



April 7, 2023

VIA ELECTRONIC SUBMISSION

Honorable Chair Liane Randolph  
Honorable Board Members  
CALIFORNIA AIR RESOURCES BOARD  
c/o Clerk of the Board  
1001 "I" Street  
Sacramento, California 95814

Re: Comments of Autocar, LLC  
Notice of Public Availability of Modified Text and Availability of Additional Documents  
Proposed 15-day Changes to the Proposed Regulation Order, Advanced Clean Fleets Regulation,  
High Priority and Federal Fleets Requirements, and  
2036 100 Percent Medium- and Heavy-Duty Zero Emissions Vehicle Sales Requirements

Dear Chair Randolph and Members of the California Air Resources Board:

This letter submits comments on the above regulation from Autocar, LLC ("Autocar"), a small, private, U.S. vocational chassis assembler with plants located in Hagerstown, Indiana and Birmingham, Alabama. Autocar produces specialized heavy-duty vocational trucks and yard tractors used in California and across the United States to collect solid waste, recycling and organics, among other severe duty applications.

Autocar supports the California Air Resources Board's ("CARB") efforts to accelerate the development of environmentally-conscious technology in heavy-duty vehicles. Autocar participated in CARB's rulemakings for Clean Transportation Initiatives, Greenhouse Gas regulations, the Beneficiary Mitigation Plan and the Advanced Clean Trucks Regulation ("ACT"), among others. We appreciate the opportunity to participate in the current Advanced Clean Fleets Regulation ("ACF") rulemaking, for the purposes of (1) supporting the Waste and Wastewater Fleet Extension for the High Priority and Federal Fleets Requirements ("Waste Fleet Extension"), and (2) advocating for modifications to the ACT and the 2036 100 Percent Medium- and Heavy-Duty Zero Emissions Vehicle Sales Requirements ("100% Sales Requirements") to align those regulations with the Waste Fleet Extension.

Autocar is a "small manufacturer" under applicable laws,<sup>1</sup> and submits these comments as a small business that will be directly and adversely impacted by the ACT as currently enacted and the ACF as currently proposed.

In supporting the spirit of the ACT and the ACF, Autocar asserts that modest modifications to the ACT and the proposed 100% Sales Requirements are necessary in order for fleets to utilize the Waste Fleet

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<sup>1</sup> 40 C.F.R. §1037.150(c). See 81 Fed. Reg. 74,058. Also 17 CCR §95100-95163, generally.

Extension and for manufacturers of trucks with compressed natural gas engines, which are the engines used for biomethane and renewable natural gas (RNG) fuels ("Biomethane Trucks"), to meet their requirements under the ACT and 100% Sales Requirements. Specifically, for Biomethane Truck manufacturers, the zero-emission vehicle ("ZEV") sales requirements under the ACT, and the 100% Sales Requirements under the ACF, must be adjusted as applied to waste trucks, to account for Biomethane Truck sales to Waste fleets (as defined in the ACF) under the Waste Fleet Extension.

The following pages set forth the context and reasoning behind Autocar's recommended actions.

**I. Autocar is the Waste Industry Leader in Alternative Fuel Vehicles.**

As CARB is aware, Autocar has been a leader in waste truck industry adoption of environmentally-supportive vehicles and technologies. In 2022, more than 80% of Autocar's waste trucks sold for use in California were Biomethane Trucks. Autocar has built and sold more than 8,000 Biomethane Trucks, with a large portion of those vehicles produced for use in California. These trucks reach California's most disadvantaged and polluted communities, and lead to lower daily emissions from mobile sources. Biomethane Trucks now comprise the largest portion of Autocar's waste truck chassis production.

Autocar began developing its ZEV yard tractor in 2018, which is now commercially available. The timeline for bringing to market heavy-duty ZEV waste trucks is largely dependent on progress in heavy-duty battery development, integration with body companies, installation of refueling infrastructure and overcoming technical challenges to make ZEV's meet operational requirements in the waste industry. Autocar is working hard to be ready with its own pieces of the puzzle so that it can incorporate those other pieces when available, despite the challenges of being a small business in competition with manufacturers 100 times its size.

**II. Autocar recognizes the importance of the Waste Fleet Extension to its customers and to the people of California.**

Autocar's Waste fleet customers drove the early adoption of natural gas fuel vehicles in California, as reflected in and further promoted by the Short-lived Climate Pollutants ("SLCP") Regulations promulgated under SB1383 (Lara, Chapter 395, Statutes of 2016).

On behalf of our customers, we are encouraged by CARB's efforts to harmonize the SB1383 regulations and the ACF regulation through the Waste Fleet Extension, and its recognition of the significant infrastructure developed for SB1383 compliance. California Waste fleets run primarily on RNG, and they continue to develop additional capabilities to meet the SLCP regulation requirements and anticipated demand. The solid waste and recycling industry and California municipalities continue to implement these requirements. Many of these investments have immediate environmental benefits for California communities, as well as invested infrastructure with a lifetime of 15-20 years.

**III. The ZEV sales requirements under the ACT and the 100% Sales Requirements of the ACF will not be achievable for Biomethane Truck manufacturers of waste trucks, if Waste fleets utilize the Waste Fleet Extension under the ACF.**

The fulfillment of the initiatives described in the preceding section is dependent upon the availability of Biomethane Trucks. Autocar is similarly committed to supply this essential equipment.

For model year 2024, Autocar's forecasts 75% of its California sales will be Biomethane Trucks sold to Waste fleets. Because of the ongoing biomethane compliance requirements and benefits, Autocar and its customers expect that demand to continue for more than 10 years. If Autocar continues Biomethane Truck production at that volume it will not be able to meet its ZEV sales percentage requirements under the ACT and the 100% Sales Requirements.

Under the current ACT and the proposed 100% Sales Requirements, Autocar is required to convert Biomethane Truck (and other truck) sales to ZEV sales on the following schedule (presentation adapted to track the milestones of the Waste Fleet Extension below):

ZEV Sales Percentage	50%	65%	100%	100%	100%
Year for all vehicles	2030	2033	2036	2039	2042

However, Autocar's Waste fleet customers will be on the following schedule (as currently proposed) for Group 3 vehicles, which include Biomethane Trucks under the Waste Fleet Extension:

ZEV Milestones Fleet Percentage	10%	25%	50%	75%	100%
Year for RNG Waste Diversion vehicles	2030	2033	2036	2039	2042

Even if every one of Autocar's non-Biomethane Trucks sold were ZEVs (which is not possible), Autocar will fall short of the ZEV sales percentage requirements, not only in 2030 and beyond, but likely as soon as 2024, when the 9% sales requirement kicks in. And certainly manufacturers cannot be required to sell 100% ZEVs by 2036 if Waste Fleets will require new Biomethane Trucks through 2042.

#### IV. Recommended Modification of the Proposed Regulatory Action

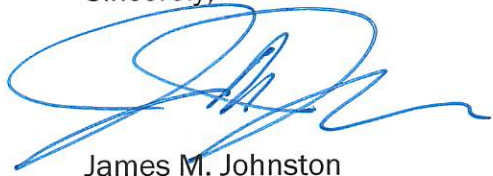
In order to harmonize the ACF and the ACT and to implement the Waste Fleet Extension, Biomethane Trucks sold to Waste fleets under the Waste Fleet Extension should be excluded from the percentage calculations under the ACT and the 100% Sales Requirements. Biomethane Truck manufacturers would still need to meet the same ACT and 100% sales percentages on the same timeline as all other manufacturers, but Biomethane Trucks would be excluded from the calculations. Biomethane Truck manufacturers would not be penalized for supplying the waste industry, and they would still comply with the sales percentage requirements.

#### V. Conclusion

Autocar thanks CARB and the ACF Team for the opportunity to submit these comments for consideration. The ACF and the ACT have significant consequences for Autocar, and Autocar believes that its proposed revisions are appropriate and fulfill both regulations' policy objectives. Autocar looks forward to continuing its environmental leadership as it advances toward development and sale of ZEVs across its products and applications.

Please feel free to contact me to discuss these comments. We look forward to hearing from you.

Sincerely,

A handwritten signature in blue ink, appearing to read 'J. Johnston', with a large, stylized initial 'J'.

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