

October 17, 2022

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

Delivered by Electronic Mail to:
<https://www.arb.ca.gov/lispub/comm/bclist.php>

Subject: Comments on Draft Regulatory Language for the Advanced Clean
Fleets Regulation Public Fleet Requirements

Dear Misters Tony Brasil, Craig Duehring, and Paul Arneja:

California Water Association ("CWA") is pleased to provide these comments on Draft Regulatory Language for the Advanced Clean Fleets Regulation Public Fleet Requirements (proposed regulation). CWA is the statewide association representing the interests of investor-owned public water suppliers subject to the jurisdiction of the California Public Utilities Commission ("CPUC"). CWA's member water utilities deliver reliable, high-quality drinking water to approximately six million Californians.

We recognize that the proposed regulation is intended to fundamentally change the make-up and operations of State and local government fleets, such as those of public utilities that include investor-owned public water utilities represented by CWA. We also appreciate the work that CARB staff has done to identify and incorporate into the Initial Statement of Reasons the costly and significant challenges facing public utilities as they transition their fleets in compliance with the proposed regulation. CWA encourages CARB staff to continue to develop a feasible, practical, and effective regulation as the State moves towards ambitious goals to maximize replacement of its existing fleet of internal combustion engines (ICE) with Zero Emission Vehicles (ZEVs), and Near-Zero Emission Vehicles (NZEVs).

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CWA is concerned that the proposed regulation does not provide adequate flexibility to public utilities to address anticipated vehicle inventory shortages, inadequate charging station infrastructure, inadequate power supply availability during peak demand periods, limited range, and slow charging capability of public utility fleets, especially when responding to emergencies, and an unreasonably compressed timeframe for implementation. Some of these concerns could result in a degradation of service levels to the detriment of customers and communities.

These concerns are identified in a comment letter submitted separately by the Association of California Water Agencies (ACWA), which also offers amendments to the proposed regulation to mitigate them in a constructive manner. CWA endorses the ACWA comments and recommends that their suggestions or similar measures be included in the proposed regulation.

Additionally, the following specific issues raised by the proposed regulation are of particular concern to CWA:

1. Lack of Depot Charging Infrastructure and Assured Electric Power Supply Capacity. Although public utilities, like other fleet operators, are making progress in adding depot (onsite) charging capacity, there is a very long way to go to fund and build the required charging infrastructure to meet the demands created by adopting this regulation. During the interim public utilities would be functionally precluded from sending their fleets out every morning to commercial charging stations (even if they are available) to spend 20 minutes or more waiting to recharge in competition with private fleet operators and the public. To work effectively, the public utility ZEV fleets must be supported by significantly increased depot charging capabilities, so that vehicles are charged during nonuse (and non-peak) periods to be readily available every day, and for emergencies. With every State and local government fleet, and many commercial fleets trying to add depot charging capacity at once, the success of the proposed regulation is dependent upon significant new financial and capacity expansion incentives and a robust approach to assuring electric supply capacity.
2. Emergency Services by Public Utility Fleets. Water utilities and other public service providers have an essential role in emergency response and are members of mutual aid agreements. The definition of "Emergency support vehicle" be should amended to include vehicles dispatched by a local, state, federal or other responsible emergency management agency or public utility during any emergency and to prevent an emergency. This would provide for needed flexibility regarding the use of backup ICE vehicles as part of public utility fleet emergency response capabilities.

3. Insufficient Time for Budgeting and Procurement. The less than one-year timeframe from adoption of the regulation in 2023 to its first significant compliance milestone of January 1, 2024, to meet the 50 percent ZEV vehicle acquisition requirement for fleets outside designated low-population counties results in unreasonable financial burdens on public utilities' budgeting and procurement capabilities. To qualify for the proposed waiver to this requirement, public utilities will have to commit significant capital investment for new vehicles and charging stations, which will require expedited budgetary and rate approvals, which is especially difficult for regulated utilities given the triennial cadence of General Rate Case applications. CWA recommends that the compliance deadline be extended at least three years.

CWA appreciates the opportunity to provide these comments. Please feel free to contact me if you want to discuss CWA's perspective in more detail.

Sincerely,

A handwritten signature in blue ink that reads "Jennifer M. Capitolo".

Jennifer M. Capitolo
Executive Director

Cc:
The Honorable Liane Randolph, Chair, California Air Resources Board
The Honorable Sandra Berg, Vice Chair, California Air Resources Board
The Honorable Alice Busching Reynolds, President, California Public Utilities Commission
The Honorable E. Joaquin Esquivel, Chair, California State Water Resources Control Board