

BOARD OF DIRECTORS 2018

CHARLES STONE, CHAIR
CAROLE GROOM, VICE CHAIR
JEFF GEE
ROSE GUILBAULT
ZOE KERSTEEN-TUCKER
KARYL MATSUMOTO
DAVE PINE
JOSH POWELL
PETER RATTO

JIM HARTNETT GENERAL MANAGER/CEO

November 19, 2018

Ms. Mary D. Nichols, Chair California Air Resources Board 1001 I Street Sacramento, CA 95814

RE: Proposed Amendments to the Innovative Clean Transit Regulation

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

On behalf of the San Mateo County Transit District (District), I submit the following comments in response to the "Proposed Amendments to the Innovative Clean Transit Regulation." The District operates SamTrans, San Mateo County's bus and paratransit service, which is in the initial stages of converting its bus fleet from diesel to 100% battery-electric. Given this planned transition, we support policies that spur zero-emission bus (ZEB) technology forward, but we also believe such policies must take into account various real-world constraints, including the state of ZEB technology, the cost and difficulty of infrastructure buildout, as well as funding availability. The Proposed Amendments under consideration in this 15-day comment period, while a step in the direction of a workable regulation, unfortunately, fall short of the transit industry's recommendations for accounting for these constraints.

More specifically, the Proposed Amendments make much-needed technical changes to the definition of small and large transit agencies, the definition of a ZEB purchase, and the parameters for bonus credits. The Proposed Amendments also establish more realistic statewide ZEB deployment targets for 2020 and 2021, which, if reached, would slow the imposition of the ZEB purchase requirements on large agencies. The Proposed Amendments do not, however, incorporate our most important recommendations to include language in the regulation itself, which requires ARB to establish benchmarks for ZEB cost and performance and to institute a technology assessment that guarantees that transit agencies are only charged with accelerating their adoption of these technologies, if they meet the benchmarks set by the State. The Proposed Amendments also do not relax the current limitations on incentive funding, which prevents such funding from being used to meet regulatory compliance. Instead, the Proposed Amendments provide the Air Resources Board's Executive Officer with additional authority to temporarily waive the ZEB purchase requirement for agencies that can demonstrate that they do not have the resources to purchase or operate ZEBs. This added authority acknowledges the validity of

Chair Nichols
Proposed Amendments to Innovative Clean Transit Regulation
Page 2 of 2

the challenges the transit industry has noted, but it assumes that they will be faced only occasionally and are best dealt with on a case-by-case basis.

Like the California Transit Association, we believe if challenges arise, they will be widespread throughout the industry and will necessitate more holistic action by the ARB. We, therefore, continue to urge you to include language in the regulation that establishes benchmarks for ZEB cost and performance and that compels a technology assessment. We also continue to urge you to relax limitations on incentive funding to allow transit agencies to access funding whenever they are ready to purchase a ZEB or make investments in infrastructure.

Together, these recommendations would allow transit agencies to manage the risk of the transition to zero-emission bus technologies while providing encouragement to the original equipment manufacturers to continue to innovate.

The District thanks you for this opportunity to weigh in on this rule. Please feel free to contact Casey Fromson, Director of Government and Community Affairs at (650) 508-6493 or via email at fromsonc@samtrans.com if you need any additional information.

Sincerely,

Jim Hartnett

General Manager/Chief Executive Officer

cc: San Mateo County Transit District Board of Directors
San Mateo County Transit District State Legislative Delegation