

September 24, 2021

Mr. Richard Corey Executive Officer California Air Resources Board 1001 I Street Sacramento, CA 95814

RE: Draft Regulatory Language and Updated Cost Assumptions for the Advanced Clean Fleets Regulation

Dear Mr. Corey:

On behalf of the Rural County Representatives of California (RCRC), I write to offer our comments on the California Air Resources Board (CARB) Advanced Clean Fleets (ACF) Regulations, including the Proposed Draft Regulation Language for Public Fleet Requirements and other related ACF documents. RCRC is an association of thirty-seven rural California counties, and its Board of Directors is comprised of an elected county supervisor from each member county.

RCRC understands that the ACF regulation is part of a comprehensive statewide strategy to accelerate the market for zero-emission trucks and buses to protect public health and meet climate goals. However, we believe there are a number of more critical questions surrounding the mandate for the rulemaking itself and the timing of its implementation, particularly in rural communities. With that, we offer the following comments relevant to the collective components of the regulation, which were also brought up and unanswered in the Advanced Clean Truck (ACT) regulations:

The Proposed ACT and ACF Regulation forces technology where it is neither feasible nor necessary

RCRC member counties historically are considered among the more compliant areas in the state for meeting air quality standards. In fact, 29 of RCRC's 37 member counties do not have a single disadvantaged community according to CalEnviroScreen because of their attainment status, even though many of the communities within those areas are among the most socioeconomically disadvantaged in the state. This is significant because the focus on priority funding is to those areas with the worst air quality.

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Currently, truck operators in rural communities often purchase used, compliant diesel, or natural gas vehicles as a lower cost option to address their fleet needs while meeting CARB's emission requirements. The vehicle sales requirements in the ACT Regulation will eliminate the pool of used, compliant vehicles for rural fleet owners and potentially leave non-compliant vehicles in operation longer.

Furthermore, unlike urban communities, rural residents and communities are often spread out from one another, and combined with the mountainous nature of many rural areas, the rural landscape is not conducive to using zero emission vehicles (ZEVs) in many light-medium to heavy duty applications, such as residential and commercial solid waste pick up. Rural communities also lack charging infrastructure for ZEVs and local governments do not have the resources to install such infrastructure without a significant investment from the state. Without such an investment, the requirements in this regulation represent an unfunded mandate on rural local governments, something that is not considered in the Costs and Benefit Analysis for the ACT or the Draft ACF Total Cost of Ownership Discussion Document.

According to the CARB 2021 Annual Evaluation of Fuel Cell Electric Vehicle Deployment and Hydrogen Fuel Station Network Development, 21 rural counties do not have any hydrogen fueling stations and are not projected to see any grant funding opportunities through 2027. The emphasis for deployment is in the urban areas, the areas of disadvantaged communities with poor air quality. This same logic is expected to extend to the purchase requirements for charging stations for Battery Electric Vehicles.

The final rulemaking must contain considerations for PSPS

Many rural communities, particularly in RCRC member counties, are in the wildland urban interface (WUI) and are located in high fire hazard severity zones. RCRC member counties contain the majority of California's forested lands, including more than 70 percent of the state's national forest system lands. These areas are more prone to wildfires due to a combination of vegetation management practices on public lands that have not met the appropriate pace and scale needed to maintain the resiliency and health of California's forested and heavily vegetated lands and climate change.

In the wake of the devastating fires of 2017 and 2018, including the Thomas Fire, the Tubbs Fire, and the Camp Fire, investor-owned utilities (IOUs) have begun using public safety power shut-offs (PSPS) events as a means of preventing wildfire ignitions while largely delaying increased investments in hardening their infrastructure. In 2019 and 2020, PSPS events lasted multiple days in various parts of the state, with IOUs unable to provide certainty as to when power would be shut off in advance or when it would be restored once shut off. One such multi-day event even occurred concurrently with the catastrophic Kincaid Fire in Sonoma County, which exponentially complicated fire and emergency response issues. While RCRC is working diligently with the California Public Utilities Commission and meeting with IOUs to try to ensure a greater level of

communication between IOUs and local governments during PSPS events, deenergization to prevent wildfires is an activity that will certainly not be going away in the near future.

Any potential requirements for ZEV vehicle use in the WUI must consider the possibility of several multiple-day PSPS events each year throughout California and catastrophic wildfire events. The inability to charge municipal vehicles for several consecutive days would incapacitate local emergency response, water supply operations, waste and debris removal, and other vital services that local governments need to provide during these urgent situations. RCRC mentioned the need to consider fire and PSPS events in our comments on the ACT regulations, and we are disappointed that staff still has not provided analysis or consideration for these events in the ACF Regulations.

The fires of 2021 have been cumulatively the most devastating to date and not only impact the county of origin, but collectively neighboring counties. While emergency vehicles defined in section 165 of the California Vehicle Code are exempt from the regulations, many other support vehicles and equipment legitimately respond to the incidents, particularly with the relocation and provisions of supplies for evacuated residents and animals, but are excluded from the emergency provisions of the regulations. During wildfire events it will be crucial that these vehicles be fully operational, including and especially during PSPS events.

Outreach to rural governmental agencies has been inadequate

Despite RCRC requests, there still has been very little outreach to rural local governments regarding the potential impacts of the proposed regulation, especially considering the scale that urban local governments have engaged in the rulemaking. We are certain that the Proposed Regulation Order could be vastly improved with an open dialog between rural municipalities and CARB staff and would be happy to facilitate a discussion between heavily impacted jurisdictions such as solid waste operations.

The Costs and Benefits Analysis for the ACT and the Draft ACF Total Cost of Ownership Discussion Document must be revised to consider unique rural challenges

Rural counties have been hit particularly hard by national forest closures and other wildfire-related public lands access issues due to their economic dependence on tourism and recreation. In many areas, small rural counties are facing budget deficits in the millions, are short-staffed, and are having to make hard decisions regarding not only current regulatory mandates, but other unfunded mandates under development by the state including Short-Lived Climate Pollutant Organics regulations being finalized by the California Department of Resources Recycling and Recovery.

While we understand CARB is under direction of the Administration to advance zero emission vehicle usage in the commercial vehicle sector, even the reporting

requirements in the Proposed Regulation Order will place an undue burden on local agencies in this uncertain economic time, particularly on small, rural local governments that already operate on small staffs and small margin budgets. Freeing up staff time to undertake such a time-intensive endeavor is simply not a feasible endeavor for most rural counties who are prioritizing public health, safety, and economic recovery from COVID-19 and catastrophic wildfire events, particularly since most of these counties are in attainment for mobile source pollutants. We request that this rulemaking be delayed until the cost impacts of these emergency events on regulated entities can be fully evaluated.

Additionally, using the average cost of ownership is inequitable considering the financial impact in rural areas. Longer distances combined with higher infrastructure and operating costs have a greater impact on financial feasibility in small rural counties with lower budgets per capita than in the urban areas.

Specific comments on the Public Fleet Requirements

RCRC believes the ZEV purchase requirements are much too aggressive for the availability of appropriate technologies for public fleets. The ACT regulation mandates percentages of manufacturers' annual sales beginning in 2024 with gradual advances until 2035. We recommend that the purchase requirements for the ACF regulation be more aligned with the ACT requirements by beginning in 2026 with a small percentage of total new motor vehicle purchases for public fleets and increased incrementally for each calendar year thereafter. This extended purchase requirement also affords more time for development of zero emission technology for various applications that are neither available today, nor will they be well beyond the proposed 100 percent purchase requirement by the 2027 timeframe.

While we understand and appreciate that the public fleet requirements are for new purchases and are not a fleet turnover requirement, the phase-in schedule for high priority and federal fleets begins in 2025 for some types of vehicles and extends through 2042 for other types of vehicles with 10-to-12-year compliance timeframes depending on the type of vehicle. We believe that, depending on the type of vehicle the public fleet is purchasing, the 100 percent purchase requirement should coincide with the end dates of the phase-in schedule for the high priority and federal fleets.

RCRC also recommends that the ACF contain an early purchase credit strategy that could be used towards compliance during years of unexpected financial hardships due to other circumstances and catastrophic events that public agencies often deal with.

Finally, RCRC strongly proposes that the smaller municipal jurisdictions in the identified "designated low population counties" be exempted from the requirements altogether. CARB would be better served by focusing on the most populous, urbanized counties. The fifteen most populated counties (over 750,000 persons), for example, represent nearly 83 percent of the state's population and have the state's worst air quality

from mobile sources. Those areas should remain the focus of this rulemaking until technologies under scrutiny become more widely implementable and the state can invest in the appropriate infrastructure.

The smaller municipal jurisdictions generally have a longer operating life than those in the urban areas and rely upon purchasing the used vehicles from the urban areas that tend to have a shorter fleet replacement life of five to seven years. The cost of ownership of purchasing a new ZEV for the small jurisdictions has much more of a financial impact than using the average operating life of 12 years. As urban fleets begin turnover of their ZEVs, the rural areas can easily become compliant through acquisition of these vehicles. This would also keep the financial focus on the urban areas with the poorest air quality.

RCRC appreciates the opportunity to review and comment on the ACF proposal. However, we would be remiss if we did not take this opportunity to urge CARB to consider the advancement of diesel technology and renewable biofuels into the formula to reduce greenhouse gas emissions into the future. Please do not hesitate to contact me at sheaton@rcrcnet.org if you would like to discuss our comments further.

Sincerely,

STACI HEATON Senior Regulatory Affairs Advocate

cc: Liane M. Randolph, Chair, California Air Resources Board Jared Blumenfeld, Secretary, California Environmental Protection Agency Members of the RCRC Board of Directors