

April 7, 2023

Clerk of the Board California Air Resources Board 1001 I Street, Sacramento, California 95814

**RE: Modifications for the Advanced Clean Fleets Regulation** 

My name is Vincent Sullivan and I work for our family business, Sullivan Petroleum. We are a wholesale fuel and retail operator in Bakersfield, CA and have been doing business in the state since 1966. We supply fuel to local gas stations and operate six locations as well. We have one hundred and thirty full time employees and serve the general motoring public in our town.

Sullivan Petroleum respectfully opposes the adoption of modifications to the Advanced Clean Fleets rule as it continues its attempts to transition the transportation and goods movement economy much too quickly without sufficient regard for the necessary infrastructure overhaul in the state, a realistic consideration of the state's power grid capabilities, and the lack of an adequate and accurate cost analysis.

Modifications to the regulation's proposed timeline still do not address the significant strain on the transportation industry and will continue to gravely hamper goods movement in the state. Additionally, the cost of replacing fleets with entirely zero emissions vehicles will unduly harm small businesses in the state, many of which are family- and minority-owned. With the limited supply and options for heavy duty ZEVs, large companies with greater capital will be prioritized by manufacturers as compared to their small business counterparts. The highly restrictive timeline that continues to be proposed in the modifications will only serve to further exacerbate this problem in the market.

Additionally, the modifications do not substantially address the increase in operating costs of the transportation and goods movement sector within the state that will ultimately harm our most vulnerable communities and residents the most. Low-income households in the state are already bearing the brunt of increased electricity costs, which will only be further intensified by the adoption of modifications to this regulation as our unreliable grid continues to be strained beyond capacity. As a small business who takes great pride in serving our community, the impacts of the proposed rule and modifications to the regulation on the costs of goods and necessities, such as food, water, and fuel, are of grave concern.

Sullivan Petroleum continues to have significant concerns because the regulation's modifications do not sufficiently consider the current and future needs of the transportation industry within the state. The range of vehicles that are currently offered on the market will not ensure a seamless transition, as many

<sup>&</sup>lt;sup>1</sup> https://www.next10.org/publications/electricity-rates-2

heavy-duty vehicles are often used nearly continuously to ensure the timely delivery of goods to other businesses and consumers. Moreover, the infrastructure necessary to support a full transition to zero emission fleets is not prevalent enough to serve the vast number of vehicles CARB intends to replace. This regulation, even as modified, will be a major disruptor to the state's supply chains, which will increase the cost of goods at every level.

We urge the Board to consider the deeply unsettling ramifications of bottlenecks in our fuel, food, water, and medical supplies, in addition to every industry that moves goods on heavy duty vehicles within the state.

Sullivan Petroleum uses common carriers to haul our fuel and these increases in costs to our suppliers will undoubtedly be passed on to us and in turn increase the cost of supplies down the supply chain.

For these reasons, we must continue to respectfully oppose the adoption of the Advanced Clean Fleets rule as modified.

Sincerely,

Vincent D Sullivan
VP Sales & Marketing

Sullivan Petroleum Company, LLC.