County Connection
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November 26, 2018

California Air Resources Board, Members
1001 I Street, Suite
Sacramento, CA 95814

RE: Proposed Amendments to the Innovative Clean Transit Regulation

Chair Nichols and Members of the California Air Resources Board (ARB):

On behalf of the Central Contra Costa Transit Authority (County Connection), I submit the following comments in response to the Proposed Amendments to the Innovative Clean Transit (ICT) Regulation, released November 9, 2018. County Connection provides service to the 10 cities as well unincorporated areas of the central and southern parts of Contra Costa county – the areas adjacent to the I-680 and SR24 corridors. Our service area population is just over 500,000 and we operate a fleet of 121 fixed route buses (30 and 40 ft) and a fleet of 63 paratransit vehicles (small cutaways, mini vans, etc) that serve primarily seniors and folks with disabilities that cannot use the fixed route service.

As of the end of 2018, eight of our 121 buses will be battery electric buses (BEB). In fact, these will be the very first BEBs that the bus manufacture, GILLIG has ever built. We have successfully introduced inductive charging on route to assist in extending battery life and operational range.

At your hearing on September 28, 2018, I testified that County Connection was very appreciative of how hard CARB and its staff have worked to develop a thoughtful and more workable regulation. I mentioned how challenging the updated ICT will be for public transit operators, but that we were ready to embrace a future where our collective fleets would become entirely zero emission based. I mentioned our common goals and missions. However, I also spoke of a few outstanding issues.

With the release of the of the CARB "Proposed Amendments to the Innovative Clean Transit Regulation, A Replacement of the Fleet Rule For Transit Agencies", a few of those concerns were addressed and we are greatly appreciative of that. We are especially thankful for the updated definition of a small operator making it consistent with other definitions that small operators have to answer to in other regulatory and funding arenas. And, we note the updated definition of a ZEB purchase in the proposed amendments that we asked for.

Two significant issues remain concerning, though. The first one and perhaps most important is that the imposition of the zero-emission bus (ZEB) purchase requirement is still not tied to benchmarks for ZEB cost and performance, infrastructure buildout costs, and funding availability. There are significant risks in assuming, that data gathered from limited, short-term ZEB deployments will accurately reflect the realities of ZEB deployments at-scale. County Connection strongly believes that, despite the claims of some interest groups, ZEB cost and performance, infrastructure buildout, and the cost of electricity as fuel, are still issues. We remain concerned that without benchmarks being placed in the updated regulation, future CARB boards and or staff (current board members and staff notwithstanding) will not feel beholden to the current language that is in the current CARB staff report.

As I wrote in my letter to you on this subject dated September 24, 2018, County Connection strongly believes you should be guided by this question posed by the California Transit Association (CTA) months ago: ***"What will happen to transit service, if the assertions made by ARB staff and interest groups are wrong, and the cost and difficulty of the transition to fully electrified bus fleets more closely align with the warnings of California's public transit agencies?"*** To help ensure that this question is addressed in manner that minimizes the risk to transit service and the transit using public, County Connection reiterates that performance and cost benchmarking is placed within the regulation itself. Below I re-submit a short paragraph originally draft by CTA on this that was a part of my letter of September 24, 2018.

Benchmarking and Regulatory Assessment

This provision would require the California Air Resources Board to conduct a regulatory assessment – before a ZEB purchase requirement goes into effect – that evaluates real-world ZEB cost and performance with benchmarks for ZEB cost and performance established at the time of rule adoption. This regulatory assessment should allow the Board to issue an across-the-board suspension of the ZEB purchase requirement, much like the original Transit Fleet Rule did, if real-world ZEB cost and performance is not yet at parity with the cost and performance of conventionally-fueled transit buses. This provision would have no impact on the ZEB purchase requirement, if benchmarks for ZEB cost and performance are being met, as anticipated by ARB staff and interest groups.

The second outstanding concern relates to incentive funding. Since very little progress has been made on this concern in the proposed amendments, I restate what I said on this concern in my letter from September 24, 2018 below.
The staff report supporting the proposed regulation emphasizes the importance of incentive funding to minimizing adverse impacts to transit service (see Initial Statement of Reasons, pages ES-8, III-8, VIII-26). However, this proposed regulation is aimed at public transit operators who by definition are local or regional government services supported by California state tax payers. As such, most of them use federal transportation funds to purchase buses and paratransit vehicles. Thus, they are beholden to strict federal rule and regulations regarding how buses are procured and how long they must remain in service before they can be retired.

The various individual transit operators are all on different bus replacement cycles based on when they receive the necessary federal funding to pay for replacement buses. Some of these federally defined bus replacement scheduled will not allow an operator(s) to purchase "early" in terms of meeting the proposed regulation when they are replacing existing non-zero emission buses. In those cases, present policies on the use of incentive funding won't allow those transit operators to use the incentive funds. Thus, some operators are going to be financially penalized for simply adhering to federal transit vehicle procurement rules.

Given the stated importance of this funding and our shared goal of protecting vital transit service, and at the same time move forward together towards full ZEB implementation within public transit by 2040, CARB should revise its current policy disallowing the use of incentive funding to meet regulatory compliance to explicitly allow transit agencies to use incentive funding whenever they are prepared to purchase a ZEB – and any of the related charging infrastructure or related bus yard improvements - at least through 2029.

County Connection respectfully submits these comments. We appreciate your consideration of them. Please know that County Connection shares your goal of reducing deadly emissions from all mobile sources include public transit vehicles. We only ask that you consider our two remaining concerns about how we get to fully ZEB transit fleets by 2040. Are concerns are only driven by are desire to make sure we can provide public transit service to our shared constituents as we continue to work together on our common goals.

I close by saying thank you to CARB staff for working very hard with our industry - through CTA - on getting to this point. With just little more work and attention, I think we can a good update to the ICT that we can all live with and that will move forward the goals of the State of California.

If you have any questions or comments, please feel free to contact me at 925-680-2050.

Sincerely,

Rick Ramacier
General Manager

cc: Richard Corey, Executive Officer, California Air Resources Board
Steve Cliff, Deputy Executive Officer, California Air Resources Board
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