

May 18, 2021

California Air Resources Board 1001 | Street Sacramento, CA 95815

**RE: Clean Miles Standard Regulation** 

Dear California Air Resources Board Staff,

Thank you for the opportunity to provide comments on ARB's development of the Clean Miles Standard program. We appreciate your efforts to develop a successful regulation to reduce emissions from transportation network company (TNC) services while supporting safe, reliable, and equitable transit services. We hope this regulation, in particular, plays an important role in reducing emissions from single occupancy vehicles, and that additional steps are taken in the future to limit emissions and VMT from all vehicles beyond just those licensed as TNCs. We believe the future of transportation must be electric and shared.

## Background on Via's Public Transportation Deployments in California

Over the last few years, the ways in which services licensed as TNCs in California are being used to provide mobility has diversified. Most notably, a number of transit agencies and cities are deploying dedicated microtransit services as a form of public transportation to complement or fill gaps in the existing transit networks. These end-to-end microtransit services that are funded by, and provided exclusively on behalf of, a public entity, are a fundamentally different model than a more traditional direct-to-consumer TNC service. Via's services in California are designed in partnership with transit agencies and cities and are subject to public contracts which set out all key aspects of the service. The services provide rides in discrete geographic zones with a limited set of vehicles (typically, minivans), offer only pooled rides, and are made accessible to everyone, including wheelchair users, the unbanked, and those without smartphones.

In each case, the goal of the services is to either complement or supplement existing transit or to offer a new public transportation option where none exists. In other words, at the core of Via's publicly funded microtransit services is reducing single occupancy vehicle trips and thereby cutting carbon emissions. In West Sacramento, for example, a survey by the city showed that 49% of riders of the microtransit service would have otherwise used a single passenger TNC option, and another 34% would have driven a personal vehicle alone (*"West Sacramento's On-Demand Rideshare Pilot: A Summary of 6-Month User Survey Findings"; February 2019*). The services also importantly make it easier for residents to access jobs, healthcare services, recreation, and other opportunities.

Via (and other companies) use a TNC license in California for some of these services because there is no other available specialized license that accounts for this type of public transportation partnership and



service. This is the case despite the fact that Via is not offering any traditional TNC service to the general public in the State.

# The Treatment of Pooled Rides and Connections to Transit

We applaud the Board staff for its approach to pooled rides which Professor Dan Sperling and others have highlighted as key to the future of sustainable transportation (*Sperling, D. Three Revolutions: Steering Automated, Shared, and Electric Vehicles to a Better Future, 2018*). How exactly to count and track pooled rides is a complicated matter, and we believe the staff has put forward a smart and thoughtful proposal. We also applaud the Board staff for crediting trips that connect to and from existing transit, a critical use-case for on-demand options that help in the fight against climate change (as well as congestion). However, we suggest that certain changes be made in the implementation of that connections to mass transit credit to reflect the realities of how publicly funded microtransit (and perhaps other government partnerships) works.

The proposed rule requires fare integration in order to receive the credit for a connection to transit. We share the view that the future of effective and efficient shared mobility requires fare integration. In fact, fare integration is already a key feature of several of our services with government entities in the U.S. and across the world, and we would like to see more of it. However, whether to provide fare integration is not up to us, and often it is not even up to our public partner. For example, a city deploying microtransit may not have the power to enable fare integration if existing transit services are run by a regional transit agency. We, therefore, would suggest that you allow for alternative ways of showing a connection to mass transit trip has been made in situations where fare integration is not an option. For example, you could allow for the provision of pick-up and drop-off point data to show that the origin or destination of a trip is at a place of mass transit. There may be additional ways to validate connections, such as through the use of paper transfer vouchers (which is the current method of tracking transfers to mass transit in West Sacramento). We would be happy to explore alternative solutions with the Board staff.

## **Publicly Funded Microtransit**

We believe there should be a credit for trips provided exclusively on behalf of a government entity and paid for by that government entity. When a transit agency or city pays for and deploys a microtransit service it is doing so to provide a new form of public transportation that either fills a gap in the transit system or helps people connect to existing transit. Increasingly, across the country and in California, such services are being used in rural or other areas that are not nearly as dense as big cities, and where traditional forms of transit have not worked well or have never been tried.

Notably, and importantly, by proposing a credit for TNC trips that connect to or from transit, the Board staff is correctly encouraging the increased use of public transit. The same logic -- that shared, public transportation should be incentivized -- animates this proposed credit. Publicly funded microtransit that is designed and deployed by cities or transit agencies to serve the public interest and reduce single occupancy vehicles should be encouraged, even when the license required in California for the service is a TNC one.



## The Lack of Electric Shuttles/Vans

There is an additional challenge presented by the structure of the current proposed rulemaking with regard to the prescriptive electric vehicle requirements, in particular with how cities and transit agencies are deploying microtransit today. Microtransit deployments typically use minivan or similar sized vehicles which allow for more sharing and occupancy than sedans or SUVs while being nimbler than a large bus. In the United States today, to our knowledge, there is no commercially available fully electric minivan. While other challenges certainly exist (e.g., the need for fast charging infrastructure which is key to any service running all or nearly all hours of the day), the lack of electric minivans is easily the most significant. We certainly hope that a robust market for minivan EVs develops in the United States, and does so quickly, but the outlook is uncertain. Until that happens, once the EV specific requirements kick in, cities and agencies (as well as Via in partnership with them) would be in the potentially unfortunate position of having to use smaller EVs at the expense of maximizing sharing and occupancy in larger vehicles. The prescriptive EV standard would make this the case even when greater sharing in larger vehicles might result in more emissions reductions (this depends, in part of course, on the power source used to charge the EVs) and reduced congestion, and even if Via is in full compliance with the rule's core requirements around annual GHG targets.

As long as this vehicle supply constraint exists, we suggest that ARB defers the prescriptive EV requirements for deployments that are using larger vehicles.

## Wheelchair Accessible Rides

We support the proposed exemption for wheelchair accessible trips. In our public sector microtransit deployments, it is a contractual requirement to provide equivalent service. As such, we include wheelchair accessible vehicles in the service even when the overall fleet is small. Similar to minivans, to our knowledge, there is very limited supply of commercially available fully electric wheelchair accessible vehicles in the United States. We therefore suggest that the Board staff consider extending this exemption to any trip in a wheelchair accessible vehicle, not just trips involving wheelchair users.

Thank you for taking the time to consider these comments. We would be happy to answer any questions or discuss any of these points further as the Board staff continues to work on this rulemaking.

Sincerely,

Megan Richer Director of Policy Via Transportation, Inc. megan@ridewithvia.com