

October 28, 2021

Submitted via: Online Comment Form

California Air Resources Board 1001 | Street Sacramento, CA 95814

Re: Informal Public Comments on the Proposed Advanced Clean Fleets Rulemaking

To Whom it May Concern:

The Inland Empire Utilities Agency (IEUA) is pleased to provide the following comments to the California Air Resources Board (CARB) on the proposed Advanced Clean Fleets Regulation (Proposed Regulation).

As a provider of public drinking water and sanitation services, we share CARB's mandate to protect human health and promote environmental stewardship. We support the State's overall goal to achieve carbon neutrality and acknowledge the need to move towards Zero-Emission Vehicles (ZEV). However, we must register our urgent concern with the inability of the Proposed Regulation to recognize two fundamental realities: 1) some specialty vehicles are not suited for electrification and may never be, and 2) biofuels are available, in need of use, and could better fuel these same specialty vehicles.

Section 95693.1 - Public Fleets ZEV Purchase Requirements

The Advanced Clean Fleets Regulation (Proposed Regulation) as proposed as of September 9, 2021 requires 100 percent of the total number of new motor vehicle purchases in each calendar year be a ZEV beginning January 1, 2027. To complement this transition, the proposed language allows Near-Zero-Emission Vehicles (NZEV) be counted as a ZEV purchase until January 1, 2035, when public bids to purchase ZEVs and NZEVs result in no responsive bids for ZEVs. During the workgroup meeting held on October 6, 2021 to discuss public fleet requirements of the ACT regulation, CARB staff responded to a comment asking what would happen if there were no responsive bids for both ZEV and NZEV vehicles. CARB staff informed attendees that agencies would not be able to move forward with any purchases in that case and would be required to wait until a suitable NZEV/ZEV bid becomes available in the future.

Our agency finds this proposed approach to be unreasonable to the point of jeopardizing our industry's ability to fulfill basic water and sanitation functions. We strongly recommend that language be inserted into the proposed regulation to allow for purchases of non-ZEV and non-NZEV purchases should there be no available ZEVs and NZEVs bids received.

IEUA provides essential water and wastewater services to various cities, water districts, and communities

Vice President

Paul Hofer

Director

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our service area. Medium-duty and heavy-duty vehicle inventories are limited and when the need arises to replace a vehicle, it will be to ensure that we can continue to provide such essential services reliably. Not being able to purchase a vehicle due to having limited or no availability, waitlists, supply chain issues, long lead times, or even vehicles that do not meet bid specifications, should not restrict our ability to continue providing water and wastewater services where these vehicles would be needed for use.

Moreover, the Proposed Regulation does not recognize the uncertainties associated with such a rapid universal conversion to battery technology. This is concerning, given the current production and availability issues with semiconductors, microchips, and rare earth metals. Assurances of availability should be taken into great consideration of the language that is currently proposed.

IEUA recommends that the following language be incorporated at the end of Section 95693.1(a)(1) in the form of subsection (D):

If public bids for ZEVs and NZEVs result in no responsive bids, non-ZEV/NZEV purchases may be made for equivalent vehicle or vehicles listed in the public bid.

Section 95693.2 - Public Fleet Exemptions

Another point of concern is the Public Fleets Exemptions under Section 95693.2. This exemption for emergency response allows for public agencies to apply for an exemption from ZEV or NZEV purchase requirements if the vehicle is designated to provide emergency response in supporting public services across California or in other states. In doing so, they would need to meet four specific conditions in the proposed regulation. We offer the following comments on two of them.

The first exemption condition required that more than 75 percent of the body type in the fleet already be made up of ZEVs. This is problematic for a small public utility agency like ours. For example, IEUA has two diesel-fueled Vactor trucks that are dispatched to respond immediately to sewer spills as a part of an emergency response function. Should this regulation go into effect as written, IEUA would not be able to qualify for this exemption due to the small size of our fleet and would thereby be forced to replace vehicles as ZEV/NZEV. Should none be available, agencies like IEUA would be left without any options for making a specialty vehicle purchase, jeopardizing our ability to protect public health. As a public utility, we have an urgent need to effectively respond to sanitary sewer overflows (SSO) within our service areas, as well as support our mutual aid "sister agencies", to ensure compliance with the Statewide General Waste Discharge Requirements for Sanitary Sewer Systems as required by the State Water Resources Control Board.

Even if ZEV configurations become available for this type of Class 8 specialty vehicle within the next decade, IEUA would be concerned with their readiness for immediate deployment. With the current technology that is available, we anticipate that these vehicles would be limited in the hours they could operate daily due to the need to plug in and recharge. This inability to instantly deploy vehicles, compromises the effectiveness of a piece of equipment that requires immediate dispatch and extended

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operation. The sanitation industry cannot risk sewer spills to continue unabated for long periods of time while waiting for a zero emission vehicle's batteries to recharge. Doing so is dangerous to public health and in direct contradiction with State regulations related to managing sewer spills.

Finally, IEUA is concerned that a disruption of the electrical grid could render ZEVs inoperable. In cases where severe fire may cause power outages, our fleet of ZEVs would be crippled from use and inoperable during such an emergency especially if they are prolonged for an extended period. We request the removal of the proposed exemption language requiring 75% of the body type to be ZEVs and to allow purchases of non-ZEVs to ensure reliability and redundancy in responding to emergency events that may drastically impact public health and safety.

IEUA asks that the 75 percent body type requirement be removed from the regulation due to its very restrictive and narrowed scope within the exemption language. In its place, we recommend that 95693.2(a)(1) be replaced with language that explains how the vehicle(s) in question qualifies for emergency response as a part of this exemption provision, such as:

Describe the vehicles that will be designated to provide emergency response in supporting electricity, natural gas, water, or wastewater services.

The second exemption found in subsequent subsection (2) is also concerning because it is based on an assessment of local conditions that is incomplete. This exemption qualifier requires agencies to demonstrate that access to charging stations is not available in the areas to be served during an emergency response. As charging infrastructure continues to grow, more charging stations will be adopted throughout the state. IEUA's service area already had some charging sites available and will continue to add more in various locations in the coming years. Under the limited terms of this assessment, IEUA would likely determine sufficiency of charging stations and be unable to qualify for this exemption.

However, this assessment does not take into full consideration the fact that utilities often deploy vehicles to assist "sister agencies" as part of mutual aid agreements, thereby expanding the potential driving range of these vehicles outside the boundaries of the utility's service area. If emergency/disaster related events occur where the electrical grid is unavailable, this severely limits an agency's ability to respond to such events.

We request that Section 95693.2(a)(2) be removed from the proposed language as it inaccurately assumes that utility vehicles stay within the boundaries of their agency's service territory and there is no way to assess where such vehicles may be deployed, if there are charging stations available in those areas, when they may be made available or installed, or even if they are accessible to certain vehicle sizes or to the public.

Rule 1196 - Clean On-Road Heavy-Duty Public Fleet Vehicles

Lastly, IEUA requests that CARB consider potential provisions for smaller fleets in the public agency domain. South Coast Air Quality Management (SCAQMD) Rule 1196 is a local regulation that applies to public agencies with 15 or more heavy-duty vehicles. This Rule requires new purchases of heavy-duty vehicles be alternatively fueled in the form of gasoline, natural gas, hydrogen, electricity, etc. A threshold similar to that of SCAQMD Rule 1196 should be taken into consideration by CARB in order to accommodate many of the concerns noted above. Many water and wastewater agencies are small, with a limited number of vehicles over 8,500 gross vehicle weight rating (GVWR). The regulation as currently proposed would prove detrimental to the services we provide in the future as the inability to so do during emergency events could threaten public health and safety.

Impact to the Grid

IEUA is also concerned that the push for electrification may oppose the State's goal of resolving the imbalance between supply and demand on the grid due to the high adoption of solar, known as the "duck curve". Solar produces electricity during the day resulting in overgeneration and when the sun sets, energy generators must quickly ramp up production to meet the steep increase in demand on the grid. Consequently, the electric utility shifted its peak time to the evening to lessen and stabilize grid demand. The concern is that IEUA's operating hours does not align with the utility's time-of-use, it is the opposite. If the agency would fully electrify the fleet, staff will be utilizing their vehicles throughout work hours from 6 A.M. to 4 P.M. and charge during peak times. This scenario defeats the purpose of flattening the "duck curve" and would likely apply to other agencies across the state.

The Benefits of Incorporating Biofuels into the Proposed Regulation, Including Digester Gas

Another major State initiative to reduce greenhouse gases (GHG) is the removal of organics from landfills, as established in SB 1383. Many of these organics are destined to be converted through anaerobic digestion creating additional biogas while reducing methane emissions from landfills. Anaerobic digestion is a natural and very effective treatment process utilized heavily in the wastewater industry that can also be used to convert digester gas into low carbon transportation fuels. CARB's Low Carbon Fuel Standard (LCFS) program has been demonstrated to lower Carbon Intensity (CI).

CARB's singular strategy to electrify all vehicles, regardless of the viability or even availability of such vehicles, not only appears to conflict with SB 1383, but threatens to strand assets proven to lower GHGs. By disinvesting in the LCFS program and moving directly to zero emissions when the technology is not fully developed or achieved in practice suggests that there will be a missed opportunity for more immediate and achievable decreases in overall net carbon. As such, we recommend that CARB allow a role for biofuels in the Proposed Regulation to power specialty vehicles as an intermediate transition where 100% electric is either not feasible or not available until improvements in battery technology have been made for such vehicles.

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Conclusion

IEUA is committed to achieving carbon neutrality as soon as is it practicable. The amendments to the Proposed Regulation that we have outlined in this letter for your consideration seek a balanced approach for assuring our industry's ability to carry our fundamental mission to provide safe and reliable drinking water and sanitation services to protect public health. If you have any questions, please contact Mr. Pietro Cambiaso, Deputy Manager of Strategic Planning & Resources at pcambias@ieua.org.

Sincerely,

Inland Empire Utilities Agency

Shiraji Deshmulh

Shivaji Deshmukh, P.E.

General Manager