

Roe Oil Company Inc.



DISTRIBUTOR OF PETROLEUM PRODUCTS

October 17, 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

I am writing on behalf of Roe Oil Company, Inc., a petroleum sales and distribution company engaged in the distribution of gasoline, diesel fuel, lubricants, and petroleum related accessories as well as common carrier services to the greater petroleum industry in the Central Valley. Roe Oil Company, Inc. has been in business in California for almost 60 years and owned by myself, a second generation Californian, which currently has two third generation Californian family members employed and involved in the day to day operations of our company. We currently have nine employees and their respective families that depend on the continuing success of Roe Oil Company, Inc. We serve a large diverse section of California in the Central Valley which includes hospitals, schools, farmers, emergency vehicles, trucking companies, small service companies, service stations and mini-marts, and many emergency diesel generators (needed when the electric grid goes down) as well as transporting petroleum products (which include ethanol and B100 bio diesel) directly from the rack to retail or wholesale facilities. We transport these products with five Class 8 late model clean burning diesel trucks and two smaller Class 7 diesel vehicles which are all in compliance with current CARB regulations.

Roe Oil Company, Inc. respectfully opposes the adoption of the Advanced Clean Fleets rule as it attempts to transition the transportation and goods movement economy much too quickly without sufficient regard for the necessary infrastructure overhaul in the state, a realistic consideration of the state's power grid capabilities, and the lack of an adequate and accurate cost analysis.

The regulation's proposed timeline will place significant strain on the transportation industry and gravely hamper goods movement in the state. Additionally, the cost of replacing fleets with entirely zero emissions vehicles will unduly harm small businesses in the state, many of which are family- and minority-owned. With the limited supply and options for heavy duty ZEVs, large companies with greater capital will be prioritized by manufacturers as compared to their small business counterparts. The highly restrictive timeline that has been proposed will only serve to further exacerbate this problem in the market.

Additionally, significantly increasing the operating costs of the transportation and goods movement sector within the state will ultimately harm our most vulnerable communities and residents the most. Low-income households in the state are already bearing the brunt of increased electricity costs,¹ which will only be further intensified by the adoption of this regulation as our unreliable grid continues to be strained beyond capacity. As a small business who takes great pride in serving our community, the

¹ <https://www.next10.org/publications/electricity-rates-2>

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impacts of the proposed regulation on the costs of goods and necessities, such as food, water, and fuel, are of grave concern.

Roe Oil Company, Inc. also has significant concerns because the regulation does not sufficiently consider the current and future needs of the transportation industry within the state. The range of the vehicles that are currently offered on the market will not ensure a seamless transition, as many heavy duty vehicles are often used nearly continuously to ensure the timely delivery of goods to other businesses and consumers. Moreover, the infrastructure necessary to support a full transition to zero emission fleets is not prevalent enough to serve the vast number of vehicles CARB intends to replace. This regulation will be a major disruptor to the state's supply chains, which will increase the cost of goods at every level.

We urge the Board to consider the deeply unsettling ramifications of bottlenecks in our fuel, food, water, and medical supplies, in addition to every industry that moves goods on heavy duty vehicles within the state.

We believe some of the major implications for businesses and individuals in California, include:

- Increasing costs to businesses, especially agricultural and transportation sectors.
- Employment/Jobs – despite a growing population, these policies will cost California over 85,000 jobs.
- Higher utility costs disproportionately impacting inland and rural communities.
- Eliminating consumer choice by mandating electric vehicles, appliances, residential, and commercial buildings.
- Worsening our electric grid reliability by pushing electrification without infrastructure in place, thus increasing the likelihood power outages

In closing my comments I would like to remind you that you have been appointed as the gatekeepers for these regulations but you serve every Californian which means you have a huge responsibility to get this correct and look thoroughly at every aspect, not to pick winners and losers. I respectfully request you give careful consideration to the issues I have raised in my comments. We look forward to a prosperous California in which all stakeholders are fairly represented and all technologies are given an equitable opportunity to participate in the marketplace of ideas and commerce.

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

Sincerely,

Jeffrey M. Roe
President
Roe Oil Company, Inc.