



Hidden Valley Lake Community Services District

19400 Hartmann Road
Hidden Valley Lake, CA 95467
707.987.9201
707.987.3237 fax
www.hvllcsd.org

October 17, 2022

Clerk to the Board
California Air Resources Board
1001 I Street
Sacramento, CA 95814

RE: Public Comment – Proposed Advanced Clean Fleets Regulation

To whom it may concern:

The Hidden Valley Lake Community Services District (the District) appreciates the opportunity to provide public comment and hopes it may provide the small agency perspective on the implications of the proposed Advanced Clean Fleets Regulation (ACF, the Regulation). The District is a water and wastewater system with 2,507 connections, 98% of which are residential. It serves the community of Hidden Valley Lake located in rural Lake County which faces a unique set of challenges including wildfires, Public Safety Power Shutoffs (PSPS), rotating outages, and long-distances to common amenities. These comments are meant to provide insight as to how electrifying our fleet vehicles would impact us both operationally and financially while we provide our essential services. Below are our thoughts based on the Initial Statement of Reasons (ISOR) released August 30, 2022:

1. Pacific Gas & Electric (PG&E) must address its failing infrastructure prior to vehicle energization.

In recent years PG&E has failed to provide safe and reliable services to its customers. The District understands the difficulty in addressing aging infrastructure and experiences its own service interruptions that negatively impact ratepayers. The District is actively working to improve its service reliability through a variety of projects and operational changes. We recognize that PG&E has made significant progress in burying electric lines, utilizing microgrid technology, and improving customer communication prior to outages. The District does not, however, recognize PSPS events as an appropriate means of providing long-term services to its ratepayers. PSPS events are the result of deferred maintenance that was made clear by the San Bruno pipeline explosion of 2010 and the devastating Camp Fire of 2018 along with other events. Since October 8, 2019, the District has gone approximately 359 hours without electricity due to PSPS events; the longest outage being 93.5 hours from October 26 – 30, 2019. Without power the District is unable to pump water to booster stations and storage tanks which supply water for consumption and fire protection. We recommend that CARB closely consider the reliability of PG&E services prior to mandating fleet electrification. Many of the same vehicles which respond to emergency events, including the very ones that are PG&E-caused, rely on the energy that PG&E often fails to provide. We also recommend that CARB push for the de-privatization of PG&E to ensure that shareholder agendas do not interfere with operational decisions. Fleet electrification may have to be postponed in PG&E service areas until reliability improves.

2. Zero-emissions vehicles (ZEVs) have limitations that may interfere with essential services.

The Regulation proposes that 100% of all vehicle additions must be ZEVs by 2027. The District appreciates that CARB acknowledges the difficulty for small agencies to make large operational changes and appreciates pushing the compliance date back from 2024 to 2027 for low-population counties. Given that ZEV fleets are relatively new compared to their internal combustion engine (ICE) counterparts, access to service technicians is a source of concern. CARB determined that "ZEV service and support networks need to be expanded" (ISOR p. 4) for ZEVs to be reliable. Lake County has a 0.69% ZEV adoption rate as of the end of 2021 according to the CA Energy Commission's *Light-Duty Vehicle Population In California*, Energy Almanac (<https://www.energy.ca.gov/data-reports/energy-almanac/zero->



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[emission-vehicle-and-infrastructure-statistics/light-duty-vehicle](#)). The County's auto repair industry is tailored to serving ICE vehicles and it may be unrealistic for fleet mechanics to adapt to ZEVs so quickly. The District recommends that CARB consider state-funded ZEV technician programs as well as programs to transition existing ICE technicians into the ZEV market prior to mandating the purchase of ZEVs.

Due to the potential inability for the current grid to handle ZEV fleet charging during peak hours, CARB proposed that "Fleet owners may opt to charge vehicles outside of these 'peak hours'" (ISOR p. 5) The District's fleet vehicle operators end the workday at 4:00 PM and PG&E's peak hours are from 4:00 PM – 9:00 PM. Staff would plug in ZEVs to charge at the end of the workday when peak hours begin; it would be an additional cost and an inefficient use of staff time to require staff to return to work after 9:00 PM to plug-in all vehicles. The ISOR does mention that smart charging systems may be available for installation on charging stations that would allow a vehicle to be plugged in at 4:00 PM but set on a timer to begin charging after 9:00 PM. If these alternate charging times will be a requirement for ZEV charging to work, then they should be a complementary feature for all charging stations, not an additional cost.

Another limitation, stemming from the increased strain on the grid, is that ZEVs may become a power source for the grid itself when energy availability is low. While this bi-directional flow assists in peak hour energy relief, it compromises the ability of fleet vehicles to respond to emergencies. The water and wastewater services that the District provides are essential to public health and safety and major wildfires and other natural disasters require staff to become emergency services workers. The ability for staff to respond to events cannot be compromised and draining a ZEVs battery may worsen response time. Also, looking to "offset grid upgrades" (ISOR p. 84) by allowing bi-directional charging excuses electric utilities from making the upgrades already needed to their infrastructure.

3. There are significant financial barriers.

The District appreciates that CARB understands the financial hardships small agencies currently face, and will face, when transitioning to ZEVs. Vehicles are essential but costly, both in the initial purchase and with maintenance, and the District recognizes that ZEVs may have lower maintenance costs overall. Regardless of the savings over time, however, it may be infeasible for the District to spend the higher upfront cost on a more expensive ZEV than for an ICE vehicle. Also, increases in insurance rates and the initial increase in the cost of ZEVs technician services – due to their scarcity – may reduce the cost-savings of ZEVs. While the ISOR did acknowledge the rise in insurance costs, they should be quantified. ACF also assumes that fleets will bear the upfront costs associated with installing chargers that range from \$25,000 - \$88,000 on average (ISOR p. 75). While the District agrees with CARB that this is a sound investment for fleets with ZEVs, it is inappropriate to assume that all small agencies can afford it. The District is currently budgeting for a number of projects for tank replacements, generator purchases, and SCADA system improvements that are necessary for the continuation of services. Imposing regulations that would require significant spending, essentially on the cost of two ZEVs for just one vehicle, interferes with the local government budgeting process. The District requests that CARB continue to find alternative funding sources so that small agencies can transition to ZEVs more easily.

While fleet ZEVs must be purchased starting in 2027, the costs of maintaining a ICE vehicle will rise due to increased compliance costs. ISOR's *Table 35: U.S. EPA Phase 2 Greenhouse Gas Incremental Compliance Costs* (ISOR p. 175) shows that compliance costs for class 2b-3 ICE vehicles will increase 160% while those for 2b-3 ZEVs will not. Increasing compliance costs for vehicles purchased prior to regulation implementation dates are unfair to consumers since its price is essentially changed after purchase. These changes invalidate the ACF compliance date by artificially inflating



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the price of a ICE vehicle. This is financially counter-intuitive because there will be less money for small agencies to invest in charging stations and in ZEVs themselves which are already more expensive than ICE vehicles.

4. The definition of *emergency* must be defined and potentially broadened.

While not the traditional image of a first responder, water and wastewater personnel respond to emergencies as providers of an essential service. During the Valley Fire of 2015 when the community was evacuated, District staff assisted local law enforcement and firefighters by ensuring adequate and continuous water flow was available for fire protection. The Regulation mentions that emergency vehicles are exempt from ZEV transition, but it fails to define emergency vehicles entirely. The District requests that the term be defined and that CARB closely consider which service providers fall under that category.

We appreciate that the Regulation provides leniency on fleet compliance during emergency events. Ensuring public safety should be at the forefront of regulation and all resources should be available to protect life and property. During large events such as wildfires, floods, earthquakes, etc., emergencies are easily declared by the Governor or designated local official. There are times, however, when emergency events occur but an event is not officially declared. For the District this may look like pump failures, electricity outages, or water mainline breaks. To continue to provide essential water and wastewater services, District personnel must respond to events such as these quickly. In essence, an event considered an emergency to the District may not be considered an emergency to the local Office of Emergency Services (OES) or public official, so the District recommends that the definition of an emergency event be broadened to include non-Governor and public official declared events. Service interruptions are emergencies and could lead to larger problems if not addressed.

The District appreciates CARB's dedication to ensuring clean air for all Californians. In 2010 the District installed solar panels at its wastewater treatment plant to power treatment operations and its wells. Since the solar panels do not power all assets, however, staff are always looking for additional ways to minimize the District's carbon footprint. A healthy environment creates better water quality and protects our ratepayers. The District supports sound regulation and appreciates CARB's willingness to work with stakeholders, such as ourselves, in the clean energy transition.

Sincerely,

Hidden Valley Lake Community Services District

A handwritten signature in blue ink, appearing to read "Hannah Davidson", written over a light blue horizontal line.

Hannah Davidson, Water Resources Specialist I