



September 24, 2018

California Air Resources Board
1001 I St.
Sacramento, CA 95814

Submitted via CARB's "ict2018" online comment submittal form

Re: Proposed Innovative Clean Transit Regulation, a Replacement of the Fleet Rule for Transit Agencies

The California Electric Transportation Coalition (CalETC) appreciates the opportunity to provide our support and recommendations for the California Air Resources Board (CARB) Proposed Innovative Clean Transit Regulation.¹ CalETC appreciates staff's efforts to convene stakeholders, consider feedback during the development of this proposal, and thoroughly analyze regulatory options.

CalETC supports and advocates for the transition to a zero-emission transportation future as a means to spur economic growth, fuel diversity and energy independence, ensure clean air, and combat climate change. CalETC is a non-profit association committed to the successful introduction and large-scale deployment of all forms of electric transportation including plug-in electric vehicles of all weight classes, transit buses, port electrification, off-road electric vehicles and equipment, and rail. Our board of directors includes: Los Angeles Department of Water and Power, Pacific Gas and Electric, Sacramento Municipal Utility District, San Diego Gas and Electric, Southern California Edison, and the Southern California Public Power Authority. Our membership also includes major automakers, manufacturers of zero-emission trucks and buses, and other industry leaders supporting transportation electrification.

Although California is leading the nation in zero-emission vehicle (ZEV) adoption, our state still has a long way to go to reach the goals in the Governor's Executive Order B-48-18: 5 million ZEVs on California roads by 2030 and specified levels of zero-emission vehicle infrastructure by 2025 to support the transition to these vehicles. In addition, the state must implement SB 1275 (De León) [Chapter 530, Statutes of 2014] and SB 1204 (Lara) [Chapter 524, Statutes of 2014], which set targets for the deployment of 1 million zero- and near-zero-emission vehicles by 2023, access to these vehicles by disadvantaged and low- and moderate-income communities, and deployment of zero- and near-zero-emission medium- and heavy-duty vehicle technologies.

Transitioning the medium- and heavy-duty sectors to zero-emission technologies is and will continue to be a difficult task, requiring appropriate regulatory direction and incentives. The

¹ Available at: <https://www.arb.ca.gov/regact/2018/ict2018/ict2018.htm>.

adoption of this proposed regulation is a key component of California's overall shift to zero-emission transportation to protect public health, achieve our clean air and climate targets, and spur economic growth in the state. Transforming California's transit fleet to a zero-emission fleet will also help accelerate the transition to zero-emission technologies in other segments of the medium- and heavy-duty transportation sectors to meet air-quality, climate, and public-health goals.

CalETC supports the Proposed Innovative Clean Transit Regulation with a few suggested improvements, summarized below.

I. CalETC supports the Proposed Regulation's Zero-Emission Bus Rollout Plan concept and 2040 zero-emission deadline.

It is imperative the Innovative Clean Transit regulation achieves a zero-emission transit system by 2040. We support the key element of the Proposed Regulation to require transit agencies to develop plans to transition to zero-emission bus (ZEB) fleets by 2040. The transition to ZEBs by 2040 is consistent with purchase schedules of transit agencies and is necessary for the state to meet its clean air and climate targets.

II. CalETC recommends moving up the date by which small transit agencies must submit their ZEB Rollout Plans.

In the Proposed Regulation, transit agencies are required to submit transit-board approved ZEB Rollout Plans. Large transit agencies are required to submit their ZEB Rollout Plans by July 1, 2020 and small transit agencies are required to submit their ZEB Rollout Plans by July 1, 2023. CalETC supports the submission date for large transit agencies and recommends that small transit agencies be required to submit their ZEB Rollout Plans sooner than 2023. An earlier submission date of January 1, 2021 will allow small transit agencies to plan for their ZEB transition sooner and will allow for small transit agencies to apply for and access ZEB funding in the near-term. Many California transit agencies have already established and are implementing ZEB plans, providing helpful guidance and lessons-learned to other transit agencies.

We also support the Rollout Plan components, especially consideration of how the transit agencies plan to deploy ZEVs in disadvantaged communities. CalETC supports ensuring that the transition to zero-emissions will benefit disadvantaged communities early-on as transit agencies replace conventional buses with ZEBs.

III. CalETC recommends the Innovative Clean Transit regulation require cutaway and non-standard buses to transition to zero-emission technologies two years after at least two commercially-available vehicles have completed Altoona testing.

CalETC supports the Proposed Regulation initially excluding purchase requirements for cutaway buses, over-the-road buses (motor coaches) and articulated buses until there are commercially-

available zero-emission options in these categories that have completed Altoona testing. We are not opposed to including provisions incentivizing replacement of these vehicles with zero-emission options, such as through crediting, but agree it is not appropriate to institute purchase requirements at this time.

CalETC recommends cutaways and non-standard buses be included in the Proposed Regulation, with purchase requirements beginning for these buses two years after at least two commercially-available vehicles have completed Altoona testing. This will encourage vehicle manufacturers to manufacture and test the vehicles because they know there will be demand from transit agencies once the vehicles are commercially available; and will also give transit agencies time to plan for transitioning non-standard buses to zero-emissions.

IV. The proposed ZEB purchase requirement timeline is reasonable.

We recognize the financial constraints of transit agencies and value the important services transit agencies provide. In our previous comments, we supported allowing transit agencies additional time to plan and access public funding. We find the proposed purchase requirement timeline reasonable, but defer to our transit agency and environmental partners to determine whether the purchase requirement timeline appropriately considers transit agency planning, bus purchasing, infrastructure procurement and installation, and what is needed to meet the 2040 deadline of zero-emissions.

CalETC continues to support allowing transit agencies to access public funding, to the extent allowed by law, throughout their transition to a zero-emission fleet, so long as the 2040 deadline for a zero-emission transit system is not delayed. Transit agencies face unique operational and economic difficulties, and they provide an extremely important service for our communities. Regulatory and incentive programs should account for this unique situation. Should there be a viable option to allow for transit agencies to access incentive funding as they transition to ZEBs, even after purchase-requirement deadlines commence—such as modifying the criteria of the Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP)—we would support that option.

V. CalETC recommends all zero-emission buses receive the same amount of bonus credits for early compliance.

The proposed bonus credit structure for zero-emission buses differs for battery-electric and hydrogen fuel-cell buses. CalETC recommends that all zero-emission buses receive the same amount of bonus credits for the same early-compliance period.

VI. Conclusion

Overall, CalETC supports the Proposed Innovative Clean Transit Regulation. The Innovative Clean Transit regulation is a necessary component of the state's clean-transportation plan. Transitioning

California's transit fleets to zero-emission technologies will help the state meet its air-quality, climate, public-health, and economic goals. Zero-emission transportation powered by clean electricity will yield the greatest benefits for the state, whether on today's grid or on the future's even-cleaner grid.

CalETC thanks CARB staff for their commitment to involve stakeholders throughout the development of the Proposed Regulation. CalETC supports staff's recommendations to continue to work with transit agencies and other stakeholders to assess and adjust the regulation if necessary.

Thank you for your consideration of our comments. Please do not hesitate to contact me if you have any questions via phone at (916) 551-1943 or via email at hannah@caletc.com.

Sincerely,

A handwritten signature in blue ink that reads "Hannah Goldsmith". The signature is fluid and cursive, with the first name "Hannah" and last name "Goldsmith" clearly legible.

Hannah Goldsmith
Deputy Executive Director
California Electric Transportation Coalition