



**California Natural
Gas Vehicle Coalition**

Sent via email

July 16, 2018

Jack Kitowski
Division Chief, Mobile Source Control Division
California Air Resources Board
1001 "I" Street, Sacramento, CA 95814

Re: Comments on the proposed Innovative Clean Transit Regulation

Mr. Kitowski,

On behalf of the California Natural Gas Vehicle Coalition (CNGVC), I would like to take this opportunity to comment on the California Air Resources Board's Innovative Clean Transit (ICT) proposed regulation.

Who We Are

The California Natural Gas Vehicle Coalition (CNGVC) represents the state's natural gas vehicle industry and includes major automobile manufacturers, utilities, heavy-duty engine manufacturers, fueling station providers, equipment manufacturers, and fleet users of natural gas vehicles. We are working together to advance natural gas and renewable natural gas as alternative transportation fuels.

CNGVC would like to thank the CARB for its leadership and role in moving the transit sector from fossil fuels to renewable fuels by 2023 for larger agencies and by 2026 for smaller ones. For the state to reach these aggressive emissions and technology goals, near-zero emissions must be incentivized as a viable alternative for transit agencies to reduce their emissions.

Our member companies believe that the transit sector provides California with excellent opportunities to reduce greenhouse gas emissions and decrease its foreign oil dependency. Renewable natural gas (RNG) has already been instrumental in helping the state de-carbonize the transportation sector. The technology for natural gas vehicles is already widely available and has the infrastructure necessary for its use. It is the most cost-effective alternative for those transit agencies that have fewer resources, but still want to show a commitment to reducing greenhouse gases and criteria pollutants. Additionally, we believe our ambitious goals could be met through advancing the utilization of RNG. With the CARB's leadership, RNG procurement and development of RNG production facilities would further industry adoption of cleaner vehicles and help transition California's economy to fuel sources that are clean, domestic and renewable.

We therefore believe the following amendments to the ICT proposed regulation should be made:

1. Regulation start date and schedule

Many transit agencies have experienced the hurdles that rolling out an electric bus program can take, at times causing project delays and more importantly using limited public monies.

The proposed regulation asks all of California's transit agencies to march in lockstep, increasing electric bus deployments on a set schedule through 2030. The proposed approach does not adequately consider the reality that each agency is different and will face issues that are agency-specific. We believe that this approach therefore does not give agencies the flexibility, or planning horizon, required to successfully deploy an electric fleet in a cost-effective manner or without severely impairing transit operations. For example, Albuquerque Rapid Transits' experience to date with one bus manufacture has caused them to consider either buying more electric buses to make up for lower range or the installment of additional charging infrastructure along routes to maintain a charge, causing fiscal pressures on the transit agency as a whole. This is compounded by the fact that the FTA requires that once a bus is accepted by a transit property, that property must run that bus for 12 years or risk future FTA funding. Similar concerns were also outlined by a recent Foothill Transit comment letter dated June 5, 2018 to Mary Nichols.

It is for all of these reasons that we believe the regulation should therefore afford agencies as much flexibility as possible to meet CARB's statewide target for 2040.

2. Sunset on old diesel buses still in service

According to an in-use study done by the University of California Riverside, diesel engines emit five times more dirty pollutants than for the 2010 certification standard. Even with renewable fuels, we know that older technology is not as clean as its newer counter-parts. Therefore, a major stepping stone to significantly reducing greenhouse gas emissions and improving air quality is to retire old diesel buses. The proposed regulations should include some form of sunset date for large and small agencies to phase-out their old diesel vehicles as quickly as possible. This not only reduces the amount of diesel vehicles on the roads, it also pushes the change-over to alternative fuels. It would be counterproductive to focus on requiring cleaner CNG vehicles to reduce emissions in the future, without a corresponding effort to remove diesel vehicles that are currently the heaviest polluters on the road. A sunset for the retirement of older diesel buses is just as imperative in actualizing the State's emission reduction goals. Since smaller agencies have less resources, and until the larger agencies get through growing pains of adopting ZEBs, allowing them to switch out old diesel buses with buses that meet a 0.02 g-bhp/hr NOx standard would be a better alternative.

3. Create an off-ramp or deferral process for agencies that will have difficulty transitioning to zero-emission vehicles.

Total adoption of zero-emission vehicles may not be functionally or financially feasible for some. Instead of creating a burden and punishing those who do not adopt a ZEV pathway early, steps should be taken that provide renewable alternatives to full ZEV adoption that still incentive investing in cleaner vehicles. Agencies that must delay implementation for legitimate reasons should be allowed to request a waiver and have the purchase of a renewable fueled asset count towards compliance. This waiver for some agencies would still displace dirty buses but would give the option

to use the cleanest available technology. An off-ramp for cleaner vehicle alternatives can help push California closer to its goal, without putting an unnecessary burden on those working to make the transition as quickly and as efficiently for their agencies as possible. The waiver should require the adoption of NZ technology that meets the 0.02 g/bhp-hr NOx optional emission standards, since transit agencies have already experienced the benefits of adopting that technology.

4. Technology feasibility studies needed

California's goals to reduce emissions and eliminate fossil fuels is a common goal that we all share and are working towards. However, as this sets a new standard with technology that has had some publicly documented issues, the regulations for the ICT measure should include multiple technology feasibility studies to see what and how things are working. The first study should be done *prior* to the mandate beginning. Before requiring large expenditures with public dollars, the transit agencies should have a concrete idea of where the technology actually stands with regards to range and charging time. This will help those same agencies go into the mandate fully informed. The second assessment would review the feasibility of the adoption of ZEVs by larger transit agencies that were mandated to switch between 2023 and 2026. The study should also include how many times the deferral process was used. This would provide information on the feasibility of implementation statewide and evaluate the cost/benefit of implementation. These studies are necessary to make sure that the ICT is moving in the right direction towards lowering emissions in California and that the technology is up to the challenge of accomplishing the goals. This information will be invaluable to transit agencies as they weigh the costs and expenditures necessary to transition their fleets.

5. Removal of paratransit “cutaways” from vehicle count

We would like to echo the opposition to including paratransit cutaways as part of the calculation towards the 100-vehicle threshold that defines a small versus large transit agency. Currently, there are no zero-emission paratransit vehicles on the market today. Furthermore, small transit agencies are defined differently in Federal law. We support the recommendation by Santa Cruz Metro to change the CARB interpretation of small transit agencies to match the FTA interpretation, so that Federal transit funds are not at risk.

We believe that the above changes and edits to the regulation will ultimately make this a stronger regulation. We appreciate the opportunity to engage on this important issue and we look forward to future conversations about how this regulation will play out in the real world, while helping our state meet its goals. Please don't hesitate to reach out to me, if you have any questions or concerns at thomas@cngvc.org or at 888-538-7036.

Sincerely,



Thomas Lawson
President, California Natural Gas Vehicle Coalition