



November 21, 2024

California Air Resources Board
1001 I Street
Sacramento, CA 95814

RE: Comments on Fiscal Year 2024-25 Funding Plan for Clean Transportation Incentives

Dear CARB Board Members,

RIDE appreciates the opportunity to comment on the Proposed Fiscal Year 2024-25 Funding Plan. We extend our gratitude to CARB staff and leadership for their work on this proposed Plan and for the agency's broader efforts to support the mass adoption of zero-emission technology in California, addressing the critical issues of climate, air quality, and environmental equity. As a leader in battery-electric MHD vehicle technology, RIDE, headquartered in California, is eager to collaborate with CARB to help achieve California's zero-emission vehicle goals.

RIDE – A Leading MHD Vehicle Electrification Partner in California

RIDE, representing Real Innovation Delivered with Excellence is the U.S. spinoff of BYD focused on the commercial passenger market. Our Lancaster manufacturing facility, operational since 2013, is a 550,000-square-foot hub that produces 1,500 MHD ZEVs annually, with hundreds of union employees who are members of the Sheet Metal, Air, Rail and Transportation Union, Local 105. We are well-positioned to help meet the state's growing demand for ZEVs in the transit and school bus markets. RIDE offers the following suggestions for the Board's consideration when implementing the proposed Fiscal Year 2024-25 Funding Plan.

Further Support is Needed to Advance the Electrification from Standard HVIP

RIDE strongly urges CARB staff to continue allocating funding for standard HVIP. Since its establishment, standard HVIP has been a reliable and consistent framework supporting school districts, private fleets, and transit agencies as they plan and invest in ZEVs. Over 95% of our customers rely on standard HVIP as a crucial source of matching funds. Consistent funding alleviates budget uncertainties, allowing organizations to make long-term commitments with confidence.

Maintaining standard HVIP is even more critical in light of limited budgets and the lack of new funding for electric school buses. More than 70% of California school districts we partnered with who secured funding from other sources have delayed their ZEV transitions due to the uncovered upfront costs. For many, the added burden of state sales taxes, often exceeding \$40,000 per vehicle, makes large-scale adoption financially prohibitive, particularly in regions where these buses are most needed. Even with some funding in hand, the upfront cost can be daunting - especially for small, disadvantaged, or rural school districts that are disproportionately impacted by climate change. This financial gap only widens when considering additional soft costs like scrappage, documentation, inflation, and others. If these challenges persist, the state's climate goal of achieving 100% electric school bus sales across California by 2035 could be in jeopardy. We believe that maintaining standard HVIP funding can bridge this financial gap, ensuring critical support for school districts and keeping California on track to meet its ambitious climate objectives.



We want to reiterate again our recognition of the hard work CARB staff has put into this funding plan and give our appreciation for the opportunity to voice our concerns. Please do not hesitate to contact me should you have questions or wish to discuss further.

Sincerely,

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