

November 22, 2019

Clerk's Office
California Air Resources Board
1001 I Street
Sacramento, CA 95814

RE: Comments on the Proposed Advanced Clean Trucks Regulation—Large Entity and Fleet Reporting Requirement

Orange County Business Council (OCBC) is the leading voice of business in Orange County and seeks to achieve equitable solutions to global climate change. Regulations proposed by the California Air Resources Board (CARB) must be implemented with stakeholder input from the business community, as unreasonable and burdensome policies drive businesses and jobs out of Orange County and the state. Therefore, OCBC is deeply concerned about the large entity reporting requirement of the Advanced Clean Trucks draft regulation first published on October 22, 2019 and set for hearing before the California Air Resources Board (CARB) on December 12, 2019. The draft reporting requirement regulation has been fast tracked with limited public outreach and engagement from impacted businesses. This draft regulation imposes new costly and burdensome reporting requirements and should be thoroughly vetted before adoption.

We therefore request that CARB bifurcate the large entity reporting requirement from the manufacturer requirement and schedule a series of public workshops to solicit feedback and data from the additional 10,000 businesses that are estimated by CARB to be affected by this new concept.

The Large Entity Reporting Requirement at Section 2012-2012.2 is tacked onto the end of a complex truck manufacturing regulation. Despite ongoing workshops on the manufacturer requirement since late 2016, the first conceptual document outlining CARB's ideas around a reporting requirement were not made available until the end of the final public workshop on the Advanced Clean Trucks rule on August 21, 2019. Rushing the regulation and the lack of public process has resulted in fundamental flaws in the regulation that must be addressed prior to adoption.

Some initial concerns about the reporting requirement section are listed below:

BURDENSOME REPORTING THAT DEMANDS UNCERTAIN DATA

- Terms are vague, and require businesses to make guesses, “estimate,” and “use best judgment” and “approximate” the data they submit. As a result, the regulation may not result in usable or useful data, much of which can be gathered by other means.
- Recordkeeping is required for the year 2020, but the regulation will not be in effect until mid-2020. This is akin to a “drill” and does not signal a genuine need for this information.
- Many businesses do not maintain these types of records. How does CARB anticipate these businesses will comply with estimating deliveries?

EGREGIOUS ENFORCEMENT PENALTIES FOR DATA EXERCISE

- Violations of the Advanced Clean Trucks Large Entity Reporting Requirement are subject to general Civil Penalties of up to \$37,500 per day for a data gathering exercise.
- How will the rule be enforced? How will businesses know that their best guesses will be sufficient to meet the rule's standard?

COST/BENEFIT ANALYSIS NOT COMPLETED

- CARB did not solicit feedback, and therefore underestimated the cost of regulatory reporting compliance, especially when considering the regulation is subject to enforcement and there is no limit on civil penalties.

DATA SECURITY RISKS

- Data security risks posed by the regulation include the potential that business sensitive or trade secret information, such as delivery routes, timing, truck deployment, and other sensitive information that could give a competitor an unfair advantage could be subject to a public records request.

UNCLEAR GOALS

- Why is the regulation not asking about cars, SUVs, and mini-vans?
- Why is CARB not asking about existing electric vehicles or other low-emissions technology?

OCBC thanks CARB for its leadership on this issue. **OCBC urges CARB to bifurcate the large entity reporting requirement from the manufacturer requirement and schedule a series of public workshops to solicit feedback, conduct a cost/benefit analysis and data from the additional 10,000 businesses that are to be affected by this new concept.** OCBC looks forward to working with CARB to address these concerns.

Sincerely,



Alicia Berhow
Senior Vice President of Government Affairs