



September 19, 2019
LEG2019-0198

Craig Duehring, Manager In-Use Control Measures Section
Mobile Source Control Division
California Air Resources Board
1001 I Street
Sacramento, CA 95814

Re: Sacramento Municipal Utility District's Comments to the Proposed Draft of Regulation Language for Large Entity and Large Fleet Reporting Requirement, 13 CCR, Sections 2012.0-2012.1

Dear Mr. Duehring:

SMUD appreciates the opportunity to comment on the Advanced Clean Truck (ACT) Proposed "Draft Regulation" for Large Entity and Fleet Reporting Requirement presented at the August 21st CARB workshop.

We offer the following recommendations for CARB's consideration. Our comments are organized by Section as presented in the Discussion Draft document, with our "General Comments" provided at the end.

§ 2012.0(a) Purpose.

While SMUD supports California's climate targets and the electrification of medium and heavy-duty vehicles, we question the need for a formal regulation to mandate the one-time reporting of fleet data. SMUD proposes instead that this single data collection effort be accomplished through a less formal "request for information" to regulated entities.

A formal regulation for the purpose of a one-time effort unnecessarily consumes limited resources and introduces several unintended complexities, including:

- 1) Lack of Notification—the ACT rulemaking schedule is aggressive and expansive. This timeline will not provide adequate notice for regulated entities to design and implement data-monitoring requirements effective as early as January 1, 2020. Reporting entities will need more time to institute internal protocols to collect the requested information. Since SMUD operates hundreds of facilities across Sacramento and El Dorado Counties, we would be required to conduct an extensive inventories of loading bays, cold storage rooms, EV charging stations, vanpool services, pool vehicles, etc.

- 2) Compliance and Enforcement—the proposed rulemaking does not provide information regarding how CARB will measure compliance and enforce this regulation, who will be subject to enforcement, if or how penalties will be assessed, or even how data accuracy will be validated. Regulated entities cannot design effective data collection protocols in the face of these uncertainties.

SMUD recommends CARB redirect its efforts away from this rulemaking effort in favor of a “request for information” collaborative effort with regulated entities.

§ 2012.0(d) Definitions.

SMUD recommends that CARB clarify the definition of “**dispatched**” and “**directed**.” These terms are referred to throughout the Draft Regulation, but the meaning of these terms is unclear. Including these terms in the Definitions section would address this issue.

The meaning of “**subhauler/subcontractors**” is very broad and could be interpreted to encompass hundreds of third-party agreements. This result would impose unnecessary burden on regulated entities and render compliance next to impossible. SMUD recommends that the Definitions section be clarified to reflect the intent that a subhauler/subcontractor means a third-party supplier of goods and services. Limiting the scope of what constitutes a “subcontractor” (e.g., five-year contract term or greater) would capture most of the truck activity and provide some relief from this overly burdensome reporting requirement.

§ 2012.1(a) Reporting Information.

A standardized template with drop-down response options--particularly for reporting quantitative information where applicable--would facilitate reporting to CARB. Standardizing the template will help ensure that regulated entities are reporting similar data for an apples-to-apples analysis. SMUD recommends that CARB include drop-down options for numerical data, including “N/A” responses (i.e., Form B2 questions 2-6). We also recommend CARB consider providing an online portal to simplify and coordinate the data submittal process.

§ 2012.1(a)(1) Form A: General Entity Information.

SMUD recommends CARB clarify the references to subhaulers/subcontractors used in several questions in Form A (e.g., Q #12-14). The meaning of “*subcontractors operated under your authority*” must be limited to the regulated entity’s own fleet operations. The current extensive definition could be interpreted to include everything from parcel delivery to janitorial supplies to waste haulers across our entire service territory of 900 square miles (e.g., hundreds of substations, administrative offices, etc.). The scope of this question is mammoth, and responses would have to be broadly estimated and speculative at best.

Moreover, since SMUD does not directly dispatch vendors, respective vendor information would be extremely difficult to accurately ascertain. Our vendors sometimes use third-party logistics for delivery, so conveyances are unpredictable. Deliveries do not follow any consistent pattern; they vary widely from once to multiple times on any given day. While SMUD can confidently report on its own fleet operations, we cannot validate, with reliable accuracy, the activities of third-parties that come and go from many of our sites.

Finally, the administrative level of effort required to quantify subcontractor/vendor transportation information with anything better than speculative data, would be extremely burdensome on our already taxed resources. Given that this data would be a gross estimation, we question the value this would serve relative to the level of effort to obtain the data.

§ 2012.1(a)(2) Form B: California Facility Type Questionnaire.

The current “Facility Category Definitions” provided in the Draft Regulation does not address some of our utility industry-specific operations. SMUD recommends the inclusion of “substations, plants, garages,” etc. in this provision to help address necessary distinctions.

Q #1-6 – While we are able provide numbers and general information about our facilities/sites, addresses (latitude/longitude) are considered confidential and sensitive information. SMUD recommends that CARB clarify who would have access to information reported under this proposed regulation.

Q #7-17 – SMUD recommends that CARB clarify that the data requested in this section is for vehicles with a gross weight greater than 8,500 pounds.

Q #7-17 – SMUD recommends that CARB remove this distinct data request. We are unable to confirm if deliveries are refrigerated or non-refrigerated without visual inspection during delivery. This would be unreasonably burdensome to execute.

Q #18-31 – SMUD recommends that CARB remove this distinct data request. Subcontractor/vendor information would be very difficult to obtain with any certainty for the reasons detailed above. Additionally, the data requested is duplicative, since most, if not all, of our subcontractors are themselves entities who will be subject to this Draft Regulation reporting requirement, so CARB will already have access to this data.

For the reasons outlined above, SMUD recommends that the fleet reporting requirements be limited to our own fleet operations exclusively.

§ 2012.1(a)(3) Form C: Vehicle Usage by Facility Form.

SMUD recommends the inclusion of a “comments” column so reporters may provide clarification on any anomalies. We already track, and would be able to provide, the

vehicle information requested such as vehicle type, weight class, etc. Most of the data requested here applies to use, but SMUD is a separate use-case. None of our vehicles leave our service territory, and our operations require us to drive to a location and sit idle for most of the day.

General Comments.

CARB's four-hour estimate for compliance with the Draft Regulation is unrealistic. SMUD's projected resource-commitment for this effort would be orders of magnitude greater than four hours. This deliverable would entail coordinated monitoring efforts across various workgroups to track subcontractor transport to and from multiple locations (e.g., warehouses, administrative offices, substations, power plants, etc.).

We urge CARB to consider limiting the scope of this reporting requirement exclusively to regulated entities' own fleet operations, particularly since subcontractor or vendor data is already being reported elsewhere--as these vendors are likely regulated entities as well. The scope of the data requests contained herein are overly burdensome, so leveraging alternative opportunities for data collection is important to ensure material that informs CARB's decision-making is accurate, and that the regulatory concepts that result from this effort will translate to meaningful GHG reduction and fleet electrification in the State.

Finally, we would like to understand CARB's end goal in developing this regulation. This will help SMUD tailor our responses to provide the most constructive feedback to CARB Staff throughout this rulemaking process.

As always, SMUD appreciates the opportunity to comment on the Draft Regulation. We look forward to the ongoing dialogue with CARB in the upcoming months as we strive together to formulate solutions that enhance the positive impacts of SB 350.

/s/_____
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/s/_____
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/s/_____
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cc: Corporate Files