



California Fuels and Convenience Alliance

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September 29, 2022

**Clerk of the Board
California Air Resources Board
1001 I Street, Sacramento, California 95814**

RE: Title 13. Public Hearing to Consider Proposed Advanced Clean Fleets Regulation

The California Fuels and Convenience Alliance (CFCA) represents about 300 members, including nearly 90% of all the independent petroleum marketers in the state and more than one half of the state's 12,000 convenience retailers. Our members are small, family- and minority-owned businesses that provide services to nearly every family in California. Additionally, CFCA members fuel local governments, law enforcement, city and county fire departments, ambulances/emergency vehicles, school district bus fleets, construction firms, marinas, public and private transit companies, hospital emergency generators, trucking fleets, independent fuel retailers (small chains and mom-and-pop gas stations) and California agriculture, among many others.

CFCA opposes the adoption of the Advanced Clean Fleets rule as it attempts to transition the goods movement economy too quickly without sufficient charging and fueling infrastructure, lacks consideration of California's power grid failures, and has not conducted adequate cost analysis. Potential solutions such as Renewable Liquid fuels and Renewable Compressed Natural Gas, provide immediate, significant reductions in emissions, however, these fuels have not been considered as part of any solution proposed by the Board.

Vehicle Availability and Capabilities

Vehicles, while offered by manufacturers, are behind current and future needs of the transportation industry. Large companies with more buying power will be served first by manufacturers, something we have seen over the last few years as smaller companies struggle to find new vehicles and parts. This will only get worse when transitioning to ZEVs on such a short timeline.

The vehicles currently offered do not have sufficient range to serve the needs of the transportation industry. Heavy duty vehicles are often used nearly continuously to ensure goods are delivered on time to serve other businesses and consumers; the current vehicle offerings cannot accomplish the tasks performed by existing internal combustion vehicles. Additionally, purchasing these trucks presents substantial business continuity issues, as wait times typically range from 18-24 months before potential delivery.

Lack of Infrastructure

Like light-duty vehicle charging, heavy duty vehicle charging infrastructure is not prevalent enough to serve the vast number of vehicles CARB intends to replace with ZEVs. Heavy-duty vehicles require a large amount of power to make timely deliveries, these needs are currently being met by renewable diesel and biodiesel products in use today.

Not all trucks conduct routes in an “out-and-back” manner – most are long haul, over the road goods movement and some are required to serve different regions than their original point of departure. With liquid fuels, which are widely available, this does not present a problem. If companies are forced to transition to ZEVs without sufficient electric charging or hydrogen fueling infrastructure, CARB will cause another layer of transportation difficulties. The past few years have seen new challenges with driver shortages, parts and maintenance struggles, and ever-increasing compliance costs, further stressing the goods movement industry at this time is irresponsible and will contribute to higher costs of living in California.

The transportation sector, especially as a result of the COVID-19 pandemic, has grappled with immense struggles in maintaining a consistent supply chain throughout the state. This has left many businesses with large backlogs of critically needed equipment, uncertainty surrounding the delivery of goods to stock their shelves, and artificially created shortages as a result of panic buying by consumers. The proposed regulation will further fray an already failing supply chain, which is heavily reliant upon the trucking industry as the backbone of our state’s economy. Bottlenecks, and resulting shortages, in the state’s supply of food, fuel, water, and medical supplies presents profound ramifications for the wellbeing of every California resident.

Local permitting

When presenting these electrical infrastructure projects, local planners too often add hundreds of thousands of dollars in site upgrades. Without a comprehensive review of all local ordinances and requirements, it is impossible to determine what the fully realized cost of electrification will be. We request that the real cost and timeline approval for all municipalities be made available to achieve the Advanced Clean Fleets requirements.

Grid Capabilities

As we have seen in the last few weeks, California’s grid is already being stressed beyond its capabilities. Within days of adopting the Advanced Clean Cars II regulation, California issued statewide Flex Alerts that included avoiding electric vehicle charging. Heavy Duty ZEVs require an incredible amount of electricity to charge, electricity California utility companies cannot guarantee.

Further, utility companies are taking advantage of the increased power needs for ZEV vehicles by attempting to tie project approval for ZEV infrastructure to power distribution upgrades, large scale power line undergrounding, and other projects that should be paid for through the normal business operations of these utility companies. Further increasing the difficulty and timeline of

complying with ARB transportation strategies and adding external costs only harms ARB's vision of clean transportation.

While grant funding is available at many varying levels, this remains insufficient for our low-income families. Many of these families will have to choose between transportation or food and medicine. When a ZEV grant is funded, often the taxes and registration costs are impossible to reach for these most vulnerable families.

For these reasons, we must respectfully oppose the adoption of the Advanced Clean Fleets rule.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Alessandra Magnasco', written in a cursive style.

Alessandra Magnasco
Policy Manager
California Fuels and Convenience Alliance