

April 7, 2023

Mr. Craig Segall
Deputy Executive Officer
California Air Resources Board
1001 I Street
Sacramento, CA 95812

Dear Mr. Segall:

Subject: Los Angeles Department of Water and Power Comments on the
Advanced Clean Fleets Regulation Public Fleet Requirements

The Los Angeles Department of Water and Power (LADWP) appreciates the opportunity to provide comments on the Advanced Clean Fleets (ACF) State and Local Government Agency Fleet Requirements.

LADWP is the nation's largest municipal utility serving more than 4 million residents of Los Angeles, its businesses, and visitors. As a Provider of Essential Public Service (PEPS), LADWP's priority is to provide safe and reliable water and power services. LADWP's responsibilities include operating and maintaining multiple water distribution facilities at various locations, within the City of Los Angeles and Owens Valley, as well as, a power generation, transmission, and distribution system that spans five Western states. Operating and maintaining these vast systems requires specialized vehicles that are readily available to maintain and restore water and power as needed.

LADWP supports CARB's goals and continues to install infrastructure, conduct outreach, provide rebates, and purchase zero-emissions vehicles (ZEVs) whenever feasible. At the same time, as a PEPS, LADWP must be able to acquire ZEVs that meet our specifications and operational needs. Specialty vehicles need to be reliable, available for purchase, and delivered on time. LADWP appreciates the exemptions and improvements that CARB has incorporated thus far in the ACF regulation. However, some of the new additions to the rule make the exemptions more infeasible. To strengthen and ensure the effective implementation of the rule, LADWP provides the following recommendations to provide additional flexibility for public fleets.

Restrictions on Vehicle Replacements and Additions

LADWP urges CARB to consider removing the newly added restriction which only allows exemptions for vehicle replacements no earlier than the 13th model year. This recent addition to the rule is not only restrictive, it is also unsubstantiated and seemingly arbitrary. LADWP often purchases vehicles both as replacements and additions to its fleet. LADWP's fleet size continues to grow due as projects progress throughout LADWP's large service territory to address the increased need for water and power system upgrades. In order to support LADWP's growing operational needs, vehicle additions should be allowed the same exemption provisions as vehicle replacements if a ZEV configuration is unable to meet a fleet's specifications or operational needs.

Timing of the ZEV Purchase Exemption List

Section 2013.1(d)(1) states that the ZEV Purchase Exemption List will be available no later than January 1, 2025. It is necessary to inform fleets what ZEVs are available or unavailable as soon as possible and no later than the start of the ACF regulation. LADWP typically plans for vehicle purchases three to five years in advance to accommodate budgetary needs and allow time for the lengthy and involved specification development and procurement processes. Having a streamlined process in place at the start of the regulation will provide a smoother transition for both fleet owners and CARB.

ZEV Purchase Exemption Application Criteria and Review Process

The ZEV Purchase Exemption Application criteria, in section 2013.1(d)(2)(D)(2) state that ZEVs with model years up to 18 months in the future are considered available. These criteria should be modified to clarify that vehicles should be available at the time of purchase. Pertinent information about the vehicles such as specifications and cost must be available for fleet owners to issue a purchase order. ZEVs should also not be considered available if fleets are required to wait longer than required for an internal combustion engine (ICE) vehicle.

Furthermore, additional criteria for ZEV availability that extend beyond market availability and account for vehicle reliability are needed. LADWP has proposed these criteria in previous comments and urges CARB to incorporate these into the final rule. Without clear standards, there is no guarantee that ZEVs being sold will be reliable or capable of meeting the needs of public fleets. LADWP recommends the following criteria for ZEV availability:

- Vehicles meet fleets' required specifications;
- Vehicles available for purchase from at least three manufacturers that have at least two years of experience selling vehicles in California;
- At least 25 vehicles of each model have been placed in service;
- Vehicle delivery does not exceed six months longer than an ICE vehicle;

- Vehicle maintenance support is available within 75 miles of the delivery point and guarantees the continuous availability of parts.
- Charging infrastructure commercially available within a reasonable number of miles from the locations where vehicles operate;
- Replacement of one specialty ICE vehicle would not require more than one ZEV (direct drop-in replacement option).

These criteria reduce the risk of receiving an unproven product and ensure a wider selection of reliable vehicles that can be purchased at competitive prices and maintained throughout the vehicle's useful life. Manufacturers must be able to demonstrate the ability to fulfill multiple high-quantity ZEV orders to assure the customers they can reliably and adequately replace their existing vehicles with ZEVs.

Additionally, as a utility, LADWP deploys specialty vehicles with unique specifications and duty cycles. LADWP recommends that if additional information is needed during the review process, CARB should communicate with the fleet before denying a request. Alternatively, CARB should develop an appeals process to provide fleets an opportunity to respond if fleets disagree with a manufacturer's claim regarding ZEV availability. CARB should place higher consideration on the information from the users and operators of the vehicles when determining whether a vehicle is capable of meeting operational needs. ZEVs must be capable of performing the same critical functions as the vehicles they are replacing.

Mutual Aid Assistance Exemption Restrictions

The recent weather-related emergencies throughout the state of California provide a glimpse of what operations could look like with ZEVs. Extreme weather events have become more common -- wind storms in 2017, heat waves and wildfires in the past few years, and storms at the beginning of this year, just to name a few.

A recent real-world example is LADWP's involvement in the emergency operations at Burnt Peak, which is located in a very remote area with no electricity in the Angeles National Forest. During the emergency operations, vehicles operated continuously for 12 to 14 hours shifts a day, 7 days a week, to ensure LADWP's ability to provide power and prevent the grid from shutting down. Even if chargers were available, ZEVs would not be suitable because the vehicles would need to be constantly recharged, which would interrupt operations. In emergencies such as this, vehicles need to be available 24/7. It is crucial that LADWP's vehicles are always ready to respond to all types of emergencies and natural disasters, both in the Los Angeles basin, as well as in remote areas, along the Los Angeles Aqueduct or LADWP's transmission lines.

LADWP recommends that PEPS not be subject to the requirement to have a percentage of their fleet be ZEVs before being allowed to use the exemption under the Mutual Aid Assistance exemption. Alternatively, PEPS should have the option to

designate a percentage of vehicles for mutual aid assistance and qualify for an exemption. This would allow PEPS to replace specialty vehicles that are used during emergencies with reliable vehicles that meet operational needs. This would also resolve issues with the mobile ZEV fueling requirement of this exemption. During emergencies, vehicles are operating continuously to restore services as soon as possible. Utilities cannot wait for a ZEV to recharge. These recommendations are intended to ensure that PEPS always have the necessary specialty vehicles ready to maintain, repair, and operate the power and water systems.

Timeline for 100% ZEV Purchases

Finally, due to the remaining uncertainty surrounding vehicle availability and the feasibility of the exemptions, LADWP recommends shifting the 100% ZEV purchase requirement from starting in 2027 to 2030 to allow ZEV technology to mature. LADWP supports starting the regulation in 2024 but an extended phase-in period will provide the much-needed flexibility and could potentially reduce the number of exemptions being requested.

LADWP is committed to continuing to electrify its fleet and evaluate ZEVs for effectiveness and reliability as they become available. As a public entity, LADWP prioritizes compliance with all federal, state, and local regulations. However, the current regulation language makes it challenging for LADWP to update its fleet and ensure the dependability and efficiency of ZEVs for LADWP's specialized functions. LADWP encourages CARB to continue working with stakeholders to further refine the language in order to successfully implement the ACF regulation. Additional comments and details are provided in LADWP's previous comment letters. LADWP appreciates CARB's collaboration with the stakeholders and consideration of the feedback provided.

If you have any questions regarding these comments, please contact Ms. Andrea Villarin of my staff at (213) 367-0409.

Sincerely,

Katherine
Rubin

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Katherine Rubin
Director of Environmental Affairs

EC:

Submitted electronically to the "acf2022" docket

c: Mr. Tony Brasil, CARB
Ms. Andrea Villarin, LADWP