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Remarks by Amandine Muskus

Manager, Environment & Energy, Association of Global Automakers, Inc. at the California Department of Toxic Substances Control Lead-Acid Battery Public Workshop

November 6, 2017

Good Afternoon. I am Amandine Muskus, Manager of Environment & Energy for the Association of Global Automakers, Inc. ("Global Automakers").[1]

Global Automakers represents the United States (U.S.) operations of major international automobile manufacturers and suppliers. Our automakers have invested $5.1 billion in California facilities, produced approximately 1.12 million vehicles sold in the state last year, and directly employ over 10,000 Californians. In 2016, our members represented 56% of the new vehicle sales and 66% of the "green" vehicle sales in California. Our members are committed to creating the safest, cleanest and most technologically advanced vehicles on the road.

I would like to thank you for the opportunity to provide remarks today and to offer our input with respect to some of the significant concerns that have been raised regarding potential inclusion of lead-acid batteries as priority products. Global Automakers' believes that lead-acid batteries:

1. Have a long-proven safety record in numerous applications that go beyond just motor vehicles;
2. Are meticulously managed through a robust regulatory framework at both the federal and state levels;
3. Do not have economically and technically feasible alternatives; and
4. Support California's goals of reducing greenhouse gases.

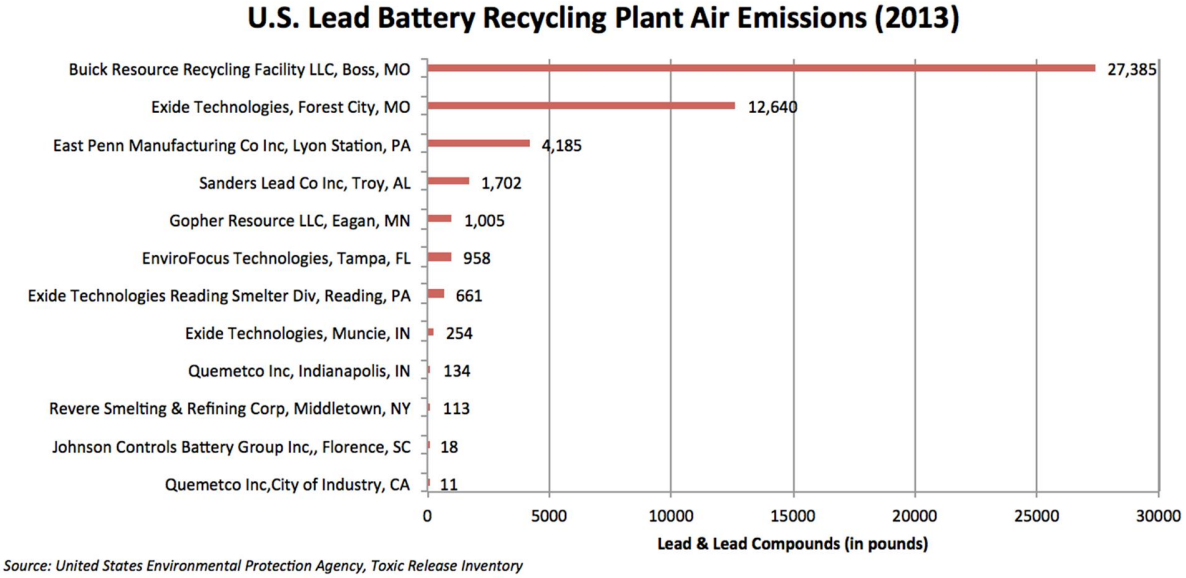
Global Automakers believes that a decision to consider lead-acid batteries as a priority product is inconsistent with the Department of Toxic Substance Control's (DTSC) goal of addressing

[1] Global Automakers works with industry leaders, legislators, regulators, and other stakeholders in the United States to create public policies that improve motor vehicle safety, encourage technological innovation and addresses environmental needs. Our goal is to foster an open and competitive automotive marketplace that encourages investment, job growth, and development of vehicles that can enhance Americans[1] quality of life. For more information, visit www.globalautomakers.org.

chemicals and products that have the highest potential for exposures of concern. On a relative scale of concern for chemicals and products that may have adverse impacts on the lives of Californians, it is difficult to understand how lead-acid batteries have risen to the top of that list.

First, in addressing our concerns, all mass-produced cars and trucks - nearly 255 million throughout the U.S. - contain lead-acid batteries, and have for decades. The safe use of these batteries has been supported by rigorous testing and validation. While the automotive sector is highly dependent on these batteries, they also serve other essential uses. For example, lead-acid batteries are considered so safe that they are the proven choice for hospitals globally to provide emergency power for life-saving equipment and other safety materials.

Second, the battery recycling process is well managed. Lead-acid batteries are the most recycled products in the US with a near 100% recycling rate. This point is substantiated by a June 2015 EPA report on disposal and recycling trends that found that the recycling rate of lead-acid batteries is the highest of all consumer products.[2] This high recycling rate demonstrates that the current take-back and deposit programs for battery replacement are working effectively and as intended to control improper battery disposal. Additionally, the only lead-acid battery facility in California--Quemetco in the City of Industry—engages only in recycling, and that facility has the lowest emissions of lead & lead compounds of all such facilities in the U.S.[3]



Source: United States Environmental Protection Agency, Toxic Release Inventory

[2] EPA. *Advancing Sustainable Materials Management Facts and Figures.* https://www.epa.gov/smm/advancing-sustainable-materials-management-facts-and-figures.

[3] EPA. "2017 Impact Report." Retrieved from https://www.epa.gov/trinationalanalysis.

Second, DTSC's "Evaluation of Lead-Acid Batteries" must assess "alternatives that are functionally acceptable, technically feasible, and economically feasible."[4] Like California, the European Union (EU) continues to explore alternatives to lead-acid batteries, but has again issued an extension of its phase-out because no functionally acceptable and economically feasible alternatives have been identified.[5] We understand there are programs to work on potential alternatives, but currently, none of the alternatives being evaluated are economically feasible or functionally acceptable for the needs of consumers. Further, these alternatives do not have a robust, well-managed and highly-regulated recycling program that is critical to end-of-life protections, but lead-acid batteries do, as I previously mentioned. Prior to listing lead-acid batteries as a priority product, DTSC must address all of these concerns.

Finally, lead-acid batteries have increasingly longer life cycles, and provide greenhouse gas benefits through both advanced technologies in vehicles and renewable wind and solar applications. It is predicted that by 2020, using advanced start-stop lead-acid batteries in motor vehicles will eliminate 2 million tons of greenhouse gas emissions each year (equivalent to the energy used by 211,000 average U.S. households). This is incredibly important in the broader context of California's long-term goal of reducing greenhouse gas emissions. Therefore, any action by DTSC related to lead-acid batteries should be discussed with the Air Resources Board to ensure prevention of unintended consequences and displacement of other state priorities.

Thank you for the opportunity to provide these comments. Global Automakers looks forward to further engaging with members of DTSC staff and stakeholders to work together to address concerns.

[4] DTSC. "Workplan Implementation: Evaluation of Lead-acid Batteries as a Potential Priority Product." (October 2017). Retrieved from: http://www.dtsc.ca.gov/SCP/upload/Batteries_workshop_Background_Doc.pdf.
[5] EU Directive 2006/66/EC on batteries and accumulators (the Batteries Directive). This directive was amended twice already, in 2008 and 2013 and only in 2016 was an evaluation roadmap published. The evaluation is intended to be the first step of the review process, and the Commission has further proposed to amend the Directive to modify its reporting requirements.