

Wednesday, August 14, 2024

Liane Randolph, Chair of the California Air Resources Board
1001 I St.
Sacramento, CA 95814

Dear Chair Randolph,

I am reaching out from Bonander Western Star Truck Sales in Turlock, CA, to highlight a pressing issue affecting our operations and the broader trucking industry in California. Our dealership, which has been a pillar of the community for 76 years, is currently grappling with a 100% reduction in new heavy-duty truck inventory for 2024, primarily due to the stringent regulations set by the California Air Resources Board (CARB), including the Low NOx Omnibus and Advanced Clean Trucks regulations.

Our business model revolves around serving the diverse needs of California's trucking sector, from small owner-operators to large entities like CalTrans, which relies on us for critical services like snowplow trucks to keep major highways operational during winter. The inventory shortage we're experiencing is not just a business challenge; it's a logistical and environmental one. Customers are forced to retain older, less efficient vehicles or purchase used trucks, which contradicts the state's goals for cleaner air and reduced emissions.

For instance, CalTrans, one of our key clients, needs new trucks for essential winter operations. However, due to the current regulations regarding snowplows, we are unable to supply these necessary vehicles. This situation could lead to disruptions in goods transportation, potentially increasing consumer costs and reducing state tax revenue at a time when economic pressures are already high due to inflation.

We fully support the environmental objectives set forth by CARB and recognize our role in transitioning to cleaner technologies. We were the 1st dealership in our area of operations to embrace Natural Gas vehicles and we also sell electric SUV's and Light Trucks. However, the current regulatory framework has inadvertently created a bottleneck in the supply chain of new, compliant vehicles. This not only affects our business but also risks the loss of expert jobs in our sector, which are crucial for advising on and implementing new clean technologies.

We respectfully urge CARB to consider extending the compliance timeline or revisiting the implementation strategies of these regulations. This would allow for a smoother transition, ensuring that technology advancements, availability, and consumer needs align more effectively. Such an adjustment could prevent undue hardship on our customers and businesses like ours and ensure that California's environmental goals are met without compromising the operational capabilities of key services.

Thank you for considering this urgent matter. We look forward to your response and hope for a collaborative solution that benefits all stakeholders involved in this transition to a greener future for our people and our world.

Sincerely,

Donald Bonander
Owner, Bonander/Western Star Truck Sales

Thursday, August 15, 2024

The Honorable Chair Randolph
1001 I St.
Sacramento, CA 95814

Subject: HD Vehicle Inventory Crisis in California due to CARB Regulations

Dear Chair Randolph,

As a truck dealer operating in California, I am writing to you to bring to your attention the critical inventory shortage we are facing due to the combined effects of multiple California Air Resources Board (CARB) regulations, notably the Low NOx Omnibus and Advanced Clean Trucks regulations. We are currently facing alarming reductions in inventory across heavy-duty vehicle models for 2024 compared to prior years.

At our dealership, we pride ourselves on serving the diverse needs of California's trucking and broader heavy-duty industry. Our dealership has been a cornerstone of the community for many years, providing a wide range of heavy-duty trucks to a variety of clients, from small owner-operators to large fleet managers. We have built long-standing relationships with our customers, many of whom rely on our expertise and personalized service to keep their operations running smoothly. Our dedicated team is committed to helping our clients navigate the transition to cleaner technologies, ensuring they have the support and resources needed to meet evolving regulations and operational demands.

However, with these severe inventory shortages, customers are not able to buy the new vehicles they need. The current inventory shortage is forcing customers to continue using older vehicles and turn to purchasing used trucks instead of new, more efficient models. Additionally, any losses to the workforce within our dealership and others will lead to a lack of experts available to help fleets purchase new clean and zero-emission technologies. This trend undermines California's air quality and climate goals.

We urgently request that CARB take immediate action to address the critical inventory shortage affecting California truck dealerships. This shortage not only threatens the livelihoods of our employees but also hampers our ability to meet customer demands and the broader transition to cleaner technologies.

Sincerely,

Kim Mesfin
7272 N Traverse Ave
Clovis, CA 93619

Thursday, August 15, 2024

The Honorable Chair Randolph
1001 I St.
Sacramento, CA 95814

Subject: HD Vehicle Inventory Crisis in California due to CARB Regulations

Dear Chair Randolph,

We have 8 HD truck dealerships in California represents Daimler Truck brands Freightliner, Western Star & Detroit. We sell approximately 2500 trucks each year. 2024, 2025, & 2026 we face severe reduction of inventories.

As a truck dealer operating in California, I am writing to you to bring to your attention the critical inventory shortage we are facing due to the combined effects of multiple California Air Resources Board (CARB) regulations, notably the Low NOx Omnibus and Advanced Clean Trucks regulations. We are currently facing alarming reductions in inventory across heavy-duty vehicle models for 2024 compared to prior years.

At our dealership, we pride ourselves on serving the diverse needs of California's trucking and broader heavy-duty industry. Our dealership has been a cornerstone of the community for many years, providing a wide range of heavy-duty trucks to a variety of clients, from small owner-operators to large fleet managers. We have built long-standing relationships with our customers, many of whom rely on our expertise and personalized service to keep their operations running smoothly. Our dedicated team is committed to helping our clients navigate the transition to cleaner technologies, ensuring they have the support and resources needed to meet evolving regulations and operational demands.

However, with these severe inventory shortages, customers are not able to buy the new vehicles they need. The current inventory shortage is forcing customers to continue using older vehicles and turn to purchasing used trucks instead of new, more efficient models. Additionally, any losses to the workforce within our dealership and others will lead to a lack of experts available to help fleets purchase new clean and zero-emission technologies. This trend undermines California's air quality and climate goals.

We urgently request that CARB take immediate action to address the critical inventory shortage affecting California truck dealerships. This shortage not only threatens the livelihoods of our employees but also hampers our ability to meet customer demands and the broader transition to cleaner technologies.

Please consider delaying ACF. We employee 830 people and 145 of them are IAM union & teamster employees in which we are facing a layoff. We have sold less than 100 BEV units the last 24 Months to local fleet customer running a short duty cycle with very few on order. We do not offer a product at this time to sell to meet the current demands. 95% of trucks on the road don't currently have a BEV replacement available. Vocations Like Garbage Trucks, Dump Trucks, Utility Trucks for PGE, Tow Trucks, Emergency Vehicles, Forestry Trucks, so on. Give us the time needed to have replacements for these applications. Our OEM is working on products but they are not available yet. Please allow us to continue to sell the Low Nox ICE diesels we currently could offer until production and Infrastructure catches up. Right now, thousands of out of state trucks are coming into California on waivers under Clean Truck Check, meanwhile our California fleets and dealers are being swallowed alive. 2025 will be our 95th year as a dealer in California and we have been strong helpers and partners with our local air districts, ports, and carb in helping our fleets stay compliant since epa 98. Please consider a longer time frame to achieve ACF, we will get there eventually just not today.

Here is a little bit of fiscal impact.

2500 trucks equals \$37,500,000 in sales tax revenue gone, \$45,000,000 in FET gone. \$830,000 in annual fuel tax. Can California afford to lose this? (2500 trucks sold by just my dealership). Multiply this by 15-20 for annual new truck sales in all of California by its MDHD dealers.

Please help us with this Crisis. We want to help, the industry just isn't ready yet. We will be here to meet the requirements when the technology catches up. "We need a runway to land. We can't just turn off the engine and nose dive at the beginning of the runway."

Thank You

Lee Howard / Vice President of California Truck Centers est. 1930

Sincerely,

Lee Howard
2727 E Central Ave
Fresno, CA 93725

Saturday, August 17, 2024

The Honorable Chair Randolph
1001 I St.
Sacramento, CA 95814

Subject: HD Vehicle Inventory Crisis in California due to CARB Regulations

Dear Chair Randolph,

As a large truck dealer group and leasing company operating in California, I am writing to you to bring to your attention the critical inventory shortage we are facing due to the combined effects of multiple California Air Resources Board (CARB) regulations, notably the Low NOx Omnibus and Advanced Clean Trucks regulations. We are currently facing alarming reductions in inventory across heavy-duty vehicle models for 2024 compared to prior years. Our Original Equipment Manufacturers have identified the reason as ill-timed CARB regulations.

At our dealerships, we pride ourselves on serving the diverse needs of California's over the road, vocational, and drayage industries. Our dealerships and leasing facilities have been a cornerstone in Southern California for many years, providing a wide range of heavy-duty trucks to a variety of clients, from small owner-operators to large fleet managers. We have built long-standing relationships with our customers, many of whom rely on our expertise and customer support in multiple locations to keep their operations running smoothly. Our dedicated team is committed to helping our clients navigate the transition to cleaner technologies, ensuring they have the support and resources needed to meet evolving regulations and operational demands. In fact, VVG was instrumental in deploying well over 1500 clean CNG trucks in the Ports and other operations since 2008.

However, with these severe inventory shortages, customers are not able to buy the new vehicles they need. The current inventory shortage is forcing customers to continue using older vehicles and turn to purchasing used trucks instead of new, more efficient models. Additionally, any losses to the workforce within our dealership and others will lead to a lack of experts available to help fleets purchase new clean and zero-emission technologies. This trend undermines California's air quality and climate goals.

We urgently request that CARB take immediate action to address the critical inventory shortage affecting California truck dealerships. This shortage not only threatens the livelihoods of our employees but also hampers our ability to meet customer demands and the broader transition to cleaner technologies. We all know that BEV technology and infrastructure is coming, and it will work well with cars and light duty vehicles today. However, that strategy for heavy duty vehicles pulling up to 80,000 pounds is still in the future. A common-sense approach would be to closely study the timing of infrastructure availability, and then match the ACF, ACT, and Omnibus regulations so the timing of the various regulations complements one another. In the interim, removal of all pre-EPA 10 diesel trucks from the road and selling current EPA 10 diesel product will allow a much cleaner, smoother transition to BEV and the results we are all striving to attain.

Sincerely,

Robert Carrick
19274 Green Lakes Loop
Bend, OR 97702

10/22/2024

Liane Randolph, Chair of the California Air Resources Board
1001 I St.
Sacramento, CA 95814

Dear Chair Randolph,

Good afternoon Chair and members of the board. My name is Adam VanderBee, and I am the Regional Sales Director of TEC Equipment. We are the largest distributor of Mack and Volvo commercial vehicles on the West Coast; with ten of our 35 locations in California.

Like many of our dealer peers, we are deeply concerned with our ability to offer CARB-certified equipment to our customers going forward. Having sold out of our 24MY legacy compliant product, we are now restricting to selling ZEVs, or the limited amount of ICE product that can be unlocked through the stringent ratios of ACT and Low NOx Omnibus. The unfortunate reality is that neither the demand, nor the production capability of ZEVs is where we thought it would be at this time. We remain in the infancy stages of the ZEV roll-out in the Class 8 industry and roadblocks of cost, range, weight, and configurations continue to stifle adoption.

My appeal to this board, however, is to consider the unintended consequences of forcing the pre-mature adoption of ZEVs in an industry that is not yet ready for them. One of the stated goals of the ACT, ACF, and Low NOx Omnibus regulations is to improve the air quality in disadvantaged communities, where the concentration of emitting vehicles is disproportionately higher. I would contend that it is these very same communities that will be most adversely and immediately affected by increased costs of their everyday goods and services, as the trucking companies that deliver these goods will be forced to pass along their incremental costs tied to ZEV adoption. The reality is that, even with available grants, a Class 8 ZEV is 2-3x the cost of the ICE equivalent. Additionally, due to range and payload limitations, it often takes 2-3x ZEVs to do the work of a single ICE vehicle. It is unrealistic to think that the extra \$500k-\$600K per unit cost of a ZEV integration can be easily absorbed (if at all). The incremental costs will be passed along directly to the consumer. And unfortunately, it will be the disadvantaged who will feel the impacts first.

We appreciate the board's willingness to hear our amendment requests. We ask that CARB delay the implementation of Advanced Clean Trucks to harmonize with other federal regulations to commence in 2027. This allows the ZEV technology more time to mature and for our manufacturers to shore up production to help lower the acquisition cost, lessening the opportunity for customers to bear the downstream burden.

Sincerely,

Adam VanderBee
8555 Pedrick Rd
Dixon, CA 95620
avanderbee@tecequipment.com