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Big Los Angeles County Business Federation

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October 29, 2021

Liane M. Randolph Chair, California Air Resources Board 1001 I Street Sacramento, CA 95814

Re: Comments on Proposed Advanced Clean Fleets Regulation

On behalf of the Los Angeles County Business Federation "BizFed" and the undersigned organizations, we are contacting you to express our deep, collective concerns regarding the potential impacts of the draft rulemaking language and updated cost assumptions of the proposed Advanced Clean Fleets Regulation (ACF).

Los Angeles County is home to the most robust and active goods movement sector in the nation. We have the two largest ports in the country — Los Angeles and Long Beach — and a *multitrillion-dollar* economy encompassing a vast range of industries. The thoughtfulness of your rulemaking processes and language will impact not only our regional economy, but also economic dynamics on the global stage. All stakeholders should weigh in on this process.

We certainly support efforts to reduce emissions. We are keenly aware of the positive and negative impacts the goods movement has had, particularly on disadvantaged communities. Southern California has already made tremendous strides in reducing emissions and, thanks to the effectiveness of existing policies, we are confident this positive trend will continue.

As with all regulations, additional efforts to further reduce emissions require a holistic approach. Sustainability is not just about the environment. Sustainability is a broad goal that must also take into account the sustainability of jobs, the sustainability of community development, and the sustainability of our economic health.

We ask that the California Air Resources Board consider the following as you move forward with your proposed rulemaking:

• Inclusion of low NOx vehicles and remaining technology neutral

To start tackling our clean air goals immediately, CARB should expand the rule to include low NOx vehicles and extend implementation timelines to allow for the full usage of those trucks. CARB should also leave room open for further technological advancements and not limit potential innovation. By allowing battery electric and hydrogen fueling only, we are causing the perfect to be the enemy of the good.

Adopting a rule using technology that is available today will help reduce emissions in the near term and give industries and agencies more time to plan for the technologies that are not yet commercially and readily available. Getting to our goals as quickly and effectively as possible requires using a diverse range of resources that are at our fingertips now, instead of forcing advancements that are not quite ready.

• Further investments needed to address cost and infrastructure

Electric and other zero-emission options are important for reducing emissions and we support their inclusion. However, zero-emission transportation options, particularly for medium/heavy duty transportation, are not available at scale yet, and a successful transition will require serious investments and support to address cost of adoption and charging/fueling infrastructure needs.

As CARB continues to develop the draft cost document, the costs of building new infrastructure, the compliance costs, removing old infrastructure, and turning over fleets needs to be continually examined. It is incumbent upon CARB to understand the full weight of what they are asking industry to abide by – and should create incentive programs and funding mechanisms to make the transition more affordable.

• Clear communication between state agencies and industry

We are encouraged to hear that CARB will include the California Energy Commission (CEC) and the California Public Utilities Commission (CPUC) and Governor's Office of Business & Economic Development (GO-Biz) in future workshops and throughout the process of the ACF.

Clear and open communications with the CEC, CPUC, and GO-Biz will help guide the process and give all stakeholders a clearer understanding of publicly available charging and timeline requirements under the ACF. It also gives CARB staff a fuller understanding of what is reasonable for industry to implement and resources that will need to be put in place for them to comply.

We all want to work with state agency leaders to reach our clean air goals and we look forward to future communication with CARB throughout the rulemaking process. If you have any questions regarding this letter, please contact BizFed Senior Policy Manager Sarah Wiltfong at <u>sarah.wiltfong@bizfed.org</u>.

Signed,

California Asphalt Pavement Association California Retailers Association California Small Business Alliance Construction Industry Coalition on Air Quality FuturePorts Harbor Association of Industry and Commerce Industry Business Council Long Beach Area Chamber of Commerce Los Angeles Area Chamber of Commerce Los Angeles County Business Federation (BizFed) NAIOP Orange County Business Council San Fernando Valley Chamber of Commerce South Bay Association of Chambers of Commerce Torrance Area Chamber of Commerce

Cc: California Public Utilities Commissioners California Energy Commissioners Dee Dee Myers, GO-Biz Governor Newsom