March 30, 2021

Mr. Tony Brasil California Air Resources Board 1001 "I" Street Sacramento, CA 95814

Mr. Craig Duehring Mobile Source Control Division California Air Resources Board 1001 I Street Sacramento, CA 95814

Mr. Paul Arneja Mobile Source Control Division California Air Resources Board 1001 I Street Sacramento, CA 95814

RE: TID Comments on March 4, 2021 Public Workshop to Discuss the Proposed Advanced Clean Fleets Regulation.

Dear Mr. Brasil,

Turlock Irrigation District ("TID") respectfully submits the following comments on the ARB's March 4, 2021 workshop discussing the proposed Advanced Clean Fleets Regulation.

TID Background

TID was organized as the first Irrigation District in California on June 6, 1887 and is currently in its 134 year of operation. Presently, the District serves a retail electric customer base of just over 100,000 accounts and provides irrigation water to nearly 6,000 growers and nearly 150,000 acres of farmland. Of the 14 communities TID serves, 11 are classified as Disadvantaged Communities according to the Department of Water Resources ("DWR") and the majority of our service territory is in the top 20% of Cal Enviroscreen 3.0 impacted communities.

As one of eight Balancing Authorities in California, TID has a direct relationship with both its commercial and residential customers. Our ethos is to provide stable, reliable, and affordable water and power to our customer owners, be good stewards of our resources, and provide a high



level of customer satisfaction through clear, concise communication. As a Balancing Authority ("BA") TID is also tasked with balancing retail demand generation, and wholesale purchases and sales, while providing adequate reserve capacity to maintain grid reliability.

TID thanks ARB staff for the transparency and willingness to collaborate with California entities as many stakeholders begin converting their vehicles and critical infrastructure to zero-emission technologies that best align with their fleet vehicle operations. TID would also like to thank ARB staff for indicating they will allow fleet operators to replace vehicles at their normal replacement cycles.

The comments below reflect TID's perspectives from the March 4, 2021 workshop and include specific challenges TID expects to encounter given the regulatory ideas conveyed by ARB staff.

Discussion

I. The ARB's public fleet zero-emission vehicle purchase requirement timeline may not be feasible for all public agencies.

During the workshop ARB staff indicated they were considering the possibility of calling for public fleets to begin zero-emission vehicle ("ZEV") and near zero-emission vehicle ("NZEV") purchases as soon as 2024. ARB staff highlighted that public entities would be required to have 50 percent of their purchases consist of either a plug-in hybrid, battery electric, or hydrogen vehicle; with plug-in hybrids being viewed as a ZEV until 2035. While TID appreciates ARB staff's consideration allowing fleet operators to replace their vehicles under the entities own replacement cycle, TID has identified some concerns with this process. TID believes the timeline laid out by ARB staff will be too aggressive for some agencies with public fleets that have yet to begin making ZEV purchases in earnest, given the absence of a prior regulatory requirement. Furthermore, TID is apprehensive about the feasibility of integrating NZEVs and ZEVs into our fleet beginning in 2024, given the high cost and limited range of emerging NZEVs and ZEVs in the heavy duty market.

TID would also convey, separate from affordability and feasibility, another issue being reliability. In TID's experience, during major weather events, utility line crews and trucks are susceptible to working 30 or more hours straight. In the past, TID has experienced weather events causing staff and vehicles to work over 30 continuous hours. When major weather events occur, traditionally fueled vehicles can be refueled in minutes. TID is troubled that situations brought on by extreme weather, impacting reliability, may prevent a ZEV or NZEV from being deployed, limiting TID's ability to assist communities both within and outside of our service territory.

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¹ Advanced Clean Fleets Regulation Workshop March 2 and March 4, 2021 slide 29



The current market for heavy duty trucks is in the 2022 model year. Under the ARB's proposed purchase requirement, 2023 will be the last year for TID to have 100 percent of fleet purchases consist of traditionally fueled vehicles. The ARBs proposed ZEV purchase schedule would not give TID the necessary time to design and deploy charging infrastructure at our facilities to handle the uptick in ZEVs we would be adding to our fleet. In general, our fleet operators and engineering staff must address a variety of variables concerning charging infrastructure deployment. Charging infrastructure concerns would include grid constraints, resilience, cost, and the compatibility of ZEVs with existing equipment and vehicle operating schedules. Under the proposed purchasing requirement, TID is worried public agencies with smaller fleets will not have enough time to prepare and deploy charging infrastructure at their facilities.

TID would ask the ARB to consider the extensive planning necessary to develop charging infrastructure specifications that fit the agencies fleet needs. This development process requires extensive planning and the associated cost must be integrated into the company's capital budget. The costs accompanying the purchase of a ZEV extend beyond the purchase of the vehicle and include the necessary training for fleet staff to handle these alternative fueled vehicles and the critical infrastructure costs associated to the facilities where fleet vehicles are domiciled. As a publicly owned Irrigation District, TID prioritizes stability, reliability and affordability for our customer owners. The current proposed vehicle purchase requirement timeframe will place TID and other publicly owned water and energy service providers at greater risk in the immediate future of ensuring stability, reliability, and affordability in the communities we serve. The reason for this increased risk is because the ARB's proposed 50 percent purchase requirement beginning in 2024, does not give TID enough time to work these new costs into our capital budget.

TID would propose the ARB consider revising its timeline of ZEV purchases for all public agencies. This revision will allow entities additional time to begin making charging infrastructure upgrades at their facilities in advance of ZEV vehicle fleet purchase requirements. Pushing back the ZEV purchase requirement not only provides entities with an opportunity to design and deploy charging infrastructure, but also gives manufacturers additional time to develop vehicles that are compatible with the public agencies fleet operations, and public agencies time to adjust their capital budget to account for associated ZEV cost.

Discussion

II. TID would suggest the ARB schedule a public agency workshop to solicit feedback on the exemption process.

Public fleet operators must adhere to their agencies policies concerning the retirement and subsequent replacement of their fleet vehicles. TID's own heavy duty fleet vehicles are reliant on Power Take-Off units ("PTOs") given the job responsibilities of these trucks. Having a PTO installed on our heavy duty vehicles is a TID requirement due to the PTOs function of



transferring power from one power source, such as power from a running engine, and transmitting it to the mechanical arm on a bucket truck used by utility maintenance crews. As discussed during the workshop, the market for heavy duty vehicles with PTOs has yet to develop. Given this predicament, TID expects to be reliant upon the proposed exemption process the ARB outlined due to the unavailability of a heavy duty vehicle PTO market. TID appreciates the ARB outlining the following criteria listed below, that would be applicable for the use of an exemption in the absence of a heavy duty PTO vehicle market.

- 1. Apply to situations beyond fleet control
- 2. Exemptions if new ZEVs are not available
 - a. ZEV chassis or complete vehicle is not available from more than one manufacturer
 - b. Available chassis cannot be upfitted to meet fleet needs
- 3. Vehicle manufacturer delays²

Given the uncertain market growth for specialty vehicles, TID would ask the ARB staff to consider facilitating a workshop with public fleet agencies to assist in the development of regulatory language on the exemption process. Depending on how the ARB elects to structure exemption criteria for public fleets, public agencies could face a variety of budgetary and purchasing constraints exposing them to financial risk. Public agencies fleet vehicle purchasing policies fall in-line within the broader budget cycle set at the beginning of the fiscal year. Without knowledge of how the ARB plans to structure an exemption, TID and others may experience a prolonged purchasing process, increasing financial risk, if the agency does not receive their vehicle before the end of the budgeted year.

By scheduling a workshop to solicit feedback from public agency fleet subject matter experts on how to structure an exemption, the ARB decreases the chance of regulatory concern and advocacy from public agencies. TID is committed to reducing our greenhouse gas emissions ("GHGs") and considers transportation emission reductions crucial towards meeting California's climate goals. Facilitating a collaborative public agency workshop will provide the ARB with information on how to structure an exemption that meets the diverse needs of public agency vehicle fleets who will fall under this regulation's compliance directives. Soliciting public agency feedback on the exemption process will further help the ARB receive regulatory adoption by their Board in December, 2021.

Conclusion

TID appreciates the opportunity to provide comments from the ARB's March 4, 2021 workshop on the Advanced Clean Fleets regulation. TID is committed to reducing our organization's

² Advanced Clean Fleets Regulation Workshop March 2 and March 4, 2021 slide 31



greenhouse gas emissions and looks forward to engaging with ARB staff to ensure public agencies are capable of meeting California's transportation electrification goals.

Respectfully submitted,

Austin Avery

Turlock Irrigation District 333 E Canal Dr, Turlock, CA

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cc: The Honorable Liane Randolph, Chair, California Air Resources Board Mr. Richard Corey, Executive Director, California Air Resources Board