Office of the Executive Officer Wayne Nastri 909.396.2100, fax 909.396.3340

December 6, 2019

California Air Resources Board Clerks' Office 1001 I Street Sacramento, CA 95814

RE: Comment Letter on Proposed Advanced Clean Trucks Regulation

Dear Chair Nichols,

South Coast Air Quality Management District (South Coast AQMD) staff is pleased to provide comments on CARB's proposed Advanced Clean Trucks (ACT) Regulation.

Our agency believes large scale deployment of zero-emission technologies is the ultimate goal for reducing both criteria and GHG emissions. However, based on the proposed regulation, there is and will remain a critical need for near-zero technologies (e.g., Internal Combustion Engines that meet the 0.02 g/bhp-hr NOx levels) in achieving NOx reductions. As indicated in the 2016 Air Quality Management Plan, as well as CARB's Mobile Source Plan, a combination of zero-emission and near-zero emission technologies will be needed to achieve the required 45% and 55% over baseline NOx reductions to meet the 2023 and 2032 air quality standards. NOx emissions from Class 7 and 8 heavy-duty diesel trucks are one of the largest source of NOx emissions in the South Coast Air Basin.

The proposed language calling for only a 15% ZEV requirement in 2030 and beyond will be insufficient and must be increased to generate the needed NOx reductions. However, if the cap remains at 15% for Class 7 and 8 trucks, CARB's Proposed Omnibus Regulation needs to identify a NOx standard of 0.02 g/bhp-hr for MY 2025 engines.

South Coast AQMD staff strongly recommends that proposed regulation include an integrated strategy, with the following elements:

- 1) ZEV sales requirements of more than 15% in 2030 and beyond.
- 2) Restructuring of incentive funding opportunities that support large scale deployments of near zero-emission heavy-duty trucks in participating fleets until 2027, with subsequent focused funding in the latter years, with additional funds specifically identified for electric and hydrogen infrastructure.

- 3) Generation of additional credits for OEMs who accelerate the sales of near-zero and zero-emission commercial trucks prior to requirements placed by the Proposed Omnibus Regulation or the Proposed Act Regulation, respectively. This mechanism will incentivize manufacturers to place greater emphasis on research, development and eventually deployment of these technologies.
- 4) Creating combined funding for zero-emission and near zero-emission trucks and infrastructure as opposed to separate funding opportunities with disparate requirements and timelines.

South Coast AQMD has continued to work with CARB and OEMs on developing and demonstrating Class 8 Zero-Emission Trucks, including Daimler Trucks of North America, Volvo, Kenworth and Peterbilt. All of these OEMs plan to deploy limited numbers of commercial Class 8 battery electric trucks as early as 2021. Therefore, any mechanisms, especially incentives, will further stimulate research and deployment to meet the goals of the Proposed ACT regulation.

In summary, South Coast AQMD staff commends CARB for taking bold and visionary approaches to reducing GHG and criteria pollutant emissions, and supports the concept of significantly accelerating the deployment of near zero-emission trucks in the near-term, with larger scale deployment of zero-emission trucks as a key strategy to achieving state and national ambient air quality standards. If you have any questions, please do not hesitate to contact me.

Sincerely,

Wayne Nastri

Executive Officer

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