

# PLATINUM | ADVISORS

---

October 21, 2019

Mary Nichols, Chairwoman California  
Air Resources Board 1001 I Street  
Sacramento, CA 95814

**RE: Maximize Investment in Zero-Emission Buses in FY 2019-20 Funding Plan for Clean Transportation Incentives**

Chairwoman Nichols and Board Members:

On behalf of the Alameda-Contra Costa Transit District (AC Transit), I write to urge your favorable consideration of amendments to the 2019-20 investment plan that will maximize the state's investment in zero-emission buses (ZEBs) and supporting infrastructure. This investment should flow to public transit agencies through the proposed Advanced Technology Demonstration and Pilots Projects *and* the Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP), is critical to support AC Transit's implementation of the Innovative Clean Transit (ICT) regulation while avoiding adverse impacts to our core transit service.

Public transit is the only industry in the transportation sector that is **entirely** subsidized by the public, and despite chronic funding shortfalls, public transit has served as the testing ground for zero-emission heavy-duty technologies. The Innovative Clean Transit (ICT) regulation was adopted on the premise that the mass deployment of zero-emission bus will develop the components, supply chains, knowledge and experience necessary to electrify other heavy-duty industries. AC Transit, like transit agencies across the state, has accepted this task and is working hard to implement the ICT regulation. Today, we have 29 ZEBs in operations and have many more ZEBs on order. AC Transit argues that the decision to prioritize the electrification of our fleets requires ARB to also prioritize transit agencies when it comes to funding.

AC Transit is concerned that the 2019-20 investment plan excludes transit agencies from the \$40 million Advanced Technology Demonstrations and Pilot Projects. While ICT deadlines are on the horizon, questions still remain on the feasibility of large scale ZEB deployments. A demonstration of this kind could serve as a roadmap for transit agencies statewide, which are still struggling through small-scale ZEB deployments and which will need to submit fleet transition plans, beginning as soon as 2021. AC Transit is positioned to move forward with a large-scale deployment of zero emission buses if it can secure infrastructure support. With an approved facilities master plan, AC Transit is ready to move forward should the funding be available.

AC Transit also urges modifying several of the programmatic changes proposed for HVIP, with the goal of holding transit agencies harmless, regardless of the oversubscription of the program. Specifically, we recommend that ARB set aside HVIP funds for public transit operators and retain the voucher enhancement for public transit infrastructure. Reserving rebates for public transit will address the uncertainty of rebate availability during the lengthy FTA mandated procurement process. The HVIP enhancement is also the only source of infrastructure funding for transit operators.

Ensuring transit agencies receive a minimum funding level is critical to meeting the goals and mandates in the ICT. AC Transit looks forward to continuing to work with you on the implementation of the ICT regulation. Therefore, on behalf of AC Transit, I urge your favorable consideration of these proposed changes.

Sincerely,

Steven T Wallauch  
Legislative Advocate  
Alameda Contra Costa Transit District

cc: Virgil Welch, Senior Advisor, Office of the Chair  
Jack Kitowski, Chief, Mobile Source Control Division  
Lucina Negrete, Branch Chief, Mobile Source Control Division – Innovative Strategies Branch  
Jason Crow, Mobile Source Control Division – Innovative Strategies Branch  
Beverly Greene, AC Transit  
Claudia Burgos, AC Transit