

Cost and Benefit Considerations for California's Automotive Fuel Needs

Diversify Vehicle Energy Sources

Emphasize Regional Flexibility of Fuel Rather than 100%

Air Quality Non-Attainment Areas can Use Oxygenated Fuel

Waiver on Oxygenate Requirement Elsewhere

Pursue Vehicle Technology Changes along with Fuel Blends

Economic Factors

Price of Supply and Demand will Reflect Timing and Scale of Use by Region

Environmental Health and Public Health Effects can be Measured on Regional Basis
(Mortality and Morbidity Effects)

Vehicle Retirement and New Technology Promotion Costs and Reduced Pollution
Benefits

Supply and Demand

Distinguish between Tax and Subsidy Portions of the Inputs to Produce, Transport, and
Distribute Fuels

Consumer Price at Pump Could Include Environmental and Health Factors on Regional
Basis (could be tied to federal and state taxes)

Valuation of Environmental Effects

Derive Mortality and Morbidity Impacts from Risk Assessment

Cost of Illness Approach for Morbidity

Survey Public for Morbidity and Mortality Values