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September 24, 2018

Clerk of the Board  
California Air Resources Board  
1001 I Street  
Sacramento, CA 95814

Via E-Submittal: [https://www.arb.ca.gov/lispub/comm/bcsubform.php?listname=ict2018&comm\\_period=A](https://www.arb.ca.gov/lispub/comm/bcsubform.php?listname=ict2018&comm_period=A)

RE: Innovative Clean Transit Proposed Regulation

Trillium appreciates the opportunity to continue engaging in the Innovative Clean Transit (ICT) rulemaking process. We are committed to building the infrastructure needed to help the state achieve its decarbonization and clean air quality goals, including the deployment of zero and near-zero emission buses. We are technology agnostic and support all forms of clean (low-carbon) transportation solutions including: hydrogen fuel cell, battery electric and renewable natural gas (RNG).

California will need to deploy a balanced mix of strategies that spur innovation in both the electrification and renewable energy sectors in order to achieve the State's ambitious climate and criteria pollutant reduction goals. These strategies will require a fundamental shift in the way we think about transportation, including public transit. We support a clean transit future, including zero emission technologies, and we want to work with you to ensure the long-term success of this regulation. Trillium welcomes the opportunity to provide CARB technical assistance and collaboratively participate in both this regulatory process and its eventual implementation, including any potential infrastructure technical working groups.

We believe the Proposed Regulation (Regulation) takes the earlier proposals in the right direction, allowing for the potential to lower the costs of implementation, and provide additional stakeholder flexibility. There are a number of compliance options spelled out in the rule, along with a few alternative compliance options on a case-by-case basis. What the regulation itself is missing is an opportunity for the CARB Board to review and re-evaluate the status of the important underlying cost and technology assumptions along the Rule's implementation. Trillium requests that these assumptions be revisited such that a course correction can be made, if desired or necessary.

The Initial Statement of Reason (ISOR) commits to conducting a "Performance Review"<sup>1</sup> at least one year prior to the start of the purchase mandate, specifically to:

*"identify the status of ZEB technology and would help the State design policies to further advance zero-emission technologies, and inform funding strategies related to zero-emission vehicles and infrastructure."*

The commitment includes a review of Costs, Battery Performance, Operating Range, and Performance and Reliability. Trillium is supportive of such review, but believe that the ICT regulation itself should require such a review. As currently drafted the regulation does not. This commitment is only provided in the staff report, and there is no requirement to revisit the standards in the ICT based on this new information. Such a review could show that additional opportunities exist, or likewise identify areas that need adjustment. The ISOR quote above specifically states that the review is to help set the policies moving forward. Such policy setting cannot occur if the Performance Review is only presented as an informational item.

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<sup>1</sup> <https://www.arb.ca.gov/regact/2018/ict2018/isor.pdf>



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The Performance Review is really a reality check on staff's 2018 assumptions in the future. History has shown that two scenarios are likely moving forward—1) California innovation provides lower cost, better performing Zero Emission Busses, or 2) Initial aggressive assumptions need to be revisited and adjusted based on unforeseen market conditions, such as tariffs. There are numerous examples of both outcomes in CARB's history. Having the Performance Review presented to the Board, with the ability to react, provides future policy makers an opportunity to adjust the rule to ensure the state achieves its clean air goals and objectives.

California is leading the country and providing a platform for the successful deployment of Zero Emission Vehicles ("ZEV"). The technology for both battery electric and hydrogen will continue to improve as the major automotive manufacturers continue to allocate more resources into ZEV research and development. CARB will continue to dedicate considerable time and resources to this effort over the next few years, and it makes a lot of sense to revisit the foundation as new technologies and solutions or unforeseen challenges emerge. We welcome the opportunity to work with CARB and staff as we navigate this road together with the mutual goal end game in mind: Clean air for all Californians. If you have any questions, please contact me directly: [bill.cashmareck@loves.com](mailto:bill.cashmareck@loves.com)

Sincerely,

/s/

Bill Cashmareck  
Director, Trillium