



Waymo LLC
1600 Amphitheatre Pkwy
Mountain View, CA

May 17, 2021

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

RE: Clean Miles Standard Proposed Regulation Order

Dear Chair Randolph:

Waymo's mission is to make it safe and easy for people and things to get where they're going. As Waymo works to deliver the potentially transformative safety benefits of fully autonomous technology, we also see a unique opportunity for shared fleets of autonomously driven vehicles to reduce environmental impacts from transportation.

We appreciate the considerable work that the California Air Resources Board ("CARB") has been doing to implement Senate Bill ("SB") 1014 (2018) through the constructive, public process it commenced in early 2019. Waymo previously submitted comments on December 11, 2020, in response to an earlier draft of the regulation. Consistent with the recommendations contained therein, these comments outline our support for CARB's clean mobility objectives for the Clean Miles Standard and Incentive Program ("CMS"), offer clarifying recommendations for the Proposed Regulation Order released on March 30, 2021, and make other suggestions for CARB's consideration to connect more Californians to the many benefits of zero emission vehicles.

I. Waymo supports CARB's goal of encouraging the adoption of electric vehicles for ride-hailing services.

Adoption and implementation of CARB's Proposed Regulation Order may generate significant environmental benefits, given that the transportation sector accounts for almost 50 percent of greenhouse gas ("GHG") emissions in California when accounting for fuel production, with light duty vehicles making up 70 percent of the transportation sector's direct emissions. We support CARB's efforts to curb GHG emissions and encourage the adoption of electric vehicles by transportation service providers. Waymo believes that autonomously driven vehicles and shared mobility can meaningfully contribute to achieving these goals and expand access to the benefits of electric vehicles. We're pleased to have recently added the zero emissions, all-electric Jaguar I-PACE to the Waymo fleet.

As stated in our previously submitted comments, Waymo believes that the Proposed Regulation Order represents a thoughtful means to advance the State’s clean mobility goals and aligns with other State policy goals. We look forward to continued partnership with CARB, the California Public Utilities Commission (CPUC), and other stakeholders as the CMS regulatory framework is implemented, to create healthier, equitable, and more sustainable communities.

II. The Proposed Regulation Order should be revised to clarify CMS applicability and to clearly define related language accordingly.

As noted above, Waymo submitted comments to CARB in December 2020. In those comments, we noted the seemingly imprecise use of the term “transportation network company,” explained the difference between carrier models regulated by the CPUC, and requested that CARB’s CMS regulation be revised to clarify the applicability of the regulatory framework to other CPUC-regulated carriers.

The CARB Staff Report: Initial Statement of Reasons provides some context, positing that:

Per SB 1014, the Clean Miles Standard program may regulate AV services providing fare-based shared rides. Under the proposed regulation, all ride-hailing services, including those provided by AV services, must meet the targets once their operation meets the 5 million VMT threshold, as described in Chapter IV, section A of this report.

As the quoted passage indicates, the intent of the proposed regulation is to cover “all ride-hailing services,” which is a broader category than “transportation network company” as defined in California law (i.e., section 5431 of the Public Utilities Code). For clarity and consistency, Waymo respectfully requests that CARB revise the Proposed Draft Regulation Order to: (1) clearly state the intended scope of regulatory applicability in the CMS operating language; and (2) align the definitions language accordingly to acknowledge different business models and avoid confusion between TNCs and other carriers regulated by the CPUC, and the unintended consequences that might result.¹

III. Develop CMS electric vehicle trip incentives that are platform agnostic, reward zero emissions mileage, and accessible to more Californians.

The enabling legislation of the Clean Miles Standard contemplates both a regulatory and *incentive* framework approach. In Waymo’s view, as drafted, the CMS regulatory framework could better capitalize on the opportunity to develop new electric vehicle mobility incentives that connect more Californians to the benefits of zero emissions transportation. We recommend that future EV incentives be made available to all driver types, including autonomous driving services, and not exclude certain business models. Shared mobility and EV trip incentives represent an opportunity to increase customer access to EVs for all Californians — including renters, aging populations, low-income households, and disadvantaged communities. Specifically, this incentive structure would allow more Californians to

¹ CPUC Decision (“D.”) 20-11-046, issued on November 23, 2020, defines the periods of AV TCP operations differently than for TNCs. See D.20-11-046, pp. 103 (COL 5, for definitions of VMT periods) and 67 (for discussion re coordination with SB 1014 and CMS).

access the benefits of EVs without the financial burden of a lease or purchase. By aligning CMS incentives through an EV trip framework, the State can more rapidly increase the overall percentage of zero emission vehicle mileage on California roadways.

IV. Conclusion

Cleaner mobility is a goal that Waymo and CARB share. We look forward to future collaborations to grow California's economy with clean mobility solutions.

Respectfully submitted,

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