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To Brian Mclean, kruger. Jina, bimbaum.rona

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Subject Fw: Outcome of yesterday's CA waiver meeting with Johnson

There was still no final decision but everyone coming out of the meeting had a better 'vibe' about the direction compared to the last meeting, when Johnson said he wasn't even leaning one way or the other.

I think progress was made in a number of areas where Johnson expressed concern. On safety issues, which was something new that Johnsons raised at the last meeting, I think the info OTAQ provided comforted him that compromised safety should not be a significant issue as a result of making cars more efficient via GHG standards.

On the issue of how different our eventual federal rule will be compared to the CA rule, OTAQ showed information that the standards may not be so different, espectially in the near term, which addressed his concern about manufacturers having to build two fleets to meet two separate standards. OTAQ made the qualitative argument that if the standards are close it's unlikely manufacturers would be forced into producing different fleets.

On compelling and extraordinary conditions, I got to chime in again. In addition to the argument that climate change may exacerbate CA's tropospheric ozone problem — for which CA has historically demonstrated compelling and extraordinary conditions — I think Johnson now better appreciates that there are additional conditions in CA that make them vulnerable to climate change: water resources (we spent time talking about this); wildfires (the recent news I think is helping to push him); long coast line; largest population; largest economy; largest ag sector. His specific question at our last meeting was how much of our compelling and extraorindary argument is based on the fact that trop O3 will be made worse.

Margo said they need 6 weeks time to complete the waiver decision (I assume this is for some interagency review??), which means we need a final decision very soon if we're to stick with having a decision by year's end.

On a light note, as we were waiting for Johnson to enter the bullet room there were scenes of Arnold from a batman movie playing on the big screen, with Hotel California playing in the background. We don't know who did that (Peacock?), but Johnson didn't seem too amused.

NR

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