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Imperial Irrigation District's Comments on the Proposed 15-Day Language for the Advanced Clean Fleets Rule

The Imperial Irrigation District (IID) appreciates the opportunity to comment on the proposed 15-day language for the Advanced Clean Fleets (ACF) rule. IID is an irrigation district and a public power provider representing some of the most economically disadvantaged and underserved communities in the state. Our predominately rural service territory encompasses all of Imperial County, parts of Riverside and San Diego Counties, and spans several thousand square miles. Keeping the needs of the community it serves in mind, IID maintains the lowest irrigation and electric rates in the State of California.

IID supports a comprehensive strategy to accelerate the transition to Zero Emission Vehicles (ZEVs) when they are available, tested and suitable for electrification. However, IID is concerned the draft ACF requirements for public fleets in the 15-day notice will jeopardize our ability to prevent outages and restore essential services by restricting the availability and utilization of critical vehicles needed to maintain and repair vital infrastructure. Utilities face unique operational challenges during emergency response events and the public expects expedited restoration of their energy service.

To accommodate the unique service requirements of an irrigation district and a public power provider, IID offers the following suggestions to modify the ACF rule so that is does not negatively impact public fleets:

1. Remove the arbitrary 13-year threshold criteria when determining exemption eligibility

To assist IID in achieving its mission of delivering electric and water services that are reliable and affordable to its ratepayers, the Board of Directors has adopted vehicle retirement criteria. The retirement criteria is based upon industry standard peer

benchmarking compared to the district's fleet management history, which accounts for extreme heat weather conditions where temperatures can reach 120 degrees and diverse terrain within its service territory. The retirement schedule reflects the district's goal of maximizing its fleet utilization before major costly repairs are needed, as well as the development of long-range vehicle replacement plans, with minimal impact on the district's rates and its ratepayers.

In general, IID's board-approved retirement schedule is seven to 10 years, depending on model and usage. Under the ACF rule, fleets will have the ability to apply for an exemption or extension when there are no commercially available ZEVs to meet a fleet's daily usage or specifications as well as if it experiences ZEV infrastructure delays. However, fleets cannot obtain these exemptions unless a vehicle has reached its 13th year. This 13-year threshold is not workable, and does not recognize the actual end of useful life of utility specialty vehicles.

The 13th year model year requirement, before an exemption or extension can be requested, will require publicly owned utilities to purchase ZEVs or continue operating a vehicle needing replacement, even in cases where the utility can demonstrate that there are no ZEVs commercially available or capable of meeting the utility's needs. It is critical that a fleet have the flexibility to replace a vehicle when it reaches the end of its useful life, and IID urges CARB to delete the arbitrary 13-year threshold.

2. Provide additional consideration in the exemption for specialty utility equipment used in emergency response and restoration activities

The ACF condition for exemption under Mutual Aid Assistance advises stakeholders that vehicles providing emergency response in support of utility services may be granted an exemption if at least 25 percent of the California fleet is comprised of ZEVs (until January 1, 2032), and it must be in response to a declared emergency event. The regulation further specifies that "routine operation to prevent public health risks does not constitute emergency operation." For IID, this exemption is impractical and unjust to the residents of the State of California that rely on essential services.

A public agency's ability to respond to catastrophic or emergency situations cannot be constrained by unrealistic regulations or unviable exemptions. <u>IID respectfully requests revision to the definition of "Emergency Operation" to include non-declared events and reflect the language CARB published in its 2020 Advanced Clean Trucks large entity reporting requirement for emergency response, which reads: "to support an emergency operation such as repairing or preventing damage to roads, buildings, terrain, and infrastructure as a result of an earthquake, flood, storm, fire, terrorism or other infrequent act of nature."</u>

It is also important to note that many utility repairs are urgent in nature and require specialized equipment to mitigate risk. Emergent risks are common in utility work, and the engagement of specialized equipment and timely intervention by utilities mitigates that risk and avoids escalation or a cascading event that would prompt a disaster declaration. IID believes CARB has recognized the important role utilities serve by adding an emergency response exemption, but we ask that CARB revise the exemption to ensure it is workable and the intended protections can be realized. The communities we serve depend on us, and our ability to quickly respond is dependent upon the specialty equipment in our fleet. The durable and reliable operations of these vehicles is paramount to IID's public service mission.

3. Reduce the administrative burden embedded into the exemptions within the regulation

IID appreciates that CARB has heard many of the issues raised by individual utilities and related trade groups as it pertains to the ACF rule. However, the inclusion of the multiple exemptions, although helpful, do not assist a utility with the ease of compliance. The exemptions as written require a significant amount of data collection, market research and extensive correspondence with the Executive Director. This creates an unfair administrative burden on the utility, simply through the amount of staff time and resources that will be required to document, correspond and address feedback from the CARB Executive Office.

The timelines will create significant delays in the application, review and approval of exemptions. The delays will directly affect lead time for procurement decisions, and require utilities to increase staffing in order to manage the administrative burden of the application, correspondence monitoring and reporting of approved or rejected exemptions. There is also no clear appeals process available.

It should also be noted that within the exemption process, CARB states that "the Executive Officer will use good engineering and business judgement" to evaluate the validity of applications. A referenced source for exemption evaluation is the CARB webpage, containing manufacturer and dealer information. This evaluation method is not supported by sufficient real-world data or experience, as there is no significant pool of utility vehicles with on-board diagnostics data to support energy use, resiliency or reliability calculations for performing utility work out in the field. IID respectfully requests that CARB not put critical infrastructure at risk, when manufacturers expected outcomes have no tested or proven field data to support their assumptions.

IID believes CARB has an obligation to construct a rule that allows for compliance without multiple iterations of exemption requests, deliver approval or rejection of those

exemptions with clear, data-driven solutions, and provide fair limits on additional administrative processes and costs.

4. Establishment of a ZEV Technology and Market Review Committee to assess production, availability, suitability and confirmed operational testing

In an effort to ensure CARB staff is fully informed on product availability and commercial viability, IID recommends that the ACF process include a production and technological review conducted by an independent panel of experts, not the CARB Executive Officer who intends to rely on input from manufacturers that have a vested interest and ability to financially gain from the input they provide. The establishment of this committee will help address stakeholders' concerns related to vehicle availability for critical specialty fleet vehicles. CARB's proposed rule should include a Technical Committee to monitor and report on technological advancements and certification of ZEVs as used in other regulatory standards such as the former Battery Technical Advisory Panel and the Fuel Cell Technical Advisory Panel.

Conclusion

IID urges CARB to revise the 15-day language for public fleets to recognize that publicly owned utilities are first responders during emergency events, and we manage power and water infrastructure concurrently with traditionally recognized first responders during these situations. The regulation needs to include reasonable and practical accommodations for specialty utility response vehicles, and acknowledge unique service area topography, weather and physical environmental characteristics. It is in this spirit, that these comments are offered.

Sincerely,

Enrique B. Martinez General Manager