CALIFORNIA TOW TRUCK ASSOCIATION
"Developing Professionalism in the Towing Industry"

April 6, 2023

California Air Resources Board (CARB)
1001 I Street
Sacramento, CA 95814

Subject: CTTA/ERSCA Comments on 15-day Changes to CARB's Proposed Advanced Clean Fleets Regulation

Dear Chair Randolph and CARB Board Members:

The California Tow Truck Association (CTTA), known nationally as the Emergency Road Service Coalition of America (ERSCA), submits the following comments on CARB's proposed Advanced Clean Fleets (ACF) regulation, which will imprudently mandate the acceleration of medium- and heavy-duty zero-emission vehicles (ZEVs) in California, despite the absence of sufficient vehicle, charging infrastructure, and funding availability. Because the proposed 15-day changes do not fundamentally address the concerns raised within CTTA/ERSCA's comments submitted to the Board on October 17, 2022, CTTA/ERSCA must remain opposed to the ACF regulation.

CTTA/ERSCA is the largest towing-based non-profit association in the world, representing nearly 1,000 emergency roadside responders and towing companies within the State of California and throughout the country, which was established in 1969 to increase the professionalism in the towing industry and safety of the motoring public.

Tow companies that own, operate, direct, or control 50 or more applicable vehicles, or that gross $50 million or more in annual revenue, are specifically subject to the High Priority and Federal Fleets requirements in the proposed ACF regulation and thus these comments will focus on these provisions.

ZEV Tow Trucks are Unavailable
Currently there are no known commercially available electric tow trucks for sale capable of performing the same work done by traditional tow trucks. Furthermore, there are no clear indications that any of the major tow truck manufacturers have any plans to develop any such

ZEV tow trucks anytime in the future, let alone in time to meet first compliance date of January 1, 2024 contemplated under the current ACF proposal.

This is likely due in large part to the complexity of building a ZEV tow truck, as it is a highly specialized, weight-sensitive vehicle that must idle for long periods of time, typically on the side of a busy road, utilizing a Power Take-Off (PTO) to divert power from the engine of the truck to the various tow mechanisms, including cranes, winches, wheel lifts, flatbeds, booms, etc. As can be imagined, designing a ZEV with sufficient battery life to drive to the scene of an accident, successfully remove the vehicle from the scene – which depending on the severity and complexity of the accident can take up to 6-8 hours while the tow truck is idling and operating various tow mechanisms – drop-off the vehicle at a safe location, and return the tow truck for recharging, is perhaps infeasibly difficult, and certainly will not be commercially available within the time frame contemplated by this regulation.

As such, it is imperative that tow trucks be exempted altogether from the ACF regulation under section 2015 (c). Alternatively, at a bare minimum, all tow trucks must be included on CARB's ZEV Purchase Exemption List contemplated under the ACF regulation.

<u>There is Insufficient ZEV Charging Infrastructure in California</u>

The feasibility of implementing the ACF regulation is irreparably compromised by the lack of sufficient ZEV charging infrastructure in California. This is largely due to fact that California does not have the electrical resources to meet current demand, let alone handle the massive increase in additional ZEV's mandated by this proposed regulation.

At its February 15, 2022 hearing on "Reducing Greenhouse Gas Emissions from Medium-Duty, Heavy-Duty and Non-Road Vehicles," the Senate Transportation Committee itself acknowledged the State's deficiencies and unprecedented challenges in this regard, stating:

> But there are questions about whether California can add enough renewable power to support strong growth in electric transportation. Just meeting California's goal of 5 million light-duty ZEVs by 2030 will increase electricity usage by around 5%-7%; medium- and heavy-duty vehicles will add more. Also, substantial new electric infrastructure will be needed to recharge fleets of battery-electric trucks. A single fast charger for a truck will draw the same electricity as 200 homes, and could go higher. Adding a charging depot of 10 or 20 chargers will be like adding a small city. This will require unprecedented upgrades to utility distribution and transmission systems which often takes years to do. While this does not require any technology breakthroughs, the implementation will require much coordination among multiple regulators and between utilities, regulators and local governments.[1]

Further, as we have recently seen, California's electrical grid is already being exhausted beyond its current limits. In response to a heat wave in late 2022, California issued a Flex Alert to conserve energy to avoid putting extra pressure on California's already strained power grid, with the California Independent System Operator specifically asking residents to "avoid charging electric vehicles while the Flex Alert is in effect."

[1] Reducing Greenhouse Gas Emissions from Medium-Duty, Heavy-Duty and Non-Road Vehicles: Informational Hearing Before Senate Committee on Transportation, (2022) (Background Materials, page 3). Available at: https://stran.senate.ca.gov/informationalhearings

The ACF regulation as proposed only exacerbates the State's energy limitations, without addressing how businesses should proceed when there inevitably are future similar State-issued restrictions on electric vehicle charging. Emergency roadside responders continue to be a necessary component of a functioning transportation system in California by removing disabled vehicles and impounding vehicles that are being used inappropriately, amongst other beneficial reasons. If such emergency roadside responders are prohibited – either practically or legally – from charging their vehicles, the State's already tenuous transportation system of highways and roads could be tragically compromised.

The Economic Demands of ACF Regulation Compliance are Unsupportable

It is important to note that CTTA/ERSCA and its member trucking companies have dutifully complied, and continue to comply, with CARB's Truck and Bus Regulation, which required the wholesale replacement of all trucks with pre-2010 model year engines, well ahead of their natural life cycle. This Truck and Bus Regulation continues to rachet up additional requirements, and related expenses, upon trucking companies through 2023. Compliance has come at great expense to the tow industry, which historically operates with razor thin profit margins, and was devastated by the effects of the COVID-19 pandemic.

As such, the massive additional costs that this proposed ACF regulation will impose upon trucking companies are deeply distressing and likely unsupportable. The ZEV trucks themselves are outrageously more expensive than existing trucks, as noted by the Senate Transportation Committee in its background materials for its February 2022 hearing:

> Deploying MHD ZEVs is costly. Natural gas trucks are roughly 20% more expensive than diesel trucks, battery-electric trucks two to three times more expensive than that, and hydrogen trucks more expensive still.[2]

However, these costly ZEV trucks are only a part of the economic pain being inflicted upon businesses subject to the ACF regulation, as identified by the Truck & Engine Manufacturers Association in their comments provided to CARB on October 29, 2021 related to the proposed ACF regulation:

> Unfortunately, compared to traditional vehicles, ZEVs currently (i) cost a trucking company more to purchase, (ii) are not able to perform the same amount of work as traditional trucks, (iii) require new maintenance facilities and equipment investments, (iv) have lower residual values, and (v) require the build-out and maintenance of a completely new electricity charging or hydrogen fueling infrastructure.[3]

CARB's own projected costs of the ACF regulation, primarily contained in CARB's Total Cost of Ownership ("TCO") analysis[4], are unfortunately far too inaccurately low and incomplete. Not only is CARB's projected upfront vehicle price too low and inapplicable to tow trucks (its assessment of the vehicle price of a battery-electric 2025 Bucket Truck is only 23% higher than its diesel counterpart[5]), the TCO additionally fails to take into consideration the additional number of ZEV trucks that will now be required to perform the same amount of work as

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[2] Ibid., p. 4

[3] See page 3 of Truck & Engine Manufacturers Association comments filed with CARB at https://www.arb.ca.gov/lists/com-attach/105-acf-comments-ws-V2VUYlBjVjRSC1Bh.pdf

[4] See TCO at https://ww2.arb.ca.gov/sites/default/files/barcu/regact/2022/acf22/appg.pdf

[5] Ibid., Table 23 on p. G-46

traditional trucks due to their short battery life (also translating into more unaccounted for Vehicle Miles Traveled), the lost productivity associated with charging ZEVs, the increased infrastructure costs, the related maintenance costs associated with such infrastructure, increased operator training costs, and the many other additional costs that will result from ACF regulation compliance.

Unfortunately, these massive costs coincide with an absence of funding opportunities from governmental entities to help tow companies pay for the massive financial impact the ACF regulation will inflict. CTTA/ERSCA strongly encourages CARB to work with the Governor, State legislators, and its federal counterparts to identify and make the necessary funding available to businesses forced to comply with the ACF regulation. Without it, the policy objectives that CARB hopes to achieve with the ACF regulation will remain unrealized due to a financial inability to comply.

Conclusion

Due to the reasons cited above, CTTA/ERSCA urges the Board to reconsider the feasibility and timing of a regulation that requires already struggling businesses providing an essential service to the motoring public to purchase ZEV trucks that are not yet available, fails to have an infrastructure system in the State capable of meeting ZEV truck charging demands, and does not provide those subject to the regulation with the financial capability to comply.

More specifically, due to the unavailability and infeasibility of ZEV tow trucks, all tow trucks should be exempted altogether from the ACF regulation or, at a bare minimum, be included on CARB's ZEV Purchase Exemption List.

As such, CTTA/ERSCA must respectfully oppose the adoption of the Advanced Clean Fleets regulation.

Sincerely,

Craig Baker
President
California Tow Truck Association/Emergency Road Service Coalition of America