



October 18, 2019

Mary Nichols, Chairwoman
California Air Resources Board 1001 I Street
Sacramento, CA 95814

Via email to: Mary.Nichols@arb.ca.gov

RE: Maximize Investment in Zero-Emission Buses in FY 2019-20 Funding Plan for Clean Transportation Incentives

Chairwoman Nichols and Board Members:

On behalf of Monterey-Salinas Transit (MST), I write to you today to respectfully urge you to maximize the state's investment in zero-emission buses (ZEBs) and supporting infrastructure. This investment, which should flow to public transit agencies through the proposed Advanced Technology Demonstration and Pilots Projects *and* the Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project, is critical to offsetting the high upfront cost of ZEB deployments. Increased funding will support MST's implementation of the Innovative Clean Transit (ICT) regulation while avoiding adverse impacts to our core transit service.

As you review our request, we ask that you consider that public transit is the only industry in the transportation sector that is entirely subsidized by the public. We also ask that you recall that you specifically selected our industry, despite chronic funding shortfalls and our primary role as mobility providers, to serve as the testing ground for zero-emission heavy-duty technologies by adopting the ICT regulation. The ICT regulation was adopted on the premise that the mass deployment of zero-emission bus will develop the components, supply chains, knowledge and experience necessary to electrify other heavy-duty industries. MST, like transit agencies across the state, has accepted this task and is working hard to implement the ICT regulation. Today, we have three ZEBs in operations and will have two ZEBs on order by the end of this calendar year. We argue only that your decision to prioritize the electrification of our fleets requires ARB to also prioritize transit agencies when it comes to funding.

We voice concerns that transit agencies are ineligible for the \$40 million for Advanced Technology Demonstrations and Pilot Projects. Looking back to the justification for the ICT regulation, we urge you to consider setting aside a portion of this funding for a large-scale demonstration of zero-emission buses, inclusive of infrastructure buildout. A demonstration of this kind could serve as a roadmap for transit agencies statewide, which are still struggling through small-scale ZEB deployments and which will need to submit fleet transition plans, beginning as soon as 2021. MST will begin construction of a major maintenance and operations center in King City in 2020. This new facility will ease the current burden of dispatching diesel buses 60+ miles to start service in communities with low-income and minority populations. The project plans and budget were developed years ago and did not include infrastructure to support a large-scale fleet of ZEBs. MST could benefit greatly from the Advanced Technology Demonstrations and Pilot Projects programs if it were an eligible recipient. With additional funding, the King City facility design could be modified to incorporate needed infrastructure to support a large fleet of ZEBs that could operate locally and within an adequate distance to recharging/refueling infrastructure.

Advocating and delivering quality public transportation as a leader within our community and industry.

Transit District Members Monterey County • Carmel-by-the-Sea • Del Rey Oaks • Gonzales • Greenfield • King City • Marina • Monterey
Pacific Grove • Salinas • Sand City • Seaside • Soledad **Administrative Offices** 19 Upper Ragsdale Drive, Suite 200 Monterey, CA 93940

PH 1-888-MST-BUS1 (1-888-678-2871) • FAX (831) 899-3954 • WEB mst.org

MST also urges you to consider modifying several of the programmatic changes proposed for HVIP, with the goal of holding transit agencies harmless, regardless of the oversubscription of the program. More specifically, we recommend that ARB: establish a setaside for zero-emission buses, ensuring that transit agencies receive a minimum funding level from the program; retain the voucher enhancement for infrastructure be preserved for all transit agencies; and, exclude public fleets from the potential reduction of voucher amounts.

MST looks forward to continuing to work with you on the implementation of the ICT regulation. Thank you for considering our request.

Sincerely,

A handwritten signature in cursive script, appearing to read "Carl G. Sedoryk".

Carl G. Sedoryk
General Manager/CEO

cc: Virgil Welch, Senior Advisor, Office of the Chair
Jack Kitowski, Chief, Mobile Source Control Division
Lucina Negrete, Branch Chief, Mobile Source Control Division – Innovative Strategies Branch
Jason Crow, Mobile Source Control Division – Innovative Strategies Branch