



December 21, 2022

Ms. Cheryl Laskowski
Chief, Transportation Fuels Branch
California Air Resources Board
1001 I Street, Sacramento, CA 95814
LCF

RE: Forum Mobility comments on November 9, 2022, CARB LCFS Workshop

Dear Ms. Laskowski,

Forum Mobility appreciates the opportunity to provide input to potential changes to the Low Carbon Fuel Standard program. This letter is in response to staff's presentation and public meeting of November 9, 2022.

Forum Mobility provides zero-emission trucking solutions for drayage in California. Forum develops, builds and operates the charging infrastructure, purchases and leases class 8 zero-emission electric trucks, and wraps all the costs and incentives into one monthly fee for truck drivers or fleet owners. Forum is currently developing a network of heavy duty charging depots in and around California's ports, along common shipping corridors, and near warehouse destinations.

Forum believes that the LCFS program can and should be reformed to better align with and support California's goals for zero emission transportation. Rewiring and repowering California to run on zero emission vehicles (ZEVs) will be a huge undertaking, requiring immense investments from millions of people and businesses, big and small, that are involved in goods movement in the world's 5th largest economy. Lives and livelihoods are at stake, and failure to successfully navigate this transition will imperil the lifeblood of our state and national economy. CARB must use all the tools at its disposal to help support the success of this endeavor.

To this end, Forum supports increasing carbon intensity targets, establishing a ratcheting mechanism to support long-term credit value certainty (as further detailed in a sign-on letter filed by the California Electric Transportation Coalition), capping crop-based biofuels, and establishing a Fast Charging Infrastructure (FCI) program for medium and heavy duty (MHD) charging. Of the scenarios presented by staff at the workshop, Alternative B comes the closest; Forum supports it and provides additional commentary below.

In order to accurately calculate scenario design options, Forum believes the baseline should assume implementation of not just Advanced Clean Cars II and Advanced Clean Trucks (as per slide 24 of the staff presentation), but also Advanced Clean Fleets (ACF). At the last CARB

board meeting, every board member supported the regulation in concept, and it is very likely to be in place before LCFS regulations change.

Importantly, the total cost of ownership (“TCO”) analysis in Appendix G of the proposed ACF regulation projects LCFS credit value of \$200 until 2030. This projection is now incredibly challenged as the credit values are currently around \$70. Forum estimates that the impact of credits at \$70 versus \$200 equates to about \$1,000 a month in increased costs for drayage truckers who make the transition to ZEV. As approximately 75% of California’s drayage truckers are independent owner operators, this increase in operating costs, especially for those going electric, presents a huge hurdle for these small businesses.

At LCFS credit levels closer to the historical price of \$200, ZEVs can compete favorably with diesel. However, if the huge decrease in LCFS value remains, the economics of burgeoning ZEV transportation solutions will be challenging and risks undercutting a key policy goal of CARB of “rapidly moving to zero-emission transportation, electrifying the cars, buses, trains, and trucks that now constitute California’s single largest source of planet-warming pollution.”¹

A second challenge that California faces in successfully meeting CARB’s zero-emission transportation mandates is building sufficient fueling infrastructure. If the ACF passes, a recent California Energy Commission study estimated that the state is going to need to install 53 MHD chargers every day, including Sundays, through 2030². And then it gets serious - from 2031 on, California will need to average an installation rate of 229 MHD chargers a day, every day, through 2045. Establishing a robust MHD FCI is one of the most important things that CARB can do to accelerate the speed and scale of charging infrastructure deployment. Slide 37 of the staff presentation suggested that this could be the subject of an upcoming workshop; Forum recommends that a MHD FCI specific workshop be scheduled as a priority, and Forum looks forward to participating.

Thank you for your crucial efforts to support the transition to zero emission transportation in California.

Yours,

Adam Browning
Boardmember, Forum Mobility

¹ Draft 2022 Scoping Plan Update, Executive Summary

²<https://www.energy.ca.gov/programs-and-topics/programs/electric-vehicle-charging-infrastructure-assessment-ab-2127>