

Ms. Liane Randolph
California Air Resources Board
1001 I St
Sacramento CA 95814

Dear Chair Randolph,

On behalf of our more than 44,000+ supporters in California, The Union of Concerned Scientists (UCS) is pleased to provide comments to the California Air Resources Board (CARB) related to the Regulatory Order for the Clean Miles Standard (CMS), a critically important policy for reducing climate emissions from Transportation Network Companies (TNCs) and other high mileage fleets.

We applaud the proposed standards for greenhouse gas emissions and electric vehicle miles traveled (eVMT) and urge the board to adopt the proposed rule.

UCS applauds the work of staff to strengthen the draft rule over the past year and appreciates your attention and responsiveness to our previous comment letters. We are strongly supportive of efforts to reduce emissions from ridehailing, as our research has found that the average ridehailing trip currently produces 69% more greenhouse gas emissions than the trip it displaces. If implemented carefully, this proposed rule has the potential to provide significant benefits in greenhouse gas emission reductions, air quality improvements, increased availability of EV charging infrastructure, and savings for ridehailing drivers. In particular, UCS is supportive of the following aspects of the proposed regulatory order:

- The eVMT target of 90% in 2030 is a significant improvement over the draft target evaluated in the SRIA, and an ambitious but achievable standard for the ridehailing industry.
- The greenhouse gas emissions target of 0 grams CO₂/PMT in 2030 ensures that ridehailing companies will further reduce their emissions, while providing incentives to reduce congestion impacts of ridehailing by reducing deadheading and increasing pooling
- Strong data reporting requirements that will ensure compliance with this standard and inform potential future regulatory processes.

CARB has made conservative cost assumptions throughout its analysis (for example, projecting the cost of gas to remain in below \$2.70 through 2030) and we see this standard as a floor, not a ceiling for how fast we should be seeing progress toward electrification. This is particularly true of the interim eVMT and GHG targets in the early years of the regulatory period. Ride hailing companies should be electrifying ahead of the fleet as a whole due to

their increased emissions and potential for larger savings from transitioning to EVs. CARB, and the PUC during its implementation phase, should be matching the ambition of the interim targets to the overall goal and clear policy direction CA has taken toward increasing the uptake of electric vehicles.

The Clean Miles Standard regulatory design should take every opportunity to push TNCs to demonstrate that they are supporting driver transition to EVs

There are important considerations around costs to drivers to switch to EVs, and UCS appreciates CARB's focus on equity considerations throughout the rulemaking process. Companies are employing a range of strategies to support drivers in transitioning to electric vehicles, both in response to emission standards and to make progress toward their own commitments to reduce their carbon emissions. Compliance with the GHG target should address the up-front incremental costs of EV purchase as well as charging infrastructure barriers, such as the additional costs associated with DCFC utilization for drivers who are unable to charge at home. It is particularly important that drivers have transparent and consistent information about what support is available, and a commitment from the companies to continue providing promised support.

Based on the data released by CARB from its cost analysis developed as part of the ISOR, [UCS estimates](#) that covering the up-front costs of transitioning to electric vehicles, while ensuring drivers to reap the savings from lower fuel and maintenance costs, would cost companies less than 4 cents per mile, less than 40 cents on the average ridehailing trip.

Data collection and analysis is critical to meet the state's ambitious climate goals. We commend CARB on robust data collection that is necessary to measure and track TNC emissions and to evaluate and minimize the burden on low-and moderate income drivers on the transition to zero-emissions vehicles. Even if CARB is not statutorily empowered to ensure minimal negative impact on drivers through the Board's regulatory procedure, CARB must collect the proper data to enable CPUC to fulfill this statutory obligation.

Suggestions to ensure CARB and the CPUC collect appropriate data:

- In Attachment 1 Required Trip Data Fields, in the field on "App On Or Passenger Dropped Off Latitude & Longitude" TNCs can submit either App On *or* Passenger Dropped off location. We recommend collecting both sets of data "App On and Passenger Dropped off Location" to enable CARB to track the length of the trip the driver makes back to their base location. For example, a driver may start in San Francisco and drop off a passenger in Oakland, which is app on. After dropping off the passenger, the driver then goes back to San Francisco, perhaps spending an hour in traffic. That is time on the road that needs to be tracked in data collection.
- On the field of "Passenger Pick-up." We recommend dividing this field into two data points—1) driver arrival at the passenger location and 2) passenger pick-up and start of P3 trip. Both data points are necessary to measure the amount of time a driver spends idling or circling while waiting for a passenger to arrive and engage P3 time. Idling or "deadhead" time is a major source of unnecessary TNC emissions and must be tracked.

We also recommend that CARB make this data public and hold annual hearings so that stakeholders and the public can comment on TNC's progress toward the CMS goals and any problems with transparency or accountability to meeting those goals. CARB and the CPUC should require companies to demonstrate that they are supporting drivers, and evaluate that support in the context of trends in total driver compensation. Reporting of this data should be required of all ridehailing companies and we look forward to continuing to engage on this important issue with both the CARB and the California Public Utilities Commission (CPUC).

Optional credits for micromobility and transit connections are a good start at addressing other impacts of ridehailing, but would benefit from further clarification.

UCS supports CARB staff proposal to focus bike/pedestrian credits on contributions toward infrastructure rather than the number of micromobility trips provided.

While micromobility services, like other emerging transportation technologies, offer the potential for emissions reductions if micromobility trips displace SOV trips, these emission benefits are not yet well-documented. For example, analysis of [Chicago's 2019 e-scooter pilot](#) found that introduction of scooters did not measurably affect ridehailing activity in the pilot area. By providing GHG credits for contributions toward infrastructure projects included in local jurisdiction plans, CARB is ensuring that these credits result in long-term emission reductions that benefit users of the micromobility services provided by the companies as well as users who walk or use their own bicycles, scooters, and wheelchairs. We encourage CARB to consider particularly encouraging investments in identified projects in low income and environmental justice communities.

The revised optional transit credit addressed most urgent concerns about incentivizing dirtier ridehailing vehicles in first/last mile service

UCS appreciates staff work to limit credit for first/last mile service to trips through an integrated fare payment system. It is critical that CARB, the CPUC, and the public have data demonstrating the connection between the ridehailing trip and the transit trip, rather than just information on trips that started or ended near a transit station.

We also appreciate staff's work to revise the CO2 credit for mass-transit connected trips to reduce the incentive for companies to deploy less fuel-efficient vehicles in first-last mile service. Not only would the prior approach incentivize the use of gasoline vehicles in last mile service, it could also have incentivized companies to direct TNC drivers in older, less efficient vehicles into shorter, less profitable first/last mile service, which could negatively impact the earnings of low-income drivers. However, we remain concerned that using the 2018 fleet average may still create incentives for companies to deploy less efficient vehicles in ridehailing service. We are also concerned that by holding the vehicle emission factor constant, this incentive may increase over time.

CARB, CPUC, CALSTA and other agencies should continue to address environmental impacts of ridehailing and automated vehicles in future regulatory processes

The recent CPUC Decision Authorizing Deployment of Drivered and Driverless AV Passenger Services establishes a process for the deployment of automated technology in fare collecting service. In declining to establish specific requirements for EV deployment within

that Decision, the CPUC highlights the role of the Clean Miles Standard development process in establishing electrification requirements for automated vehicles. However, the Clean Miles Standard does not address all ridehailing impacts, nor all impacts of AVs. This rulemaking process was significantly challenged because of the business model of ridehailing (with individual drivers needing to purchase vehicles for use on the platform) and the model regulatory agencies take when addressing the emissions impacts of drivered and driverless AV passenger services (which are owned and operated as fleets by an entity regulated under the PUC and DMV

AV fleets do not present the same equity challenges related to the costs of transition falling on low income drivers. As the CPUC, CARB and CALSTA continue to engage in processes aimed at sustainable and equitable deployment of automated vehicles, we would urge

We appreciate CARB staff's efforts to advance this rulemaking process during very uncertain times in the world and in the ridehailing industry. We hope that these comments are useful as CARB continues through the regulatory process. We look forward to continued conversations as the process moves forward.

Sincerely,

A handwritten signature in black ink, appearing to read "Elizabeth J. Irvin". The signature is fluid and cursive, with a large initial "E" and "I".

Elizabeth Irvin
Senior Transportation Analyst
Clean Transportation Program
Union of Concerned Scientists