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SUBJECT: Proposed FY 2016-2017 Funding Plan for Low Carbon Transportation and Fuels Investments and the Air Quality Improvement Program

Dear Chair Nichols:

The San Diego Association of Governments (SANDAG) appreciates the opportunity to comment on the Proposed FY 2016-2017 Funding Plan for Low Carbon Transportation and Fuels Investments and the Air Quality Improvement Program.

As the Metropolitan Planning Organization (MPO) for the San Diego region, SANDAG is responsible for preparing a Sustainable Communities Strategy (SCS) that integrates the region's land use and transportation plans to show how future investments will reduce greenhouse gas (GHG) emissions. The California Climate Investments (CCI) program is an important source of funding for implementation of the SCS and a critical component of the State's efforts to achieve GHG emissions reductions and other important co-benefits for California, including benefits to disadvantaged communities.

With this in mind, SANDAG would like to comment on the following components of the Proposed Funding Plan.

Light-Duty Pilot Projects: Car Sharing and Mobility Options

SANDAG encourages the Air Resources Board (ARB) to expand the Car Sharing and Mobility Options program to allow for a broader range of zero and near-zero emission mobility projects by making car sharing projects an eligible project type rather than the only project type available. A broader category entitled "Zero and Near-Zero Emission Shared Mobility Options" could be considered.

SANDAG supports the proposed inclusion of electric bike sharing, for example, as an eligible first-mile/last-mile mobility option in addition to the increased focus on outreach and education as a component of eligible projects. However, bikeshare and other shared mobility service options that are supported by effective outreach and education efforts may merit consideration as stand-alone projects. Electrified rideshare options in the form of on-demand (mini) shuttle service is another example of a potential project that could be eligible under a broader Zero and Near-Zero Emission Shared Mobility Options program.

Allowing grant applicants to design and implement the most appropriate mobility options for their communities will help to advance the objectives of Senate Bill 1275 (SB 1275) (De Leon, 2014) by improving access to electric transportation options and providing the flexibility needed to generate the intended benefits. Data collection on the success and impacts of these various forms of shared mobility will help lay the foundation for current and future sustainable transportation options throughout the state.

Finally, SB 1275 specifically calls for the establishment of electric transportation programs “that further increase access to and direct benefits for disadvantaged, low-income, and moderate-income communities and consumers.” SANDAG encourages ARB to clarify that eligible projects under this program include projects that benefit disadvantaged, low-income and moderate-income communities and consumers, rather than limiting it to those projects only located within a state-designated disadvantaged community. This clarification will help to encourage the development of projects that increase access from these communities to key destinations via electric transportation.

For example, as shown in Attachment 1, many residents in San Diego’s state-designated disadvantaged communities commute outside of their neighborhoods for work. Limiting projects to those based entirely within a state-designated census tract could preclude more impactful and sustainable electric transportation access projects from applying. Alternatively, ARB may consider reducing the 100 percent “Minimum Disadvantaged Community Benefit” threshold established as part of this program to provide funding opportunities to projects that align with the mobility needs of these community residents and employees.

Heavy-Duty Vehicle and Off-Road Equipment Investments: Data Collection

To help maximize the proposed investments under the Heavy-Duty Vehicle and Off-Road Equipment Investments category, SANDAG suggests that data collection efforts be expanded to include cost-benefit elements. SANDAG supports ARB’s inclusion of metrics like reliability, maintenance and operation costs, and infrastructure costs under the Zero-Emission Truck Pilot Commercial Deployment Project program; however, urges ARB to also consider productivity, distance, and operating hours when evaluating both the success and feasibility of these projects. In addition, SANDAG urges ARB apply these same metrics to the Zero-Emission Freight Equipment Pilot Commercial Deployment Project and Advanced Technology Demonstration Projects programs.

Quantifying the benefits of newer technologies based on operating efficiencies (payload, weight-out versus cube-out, travel time reliability, etc.) and return on invested capital will help support future large scale industry implementation. According to the California Trucking Association, more than 48 percent of the state’s truck fleet is operated by owner-operators with less than 3 trucks and more than 72 percent own 20 or fewer trucks. Cost-effectiveness and large-scale manufacturing capacity for these tested technologies, vehicles, and equipment will be critical to widespread commercialization.

Heavy-Duty Vehicle and Off-Road Equipment Investments: Incentive Programs

The Low NOx Engine Incentives, Truck Loan Assistance, and Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project programs are valuable for advancing the goal of reduced emission impacts. The Low NOx Engine Incentive program is a good example of combining incentives with a large-scale diesel engine manufacturer, which provides a tangible product that is commercially available for truck carriers to utilize for new tractors as well as retrofit existing tractors. SANDAG

encourages the ARB to continue to pursue this type of collaboration between incentives and commercially viable products supplied by leading industry manufacturers.

Thank you for the opportunity to comment on the Proposed FY 2016-2017 Funding Plan for Low Carbon Transportation and Fuels Investments and the Air Quality Improvement Program. If you have any questions, please feel free to contact Robyn Wapner, Senior Legislative Analyst, at (619) 699-1994 or by email at robyn.wapner@sandag.org.

Sincerely,


GARY L. GALLEGOS
Executive Director

GGA/RWA

Attachment 1: Commuters from Disadvantaged Communities Place of Work

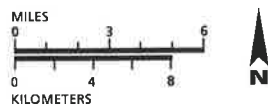


Commuters from Disadvantaged Communities Place of Work

1 dot = 10 Commuters

Disadvantaged Community*

*CalEnviro2.0 Statewide Percentile Range > 75 percentile (Top 25%)
Source: CalEnviroScreen 2.0, October 2014



SANDAG

