PORT OF OAKLAND

September 27, 2021

Mr. Craig Duehring, Manager
Mobile Source Control Division
California Air Resources Board
1001 I Street
Sacramento, CA 95814
Submitted Via Electronic Comment Log

Subject: Comments on *Draft Regulatory Language and Updated Cost Assumptions for the Advanced Clean Fleets Regulation* Presented at Public Workshop on September 9, 2021

Dear Mr. Duehring:

The Port of Oakland ("Port") appreciates this opportunity to comment on the Proposed Advanced Clean Fleets Regulation ("Proposed Regulation"). The Port is a public enterprise agency, operating a seaport, an airport (Oakland International Airport), and a commercial district extending from Jack London Square to the airport. The seaport and the airport are both essential transportation infrastructure serving the San Francisco Bay Area and the State of California. The Port is also a public utility, providing electricity to both the seaport and airport. The Port is responsible for maintaining its facilities in good condition for the benefit of the entire region.

The Port offers comments on two different components of the Advanced Clean Fleets Regulation: the Public Fleet Requirements and the Drayage Fleet Requirements.

Comments on Public Fleet Requirements

The Port currently has a fleet of about 100 trucks that would fall under the Proposed Regulation (Class 2B or higher). In a typical year, the Port purchases about 20 on-road trucks of various sizes and body types. The Port supports the goals of the Proposed Regulation, and in fact has already purchased two battery-electric work trucks and one battery-electric 12-passenger van (Class 4-6 vehicles).

A. The aggressive timeline for this Proposed Regulation and the lack of commercial availability of zero-emissions trucks will lead to actions that defeat the purpose of the Proposed Regulation.

The Port routinely explores alternative fuel options during its procurement processes, but unfortunately there are no feasible zero-emissions options available for the heavier duty trucks. The Port expects a shortage or lack of zero-emissions vehicles ("ZEV") and near zero-emissions vehicles ("NZEV") in the early years of the Proposed Regulation when every city, county, airport, and utility in California (including Caltrans and PG&E) is competing for the same limited supply. As a result of the anticipated shortage, agencies may accelerate purchases of new internal combustion engines prior to 2024. Alternatively, Agencies will likely maintain older gasoline and diesel equipment longer than typical instead of purchasing new equipment.

Consequently, the Port recommends delaying the Proposed Regulation's commencement date until zero-emissions trucks are commercially available and proven effective for the duties required.

B. The Port strongly urges CARB to consider including additional exemptions in the Proposed Regulation.

The Port offers the following suggestions for additional exemptions that will allow agencies to remain in compliance in situations beyond their control:

1. Include an exemption for an agency that tries to procure a new ZEV/NZEV but receives no bids. In that instance, allow the agency to purchase internal combustion engine vehicles.
2. Include an exemption when ZEV and NZEV options are not capable of performing the duty cycles required by a specific truck.
3. Include an exemption when only a single manufacturer sells a certain truck type or only a single responsive bid is received during public purchase process.
4. Include an exemption for low usage vehicles.
5. Include an exemption when the manufacturer cannot guarantee vehicle delivery prior to the required replacement date.
6. Include an affordability component. For example, if two bids are received for a given vehicle, but the ZEV version costs substantially more than the NZEV, allow agencies to purchase the lower cost vehicle.
7. Expand the list of emergency vehicles to include vehicles needed to repair critical utility and transportation infrastructure.
    a. In a major earthquake, terrorist attack, or other catastrophe, it will be imperative for the airport and seaport to return to operations quickly to transport goods and people and respond to the emergency. In all likelihood, electric power will be disrupted during such a crisis leaving the Port unable to charge its vehicles or accomplish critical work.
    b. The proposed exemption for fleets where 75% of a body type is already ZEV can never be met if the agency only has one, two, or three of a given body type. For

example, if the Port has only three bucket trucks, it cannot receive an exemption for one of them. Bucket trucks are essential for repairing electric transmission lines and transformers. Without electricity, the cargo cranes at the seaport cannot discharge or load ships. Similarly, sweeper trucks are essential to keep runways clear and safe for airplanes. If the power were out and the trucks were all battery-electric, the airport runways could be shut down until power is restored. But the power cannot be restored without the work trucks and bucket trucks, leaving the Port without a way to fulfill its essential functions.

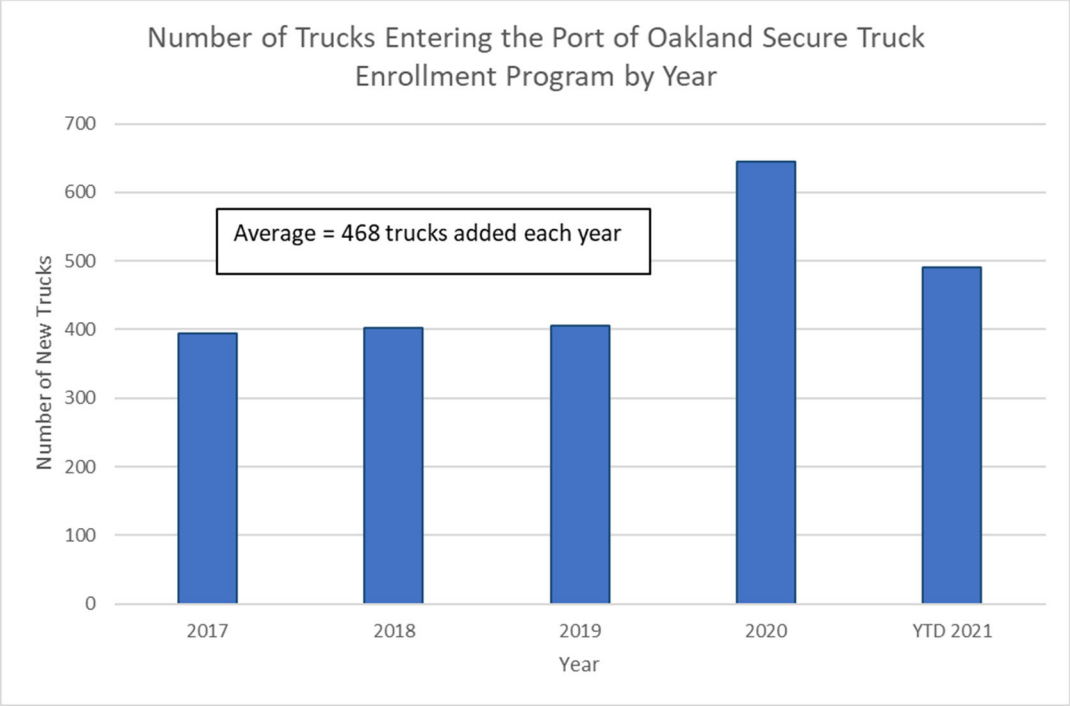
Comments on Drayage Fleet Requirements

The Port is extremely concerned about the consequences of the foreseeable drayage truck shortage that will occur if the Proposed Regulation becomes effective in 2023.

- The Port anticipates severe supply chain disruptions: imported merchandise will likely experience delays getting to consumers as will agricultural exports, resulting in business uncertainty and potential spoilage of goods.
- Supply chain disruptions could induce cargo diversion to ports outside California with no truck shortage. This would lead to an increase in emissions as the goods are trucked back into California by non-drayage trucks.
- A lack of trucks to move cargo will result in congested marine terminals, which in turn leads to the types of ship backups that are occurring now in Southern California. This leads to an increase in emissions.
- A shortage of trucks that are allowed to enter marine terminals will incentivize illegal dray-off moves, where a few ZE trucks move cargo to and from a secondary staging yards where they are shifted to non-drayage trucks to complete the move. This would have a serious and negative impact on the communities surrounding transfer yards, with noise, truck traffic, emissions, and road dust.

For context, the Port adds about 470 new trucks to its Secure Truck Enrollment Program[1] ("STEP") each year. This is the number needed to compensate for trucks that stop working at the Port for any number of reasons (retirement, moving out of state, work in a different industry, accident, etc).

[1] STEP is not the same as CARB's Drayage Truck Registry, however it can serve as a proxy for the number of trucks that enter the fleet serving the Port of Oakland each year.



Given that the Ports of Los Angeles and Long Beach move approximately seven times more cargo than Oakland and have triple the truck fleet size, it is reasonable to assume that the two San Pedro Bay Ports combined will require another ~1,500 trucks per year to keep up with demand for cargo movement.

- Can CARB demonstrate that there will be ~2,000 zero-emissions Class 8 trucks available for purchase by late 2023?
- Or that owner-operators or trucking companies will be able to afford the ~$400,000 purchase price?
- Or that the electrical grid can support charging stations for that many trucks? The Governor of California has already issued four separate Executive Orders for Extreme Heat Advisories (plus one open-ended order for Fall 2021) where shipping companies have been asked not to plug ships into shore power to reduce demand on the electrical grid. Will these electric capacity and safety problems be solved by 2023?

It is crucial to understand that the term "Drayage Truck" is a misnomer. Drayage is a type of job, not a type of truck. Drayage trucks are normal Class 8 trucks that serve marine terminals and railyards.

SAME CLASS 8 TRUCK

Doing Drayage

Not Doing Drayage

The duty cycle of a drayage driver can change from one day to the next. For example, one week a driver may be doing short haul trips within the Port area, and the next week may be driving to Salinas to pick up agricultural exports. A drayage driver in Oakland may routinely drive to Nevada or Southern California. **Drayage duties are not synonymous with short-haul.**

There is no feasible way for owner-operators to comply with this rule. It will effectively end that business model. Assuming truck drivers will install charging stations and generate and monetize Low Carbon Fuel Standard credits is not realistic. This is a social justice issue. Truck driving is a good-paying job that is especially accessible to people with limited English proficiency. In all probability, this Proposed Regulation will limit their participation in the economy and deprive them of a livelihood.

The Port notes that the High Priority and Federal Fleet portion of the proposed regulation does not require Class 8 trucks with sleeper cabs to fully electrify until 2042. This shows implicit recognition by CARB that Class 8 trucks are the most challenging trucks to electrify. The Port suggests that CARB make the drayage truck deadlines consistent with those for Class 8 sleeper cabs (2042), since they are the same trucks.

Closing

The Port of Oakland is fully engaged and committed to reducing truck emissions, both within our own fleet and with the fleet of trucks serving cargo operations at the seaport. Again, the Port appreciates the opportunity to comment on the Proposed Regulation and looks forward to working with CARB on improving this Proposed Regulation. Please contact Ms. Tracy Fidell, P.E., Port Associate Environmental Planner/Scientist at tfidell@portoakland.com with any follow-up questions and responses.

Sincerely,

Richard Sinkoff
Director of Environmental Programs and Planning

CC:

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