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October 30, 2024

The Honorable Liane Randolph
Chair, California Air Resources Board
1001 I Street
Sacramento, CA 95811

RE: Support for California's Low Carbon Fuel Standard Program

Dear Chair Randolph,

On behalf of the Peninsula Corridor Joint Powers Board (Caltrain), I want to express support for the California Air Resources Board (CARB) Low Carbon Fuel Standard (LCFS) Program as a critical resource to support public transit and the transition to a more environmentally sustainable transportation system. The LCFS program is a major factor in Caltrain's funding plans for electrified service and is furthering the ability of public transit agencies to invest in more sustainable operations.

On September 21, 2024, Caltrain launched fully electrified service along our corridor from San Francisco to San Jose, transitioning from diesel locomotives to a new state-of-the-art regional rail system running electric multiple unit trains. We are the first railroad to have converted from diesel to electric power in the American West and the first in the nation in several decades. Service from San Jose to San Francisco is now 100% electric. Further, we plan to use 100% renewable energy sources to power our electrified system in partnership with community choice aggregators (CCAs) Peninsula Clean Energy (PCE) and San Jose Clean Energy (SJCE) as suppliers and PG&E as our electricity distributor, enabling a zero-carbon intensity (zero-CI) pathway for our system. Moreover, Caltrain's new electric trains will also produce energy through regenerative braking, which will reduce the total energy consumption of the overall system.

The LCFS program was designed to incentivize reducing greenhouse gas (GHG) emissions, air pollutants, and fuel consumption, while increasing transportation mobility options in the state. We believe Caltrain's new electric service is emblematic of the program's core goals, both in terms of environmental improvements and increased public transit service and capacity. Caltrain responded to the incentives of the program with the implementation of new electrified service and has now applied to register and access this significant resource for transit operations.

PENINSULA CORRIDOR JOINT POWERS BOARD
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Caltrain is one of a number of transit agencies throughout the state that is facing an operating budget fiscal deficit in the coming years due to the impacts of the COVID-19 pandemic and rising operating costs. Based on the latest projections presented to the Caltrain Board in September 2024, Caltrain faces a budget deficit of \$77 million per year on average over seven years beginning in FY 2027. Access to the LCFS program will allow Caltrain to avoid increasing these fiscal deficit projections, which would potentially force service reductions, increasing vehicle miles traveled and associated air quality and GHG impacts. The LCFS program is an ideal pathway for public transit systems like Caltrain to help mitigate higher operational costs of an electrified system and we are planning to access it in that capacity.

Caltrain's new electrified system is already bringing thousands of passengers to their destinations, reducing GHG emissions and the carbon intensity of the state's transportation fuel pool, and benefiting riders and communities with better air quality, service, frequency, and capacity. This project had significant investment at the federal, state, and local levels and we want to enable the best possible stewardship of this new system. Support for the LCFS program is paramount to ensure this critical resource for public transit agencies is maintained, especially at this time of recovery. We are deeply grateful for our partnership with CARB as a committed supporter of projects like ours and a national and international leader on air quality improvement policies and innovation.

Thank you for consideration of these comments. Please feel free to contact Government and Community Affairs Officer Devon Ryan (ryand@caltrain.com, (650) 730-6172)) with any questions regarding this letter.

Sincerely,



Michelle Bouchard
Executive Director

cc: Members, California Air Resources Board
Steven S. Cliff, Executive Officer, California Air Resources Board
The Honorable Governor Gavin Newsom
Peninsula Corridor Joint Powers Board of Directors