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California Air Resources Board (CARB)
Liane Randolph, Chair, California Air Resources Board
California Air Resources Board Members
1001 I St., 6th Floor
Sacramento, CA 95814

Dear Chair Randolph and Board Members,

On behalf of the Otay Mesa Chamber of Commerce, we would like to comment on the Advanced Clean Fleets regulations being proposed by CARB.

Otay Mesa is home to California's largest commercial land port of entry with an estimated 7,000-9,000 truck crossings per day (3,500-4,500 northbound and 3,500-4,500 southbound). Otay Mesa has a unique trucking community, which travels to the maritime ports in the Los Angeles area and works with large manufacturers in Baja California. This phenomenon makes some of our truckers -even small size fleet operators-, fall under the high priority fleet category and/or drayage categories which requires very aggressive transition timelines. We request CARB consider the following changes to the Advanced Clean Fleets regulations:

- The January 1, 2024 deadline after which only zero-emission (ZE) drayage trucks may be added to CARB's drayage reporting system should be moved to a future data, when it is actually viable to purchase a ZE truck. Preventing diesel trucks from entering maritime ports will be extremely detrimental to California business and trade.
- The CARB exemption should also consider pricing and not just availability. If there are very few ZE trucks available, pricing could soar and it would be financially impossible to purchase a ZE truck. Studies show new battery electric trucks cost approximately three times more than the cost of a traditional diesel truck. In addition, the life cycle of a battery electric truck could be much shorter than a regular truck.

It is important for CARB to truly understand the cross-border manufacturing phenomena that moves billions of dollars in both Otay Mesa and Calexico. The amount of truck trips these industries require is certainly not viable to acquire with the new dedicated services being offered and many of them -if not all of them- are restricted from acquiring 100% of trucks trips in California because of Mexican regulations.

Infrastructure to Fuel/charge Zero Emission Vehicle (ZEV) trucks

The proposed regulation does not ensure the required infrastructure will be in place to handle re-fueling/charging ZE trucks along important freight corridors. In addition, investments are being focused on maritime ports and highways even though California's land ports are the gateway to commerce in California. There is a complete disconnect between the timeline CARB is

proposing and the development of charging/re-fueling stations which. CARB should not assume this will be coordinated by the private sector and other California agencies.

Currently, there are no plans to develop a ZE re-fueling/charging station in Otay Mesa, other than a small station that could handle 2 trucks and one private fleet operator that is not a cross-border trucker.

Operators that fall under the priority ruling have trucks in Baja California in addition to Otay Mesa and ZE charging/re-fueling stations are not being developed or even planned in Baja California.

 We ask that CARB ensure a public charging/re-fueling station(s) that can handle cross-border trucking needs be funded and built in the vicinity of California's most important commercial land port of entry and the proposed new East Otay Port, so that critical essential goods can keep being transported before the mandate takes place. In FY 2021, more than \$56 billion of imports and exports were processed through the Otay Mesa commercial port of entry.

Timeframes for Hydrogen Technology

Related to timeframes, it is important to note that there are many advantages to hydrogen fuel cell technology, especially for long-haul truck use cases, because hydrogen is lighter, it takes less time to re-fuel, and the range is similar to diesel fuel. Hydrogen technology is several years behind battery electric technology. The Otay Mesa community needs time to wait for hydrogen fuel cell technology to be ready to use, investing in a large number of electric charging stations that may become obsolete in a few years when companies have more hydrogen options would result in significant financial loss. Time should be given to industry to plan for the use of hydrogen in the next five years (2028).

Funding Opportunities

Regarding California's incentive funding programs to comply with this regulation:

· We ask that you consider funding equity by region, vulnerable populations and size of company, so small and medium size Hispanic operators are not left out.

Before moving forward with this mandate, the California Energy Commission should have an accurate estimate of energy projections for the increased usage these regulations will generate and ensure the PUC has worked out the viability of this additional energy supply with the California utilities. Specifically, the energy demand estimates being developed in response to Assembly Bill 2127 (2018) and Senate Bill 643 (2021) should be incorporated into the demand estimate used by the PUC. It seems quite logical to state but the fact is that these energy estimates have not been quantified or incorporated into any supply plan.

If approved as is, this new regulation will have a dramatic and catastrophic impact on supply chains and inflation. While we completely agree with the climate action challenges our world is encountering, we respectfully request the following:

 We ask that the State of California provide an in-depth economic expert analysis of this proposed regulation before implementing, to avoid any potential catastrophic disruptions to our supply chains and California's economy.

Finally, while we appreciate CARB's goal to protect vulnerable communities,

 We ask that CARB be forceful in mandating their land use guideline document to Cities and Counties, which would ensure residential communities are not placed adjacent to industrial areas: a simple solution that would protect families from being placed in heavy truck traffic areas.

Sincerely,

Alejandra Mier y Teran Executive Director