine whether they get the right signal,” said Tim Woodward, Nth Power, who attended the meeting. “This report identifies critical effective complementary policies aimed to trigger the progress needed to achieve low to no carbon vehicle technology.”

Continuing business as usual, the number of motor vehicles on the road will double from 1.5 billion today to 3 billion by 2030, doubling emissions, and dramatically increasing worldwide dependence on OPEC and a small number of government controlled oil reserves. Experts gathered agree that key hurdles must be overcome in order to harness this market and drive the kind of technological progress necessary to move away from fossil fuel based transportation.

Critical barriers identified by the group include:

- A century of U.S. policies that in concert have effectively wed Americans (and growing ranks of other countries) to internal combustion engine vehicles fueled almost entirely by fossil fuels. Among them, incentive and subsidies that have kept oil and gasoline prices low.
- Lack of market certainty created by artificially low gasoline prices.
- Vehicle cost and resulting consumer demand.
- Lack of sustained political leadership.

Together these barriers have stunted the huge research, development and deployment investment needed to overcome technological and infrastructure barriers to near zero emission technology, according to the report.

The “multifaceted policy toolbox” outlined in the report includes:

- Clear predictable long-term performance standards including low carbon fuel, greenhouse gas emission, and fuel cycle ZEV mandates that consider fuel cycle emission allowances, miles driven, recyclability, and other elements.
- Balanced economic policies including Near Zero Emission Technology (NZET) production incentives, clean car discounts, and fuel price floor.
- RD&D, government procurement, and technology transfer including electricity infrastructure and technology development projects and government procurement of near zero emission vehicles.
- Information, education, and outreach including hand held, real time, information devices to inform driver choices.
- Legal systems including electric utility reforms to facilitate NZET and low carbon land use planning and zoning.

“There is no question that, with the right cost-effective transportation solutions, we can achieve far greater reductions in oil use and emissions than assumed,” said John E. Waters, CEO of Bright Automotive, who also attended the meeting. “But the time is urgent and the successful implementation of effective business-based complementary policies is crucial.”

The full report is available at:

<http://www.next10.org/next10/publications/zeroemission.html>

Media interviews with the author of the report and other experts may be arranged by contacting Cater Communications at (415) 453-0430 or roxanna@catercommunications.com.

Next 10 (www.next10.org) is an independent, nonpartisan organization that educates, engages and empowers Californians to improve the state’s future. Next 10 is focused on innovation and the intersection between the economy, the environment, and quality of life issues for all Californians. Next 10 funds research by leading experts on complex state issues and creates a portfolio of nonpartisan educational materials to foster a deeper understanding of the critical issues affecting our state.