



An EDISON INTERNATIONAL® Company

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Submitted online to the “informal comment docket”

Re: Support for the Advanced Clean Fleets Rule

Southern California Edison (SCE) appreciates the opportunity to informally comment on the Proposed Draft Advanced Clean Fleets (ACF) Rule.

SCE supports the ACF Rule

SCE is committed to accelerating transportation electrification and assisting customers through the transition to a decarbonized economy. SCE believes this transition plays an essential part in helping to meet California’s ambitious goals, cutting greenhouse gases, and improving air quality, particularly in communities disproportionately burdened with air pollution impacts.

Accordingly, SCE supports a successful ACF Rule and appreciates CARB’s efforts to address stakeholder concerns in its recent updates to the proposed draft ACF regulation language, which was shared during public workshops on May 2, 4, and 6. SCE also appreciates the opportunity to provide these informal comments and share several recommendations.

1. Clarification is Needed to Validate that the Model Year Schedule Process Does Not Apply to Vehicles Contracted for Prior to January 1, 2024 but Delivered in 2024 or After

Section 2015.1 states that unless a fleet chooses to comply with the flexibility of the ZEV Milestone requirements of 2015.2, beginning January 1, 2024, all vehicles added to the fleet must be zero-emissions vehicles (ZEVs), and that no internal combustion engine vehicles (ICEVs) can be added to the fleet on or after January 1, 2024, unless the ICEV was granted an

exemption or extension under Section 2015.3.¹ The term “added” is not defined within the regulation, as such SCE interprets the phrase “vehicles added” to mean vehicles “delivered” (as that word is used in Sections 2015 (b) (78) and (79)).²

Because it can take several years from establishment of a procurement contract for certain vehicles to be built and delivered, some fleets may have already signed contracts to have ICEVs built for delivery in 2024 or after, especially if appropriate ZEV options are not currently available. Although the proposed draft ACF regulation language provides a ZEV Unavailability Exemption, the exemption process is not yet available because the regulation has yet to be finalized. As such, fleets in this situation would appear to be limited to a single option – adoption of the ZEV Milestone requirement.

SCE is concerned that under the ZEV Milestone requirement, fleets must acknowledge that they are knowingly and voluntarily waiving the advantages of the provisions of the Health and Safety Code 43021(a) that would otherwise apply to any commercial motor vehicles as defined in CVC section 34601 in their California fleet prior to January 1, 2024 or added to the fleets on or after January 1, 2024.³ However, if a fleet that has no other alternative but the ZEV Milestone requirement, SCE is concerned that it cannot voluntarily waive the Health and Safety Code provisions. Rather, it could appear that CARB was inadvertently forcing the fleet to adopt the requirement.

To address this concern, SCE requests that CARB clarify within the ZEV Additions definition in Section 2015.1 that the “vehicles added” language within its Model Year Schedule requirement is specific to the contracting process and does not apply to vehicles delivered beginning January 1, 2024, provided that a contract for the vehicle was made prior to the final adoption of CARB’s ACF regulation and the establishment of the ZEV Unavailability Exemption process.⁴ Specifically, SCE recommends adding the following revision in bold to Section 2015.1:

*Beginning January 1, 2024, **when entering into a contract(s) for new or additional vehicles** fleet owners must comply with the following unless choosing to comply with the flexibility of the ZEV Milestone requirements of section 2015.2.⁵*

2. A Commercial Availability Definition Should be Established for Each Vehicle Class

Section 2015.3 (e) of CARB’s proposed draft ACF regulation language for High Priority and Federal Fleet Requirements states that “[f]leet owners may be exempt from the ZEV purchase requirements if a vehicle configuration is not commercially available with a ZEV or NZEV

¹ CARB’s ACF Proposed Draft Regulation Language for High Priority and Federal Fleet Requirements, Section 2015.1 (a-b) pp. 17-18.

² *Id.*, Section 2015. (b)(78-79) p.13.

³ *Id.*, Section 2015.2, p. 18.

⁴ *Id.*, Section 2015.1 p.17.

⁵ *Id.*,

powertrain at the time the ICEV is purchased.”⁶ The proposed draft ACF regulation language further states that “a list of unavailable ZEVs will be kept on the CARB website...” and that CARB’s “Executive Officer will add or remove vehicles from the list if conditions of this section have been met.”⁷ All of the following conditions are required for a vehicle to be added to the list of unavailable ZEVs on the website:

1. The vehicle configuration is commercially available as an ICEV
2. There is no new ZEV or NZEV powertrain conversion for any commercially available new ICEV or incomplete chassis that can be equipped in the needed configuration
3. There is no commercially available new ZEV or NZEV sold as a complete vehicle with an equivalent configuration; and
4. There is no ZEV or NZEV chassis that is commercially available that can be equipped in the needed configuration.⁸

SCE appreciates that the conditions specify that vehicles are to be equipped in the “needed” or “equivalent” configuration. However, SCE is concerned that the requirement does not establish any protections for fleets when a single or limited number of vehicle chassis or conversions are available. Fleets are likely to spend hundreds of thousands of dollars on the purchase of new ZEVs, and as with any purchase should be allowed to consider factors such as warranty, durability, service options, manufacturer reliability, and price. When multiple options are available, fleets can choose the vehicle that best meets their needs. However, if there is only a single ZEV or NZEV available – even if it is a bad option – under the current draft language, the fleet owner would be required to procure it (if they needed to add a vehicle under the Model Year Schedule option).

Therefore, to avoid this scenario, we recommend that CARB establish a commercial availability definition for each vehicle class, that at a minimum considers:

- (1) market availability – a vehicle must be produced by at least three manufacturers and be available for purchase
- (2) truck characteristics – characteristics such as range and duty cycle that are relevant to determining if the vehicle meets the business requirements; and
- (3) infrastructure – validation that infrastructure is available (for businesses that rely on public charging or a fueling service).

The establishment of a commercial availability definition that considers these characteristics will help address concerns that under CARB’s proposed draft ACF regulation language a fleet would be required to purchase a vehicle, even if it is not considered reliable, simply because it is the only option available.

3. Revise Requirements Specific to Hiring of Contract Fleets

⁶ *Id.*, Section 2015.3 (e), p. 24.

⁷ *Id.*

⁸ *Id.*, Section 2015.3 (e)(3)(A-D), p. 25.

The regulation requires “hiring entities” to keep and provide extensive documentation used to verify that the hired contracted fleets comply with CARB regulations.⁹ The term “hiring entities” includes “any motor carrier, ... person, or entity” that hires certain types of fleets.¹⁰ As a result, it appears that any company that hires a package delivery service like Federal Express would be required to retain compliance documentation for the Federal Express fleet. In order to prevent this unintended result, we recommend that the definition of “hiring entity” be restricted to “any motor carrier of property” as defined by Vehicle Code Section 34601 (a), which is a far narrower class of entities. We also recommend the deletion of the phrase “person, or entity” from the definition so that it is clearly limited to motor carrier permit holders.

4. Recommend that CARB Clarify that ZEV Additions Do Not Account for Month-to-Month Rentals or the Renewal or Purchase of an Existing Lease

Section 2015.1 (a) of the regulation states that “[a]ll vehicles added to the California fleet must be ZEVs.”¹¹ It is unclear if the term “added” includes (1) short-term or month-to-month rentals or (2) the renewal or purchase of an existing lease. Occasionally, a fleet operator may need to rent a vehicle for use on a short-term basis. SCE requests that CARB clarify that these short-term or month-to-month rentals are not considered an addition to the entity’s fleet. Additionally, SCE requests that CARB clarify that the renewal or purchase of an existing lease is not considered an addition to the fleet, but rather that such vehicle is already considered part of the existing fleet.

5. A Process Is Needed to Provide Clarity Around Vehicle Definitions and Categories within the Milestone Groups

Section 2015(b) provides definitions for milestone groups 1, 2, and 3, as well as numerous types of vehicles. While SCE appreciates CARB’s effort to define these items, it is likely that a vehicle category/type will be missed either from the definition or milestone group. For example, SCE has noticed that “service or utility truck” is not listed under any of the milestone groups. Additionally, it is unclear to SCE if “light-duty package delivery vehicles” would include deliveries to an external customer or if internal mail/ equipment deliveries would fall within this category.

While SCE plans to share feedback on specific definitions that may require clarification, SCE requests that CARB establish a process to help obtain clarity when these types of questions/issues arise in the future. Specifically, SCE is concerned that it may interpret a vehicle to be within a specific category, but due to a lack of clarity in the definitions, CARB may have a different interpretation. Accordingly, it would be helpful for the regulation to specify a

⁹ Section 2015.5 (i): “Hiring Entity Documentation. Hiring entities that are subject to the regulation per section 2015(a)(3) must keep and provide documentation, records, dispatch records, contracts, certificates of compliance, and other records used to verify that hired fleets are compliant with CARB regulations.”

¹⁰ Section 2015 (a)(3).

¹¹ §2015.1(a)

process by which the fleet can obtain clarity/confirmation on vehicle and milestone questions, to avoid potential for confusion.

6. An Exemption for the Drayage Truck Requirements Is Needed in the Event Infrastructure Is Unavailable

Section 2014.1 (a)(1)(A) of CARB’s proposed draft ACF regulation language for Drayage Truck Requirements states that “[b]eginning January 1, 2024, all drayage trucks registering for the first time in the CARB Online System must be equipped with and operate a zero-emission powertrain as a zero-emission vehicle.” SCE supports an accelerated transition of drayage trucks to ZEVs, as a requirement to help support the state’s air quality goals and reduce the impacts of air pollution in the communities surrounding the seaports and intermodal railyards.

However, SCE is concerned that the proposed draft ACF regulation language for Drayage Trucks does not appear to consider if sufficient public EV charging stations will be available near ports/railways by January 1, 2024 to support this requirement. Accordingly, SCE requests that CARB revise the proposed draft ACF regulation language to incorporate a process to assess EV charging availability near each respective seaport and railway and provide an extension of time for those locations where the number of EV charging stations is determined to be inadequate.

Although there will be challenges ahead, as we increase ZE vehicles in fleets across California, SCE views the challenges and work ahead as a call to action and is committed to doing our part in transitioning our own fleet vehicles and partnering with customers and the State to ensure a successful transition to the necessary ZE technology solutions that will set us on a path to achieving our air quality and climate goals. We look forward to continuing to collaborate on this important regulation and plan to schedule a call with CARB staff to further discuss and obtain clarification on specific definitions and the exemption process outlined in Section 2015.2(e.)(5).

Thank you for considering our comments regarding this important regulation.

Sincerely,

/s/ Rosalie Barcinas

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