



Clean Transportation Policy Update

June 19 – September 17, 2024

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ADVANCED CLEAN FLEETS RULE UPDATES

On September 24, the California Air Resources Board (CARB) will hold a public workshop to discuss targeted amendments to the Advanced Clean Fleets (ACF) regulation. The proposed amendments that will be discussed include:

- A definition of traditional utility-specialized vehicles
- Modifying eligibility criteria for a ZEV Purchase Exemption for a new traditional utility-specialized vehicle without regard to the model year of the vehicle being replaced
- Necessary changes to the Daily Usage exemption to allow for broader usage data for traditional utility-specialized vehicles that does not exclusively rely on the lowest mileage reading and does not exclude the highest usage days
- Minor edits to the transit fleet vehicle definition and other updates and clarifications

Draft rulemaking language will be made available prior to the meeting.

On September 5, the Infrastructure Truck Implementation Group held its fourth meeting to discuss the California Energy Commission's (CEC) proposed charger reliability, recordkeeping and reporting requirements for commercial fleets, and options for complying with these requirements. On September 4, the Rule Provision Implementation Group held its fourth meeting to continue its discussion of the zero-emission vehicle purchase exemption process and the Daily Usage exemption process for state and local government fleet and high priority fleets. The Outreach Truck Implementation Group held meetings on

June 26, July 31, and August 29 to discuss ACF campaign messaging, outreach suggestions, and a demonstration of the interactive on-road regulation applicability tool and the ACF dashboard.

Information about these meetings is available at

<https://ww2.arb.ca.gov/our-work/programs/advanced-clean-fleets/advanced-clean-fleets-meetings-events>

CLEAN EQUIPMENT RULEMAKING WORKSHOP SET

On September 24, CARB will hold a virtual public workshop to discuss the proposed Phased Advanced Clean Equipment Regulation (PACE), formerly known as the Off-Road Zero-Emission Targeted Manufacturer Rule (TMR). The proposed concept for the PACE Regulation would require manufacturers of off-road equipment and/or engines to produce zero-emission equipment and/or powertrains as a percentage of their annual statewide sales volume to ensure these emerging and innovative technologies come to California. This workshop is intended to provide a forum for manufacturers, industry representatives, non-governmental organization representatives, users of off-road equipment, community groups, and other interested stakeholders to discuss and provide feedback regarding the multi-phase approach concept and how best to structure the regulation.

Additional information is available at

<https://ww2.arb.ca.gov/our-work/programs/phased-advanced-clean-equipment-pace-regulation>

WORKSHOPS ON CLIMATE ACTION PLAN FOR TRANSPORTATION INFRASTRUCTURE

On September 17 and 19, the California State Transportation Agency (CalSTA) will be holding two virtual workshops to receive public feedback on new action ideas to implement the framework for the Climate Action Plan for Transportation Infrastructure (CAPTI). The plan outlines how the state will invest billions in discretionary funding to reduce GHG emissions from transportation while supporting public health, safety, and equity. Based on the input from these meetings, staff will include draft actions in an upcoming update of CAPTI to be released later this year.

For more information, please visit

<https://calsta.ca.gov/subject-areas/climate-action-plan>

OCT CARB MEETING TO APPROVE MOYER AND FARMER PROGRAM GUIDELINES

On October 24, CARB will hold a public meeting to consider approving revisions to the Carl Moyer Program Guidelines and the 2024 Funding Agricultural Replacement Measures for Emission Reductions (FARMER) Program Guidelines. The changes to the Moyer Guidelines will ensure consistency throughout the source category chapters, reflect current regulations and advances in technology, and streamline program administration. The FARMER Guidelines will outline how to direct funding to local air districts to administer agricultural vehicle and equipment incentive projects, which provide concurrent criteria, toxic, and greenhouse gas emission reductions. They also describe air district funding allocations,

eligible project categories and criteria, program implementation details, justifications for these investments, and CARB Executive Officer authority to add or modify project categories and criteria as needed. On August 28, CARB staff held the third public workshop on the guidelines for both the Moyer Program and the FARMER Program.

Additional information is available at

https://ww2.arb.ca.gov/sites/default/files/barcu/regact/2024/moyernotice2024.pdf?utm_medium=email&utm_source=govdelivery
and

<https://ww2.arb.ca.gov/our-work/programs/farmer-program/farmer-program-meetings-workshops>

FUNDING ACTIVITIES

CA CLIMATE INVESTMENTS ACTIVITIES

Following are the current activities with respect to each CCI-funded program related to transportation:

Low Carbon Transportation Program (CARB)

On August 29, CARB staff held a webinar to discuss the FY 2024-25 Draft Funding Plan for Clean Transportation Incentives. Topics included: light-duty vehicle purchase incentive projects; sustainable community-based transportation equity projects; and medium- and heavy-duty on- and off-road equipment investments. The proposed funding plan is expected to be released on October 11, with Board consideration on November 21.

On August 6, the Public Work Group for Clean Transportation Equity and Light-Duty Vehicle Investments held a webinar to discuss proposed changes to the Zero-Emission Assurance Project (ZAP), updates to the zero-emission vehicle market, share goals on aligning projects, introducing a needs-based model to their mobility projects, and improving data collection and evaluation standards. Additionally, CARB staff held a Workgroup meeting to discuss proposed updates for the Clean Truck and Bus Voucher Incentive Project (HVIP), Innovative Small E-Fleet Pilot Project (ISEF), Zero-Emission Truck Loan Pilot Project, Clean Off-Road Equipment Voucher Incentive Project (CORE) and Long-Term Heavy-Duty Investment Strategy.

Additional information can be found at

<https://ww2.arb.ca.gov/our-work/programs/low-carbon-transportation-investments-and-air-quality-improvement-program/low-0>

Transit and Intercity Rail Capital Program (CalSTA)

Project applications for the 2024 Cycle 7 Transit and Intercity Rail Capital Program (TIRCP) were due in July. CalSTA will announce the awards in October.

For more information, please visit

[More information is available at https://calsta.ca.gov/subject-areas/transit-intercity-rail-capital-prog](https://calsta.ca.gov/subject-areas/transit-intercity-rail-capital-prog)

ZERO-EMISSION SCHOOL BUS FUNDING AVAILABLE

The \$500 million Zero-Emission School Bus and Infrastructure (ZESBI) incentive project pairs zero-emission school bus vehicle incentives through CARB, with charging infrastructure

incentives through the CEC. For Fiscal Year 2023-24, \$375 million is allocated to support purchases of qualifying zero-emission (ZE) school buses and \$125 million is allocated to support infrastructure and associated cost incentives. Applications are due by September 30.

For more information, please visit

<https://californiahvip.org/zesbi/>

MILLIONS TO HELP LOW-INCOME CALIFORNIANS PURCHASE ZEVs

On September 11, CARB announced more than \$242 million in funding is available through the Driving Clean Assistance Program (DCAP), prioritizing grants and loan assistance for low-income Californians to get a zero-emission vehicle. In exchange for scrapping an older vehicle, eligible participants can receive up to a \$12,000 grant to purchase or lease a new or used zero-emission vehicle, in addition to \$2,000 for electric charging costs. The assistance can be used to purchase zero-emission cars, motorcycles or e-bikes, and low-interest loans will also be available.

Additional information is available at

<https://drivingcleanca.org/>

CALSTA APPROVES NEARLY \$2 BILLION FOR PUBLIC TRANSIT

On July 8, CalSTA announced it had approved more than \$1.9 billion for transit projects to 22 agencies allocated from the transit recovery package in the 2023-24 State Budget. In the South Coast, allocations were made as follows:

- **LA Metro** - \$618.14 million for the Metro A (Gold) Line Foothill light rail extension to Montclair, zero-emission buses and infrastructure, and the West Santa Ana Branch Transit Corridor
- **OCTA** - \$182.58 million for various operational expenses, construction of critical rail infrastructure, and deployment of zero-emission buses and clean energy
- **RCTC** - \$138.21 million for Coachella Valley Rail Tier II passenger rail project development, and the Zero-Emission Capital Program
- **SBCTA** - \$26.73 million for the Metrolink San Bernardino Line Double Track Lilac to Sycamore, diesel multiple unit to zero-emission multiple unit vehicle conversions, and the Metrolink Station Accessibility Improvement Project Phase 2

As part of SB 125 (2023), a total of \$5.1 billion will be distributed to regional transportation planning agencies over multiple years.

Additional information is available at

<https://calsta.ca.gov/press-releases/2024-07-08-ca-approves-2-billion-for-public-transit>

SOUTH COAST AQMD RECEIVES \$500M CLIMATE POLLUTION REDUCTION GRANT

On July 22, U.S. EPA announced that it awarded South Coast AQMD nearly \$500 million for its INVEST CLEAN initiative. The funding comes from the \$4.3 billion Climate Pollution Reduction Grant Program created through the Inflation Reduction Act. The project will focus on the areas of Los Angeles, Long Beach-Anaheim, Riverside-San Bernardino-Ontario to decarbonize the goods movement corridor. The grant will fund four projects, aligned with the National Zero-Emission Freight Corridor Strategy, via initiatives such as installing EV charging, increasing zero-emission freight vehicles, and electrifying equipment and diesel freight switcher locomotives in the region.

For more information, please visit

<https://www.epa.gov/inflation-reduction-act/south-coast-air-quality-management-district-california>

RESEARCH ACTIVITIES

REPORT ON TRUCK ELECTRIFICATION IN INLAND EMPIRE

A new report by the Mineta Transportation Institute at San Jose State University titled, “Moving Towards the Electrification of Medium- and Heavy-Duty Vehicles in the Inland Empire” explores the importance of EV charging infrastructure and opportunity charging in facilitating sustainable transportation. Recommendations from the report include:

- Adopting dynamic, adaptable policies
- Providing targeted financial incentives for smaller businesses
- Standardizing charging technologies
- Significant investments in infrastructure, particularly for opportunity charging
- Ensuring an equitable distribution of the benefits of electrification, particularly to those communities that are economically disadvantaged or have historically lacked infrastructure investments.

The report is available at

<https://transweb.sjsu.edu/research/2305.1-Medium-Heavy-Duty-Vehicles-EV-Charging-Equity>

STUDY EXAMINES CA’s TRANSITION TO ZERO-EMISSION DRAYAGE TRUCKS

A study by the UCS Price School and Los Angeles Business Council examines the current zero-emission truck market and the infrastructure needed to meet the state’s GHG and air quality goals. “Navigating California’s Transition to Zero-Emission Drayage Trucks,” outlines several recommendations to support the timely transition to zero-emission trucks, including:

- Accelerate the development of electric charging infrastructure by streamlining the permitting process
- Expand subsidies to cover steep truck prices, especially to help small drayage firms

- Support the development of a secondhand zero-emission truck market through various time-limited incentives
- Increase investments in hydrogen-powered truck technology and fueling infrastructure

To read the report, please visit

<https://labusinesscouncil.org/wp-content/uploads/2024/09/LABC-ACF-Report-Full-Report-5.pdf>

REPORT LOOKS AT FAST CHARGERS IN CA

Next 10's report, "Analyzing the Business Case and Consumer Preferences for Fast Chargers in California" surveyed more than 1,000 EV owners in California and found that they are willing to pay a premium for more accessible fast charging, especially if co-located services and amenities are available. Key findings of the report include:

- Increase the availability of public chargers at places where Californians do or want to visit, while upping the efficiency with DC fast chargers
- Increase public support for home charger installation while using consumer preferences as a guidepost
- Balance public subsidies with strategies for encouraging the profitability of EV charging stations independent of outside intervention

The report can be found at

<https://www.next10.org/publications/analyzing-business-case-and-consumer-preferences-fast-chargers-california>

CALIFORNIA LEGISLATIVE ACTIVITIES

The 2023-24 Legislative session concluded on August 31. The Governor has until September 30 to sign or veto bills.

LEGISLATION

CLEAN VEHICLES AND INCENTIVES

AB 627 (Jackson)

Summary

As part of the Zero-Emission Truck and Bus Voucher Incentive Project (HVIP), this bill would require CARB to establish a sliding scale by which to determine the dollar amount of a voucher for the purchase of a new, or retrofit of a used, hydrogen or battery-electric drayage truck. The sliding scale would authorize vouchers in different amounts for fleets with 49 or fewer vehicles, 30 or fewer vehicles, and five or fewer vehicles. Additionally, CARB would

prioritize awarding vouchers to operators that transport goods between any of the Ports of Los Angeles, Long Beach or Oakland and warehouses in California, and operators who own five or fewer drayage trucks.

Because this bill failed to get out of committee by the legislative deadline, the bill is dead.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB627

AB 637 (Jackson)

Summary

This bill would reduce the minimum consecutive days required for a rental vehicle to count toward compliance for the Advanced Clean Fleets (ACF) Rule from 365+ days to 270 days, thereby creating a loophole in the ACF by incentivizing short short-term vehicle rentals over the transition of long term-fleets. It would also allow multiple vehicles rented in short increments to count toward the new 270-day requirement.

This bill was sent to the Governor on September 3.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB637

AB 2401 (Ting)

Summary

In administering the Clean Cars 4 All Program, this bill would require CARB to prioritize vehicle retirement in areas of the state that with the highest percentages of low-income, high-mileage drivers with older, high-polluting vehicles; makes these incentives available statewide, and requires CARB to establish a means-based strategy provide an increased incentive to potential recipients satisfying additional qualifying criteria.

This bill was sent to the Governor on September 3.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB2401

AB 3179 (Carrillo)

Summary

This bill would exempt medium- and heavy-duty emergency telecommunications vehicles from the ACF Rule until January 1, 2030.

This bill was sent to the Governor on September 4.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240AB3179

SB 59 (Skinner)

Summary

This bill would direct the CEC, in consultation with CARB and the Public Utilities Commission, to require any weight class of battery electric vehicle to be bidirectional capable if it determines that there is a sufficiently compelling use case to the vehicle operator and electric grid.

This bill was sent to the Governor on September 5.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB59

SB 983 (Wahab)

Summary

This bill would require the CEC to create the Alternative Fuels Infrastructure Task Force to conduct a study on retail gasoline stations and alternative fuels infrastructure. By January 1, 2027, the Task Force must submit a report to the Legislature with recommendations on: existing fueling infrastructure and how it might be used in conjunction with alternative fuels infrastructure at retail gasoline stations; barriers to development and construction of alternative fuels infrastructure at gas stations; best practices for compliance with the Americans with Disabilities Act of 1990 when constructing alternative fuels infrastructure at gas stations; and other infrastructure challenges to the development and construction of alternative fuels infrastructure at gas stations.

This bill was sent to the Governor on September 9.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240SB983

SB 1158 (Archuleta)

Summary

This bill extends the amount of time an air district has to liquidate Carl Moyer Program funds reserved for it before the funds revert back to CARB from four years following disbursement of funds to six years following disbursement of funds.

This bill was sent to the Governor on August 22.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240SB1158

SB 1387 (Newman)

Summary

This bill would specify the requirements for eligible vehicles to receive a voucher issued under the HVIP program. CARB can authorize a voucher to be used for the acquisition of a zero-emission vehicle that meets all of the following requirements:

- The vehicle has a GVWR that exceeds 8,500 pounds
- The vehicle is not a house car as defined in Section 362 of the Vehicle Code

- The vehicle meets either of the following requirements:
 - A vehicle is purchased for fleet operations by a public or private fleet owning one or more medium- or heavy-duty vehicles
 - The vehicle is purchased by an individual for both personal and commercial use

Because this bill failed to get out of committee by the legislative deadline, the bill is dead.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240SB1387

TRANSPORTATION PLANNING, OPERATIONS, AND FUNDING

AB 6 (Friedman)

Summary

This bill would require CARB to update the regional GHG emissions reduction targets indefinitely, rather than only until 2050, and authorizes the Board to update the dates to which those targets apply. Additionally, before adopting a regional transportation plan that could impact a Sustainable Communities Strategy, Metropolitan Planning Organization would be required to quantify the projected GHG emissions reductions to be achieved by those amendments and set forth the difference, if any, between the amount of that reduction and CARB's regional targets. The bill also imposes other requirements on Sustainable Communities Strategies and Alternative Planning Strategies.

Because this bill failed to get out of committee by the legislative deadline, the bill is dead.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB6

SB 960 (Wiener)

Summary

This bill would require Caltrans to include complete streets assets in its asset management plan, system highway management plan, and in the plain language performance report for the State Highway Operation and Protection Program (SHOPP). Caltrans would be required to develop and adopt transit priority policy and guidelines, as well as to commit to specific 4-year targets to incorporate complete streets facilities in the SHOPP.

This Bill was sent to the Governor on September 9

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240SB960

CLIMATE BOND

SB 867 (Allen)

Summary

The Governor signed this bill on July 3, which will enable Proposition 4 to be put on the November ballot. This measure would authorize \$10 billion in state bonds for climate programs including safe drinking water and water resilience, wildfire prevention and extreme heat mitigation, natural lands, coastal and wildlife protection, clean energy, and agriculture. Funding for clean transportation is not included in the bond.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB867

Key Federal Activities

FUNDING ACTIVITIES

WEST COAST ZERO-EMISSION TRUCK CORRIDOR RECEIVES MORE THAN \$100M

On August 27, the U.S. Department of Transportation awarded Caltrans, the CEC, the Oregon Department of Transportation, and the Washington State Department of Transportation \$102 million for a multi-state West Coast corridor to install charging stations and hydrogen fueling stations for trucks along 2,500 miles of Interstate 5 and other key freight corridors. A total of \$521 million was awarded nationally from the Charging and Fueling Infrastructure (CFI) Discretionary Grant Program funded through the federal Infrastructure Investment and Jobs Act. Construction on the new stations is slated to begin in 2026.

The MSRC originally partnered with Caltrans and the CEC on Round 1 of the CFI Program. Last month, the MSRC committed to continue the partnership with a total of \$6 million to be allocated over both the resubmitted Round 1 project described above and a new application under Round 2, with a focus on zero-emission refueling infrastructure along corridors that serve California's maritime ports. The MSRC retains the discretion to apportion the total funding contribution between the projects once all US DOT funding award information is known.

Additional information is available at

<https://dot.ca.gov/news-releases/news-release-2024-033>

FEDERAL CLEAN TRANSIT BUS FUNDING AWARDED TO AGENCIES IN SOUTH COAST

On July 9, The Federal Transit Administration announced it had awarded approximately \$1.5 billion in funding to support 117 projects across the country for low- and zero-emission transit buses and facilities through the Grants for Buses and Bus Facilities Program and the Low- and No-Emission Program. More than \$233 million in total was awarded to transit buses

serving Californians, which includes 15 California transit projects and one spanning from California to Nevada. Local agencies awarded funding in the South Coast include:

- Omnitrans - \$8.4 million to purchase new battery electric buses and charging equipment, and to provide training, including apprenticeships, to help its workers maintain the electrified fleet. The new vehicles will transition Omnitrans's sbX Green Line to zero-emission buses, improving air quality in several disadvantaged communities along the route
- City of Commerce Transit - \$14.2 million to purchase battery electric buses, charging equipment and supporting infrastructure to replace older CNG and diesel-powered buses.
- LA Metro - \$77.5 million to purchase dozens of battery-electric buses and install new chargers at its West Hollywood bus yard

Additional information is available at

<https://www.transit.dot.gov/funding/grants/fy24-fta-bus-and-low-and-no-emission-grant-awards>

RESEARCH ACTIVITIES

REPORT EXPLORES OPPORTUNITIES FOR EVs

The North American Council for Freight Efficiency tracked 22 battery-electric vehicles (BEVs) from Class 2b through Class 8 operating in California, New York, and British Columbia to evaluate the efficacy of electric vehicles in commercial applications in its report, "Run on Less – Electric DEPOT." The analysis of the data showed these findings:

- Electric vans, trucks, and heavy-duty tractors are on the road today and are performing well in many duty cycles.
- Infrastructure, both at the depots and strategically placed along freight corridors is needed now. Fleets can help with this by working in partnerships where two or more companies combine charging use to maximize charger asset utilization.
- Heavy-duty tractor OEMs should make cost and weight improvements a priority. A better understanding of freight weights will help fleets better match BEVs to duty cycles and OEMs need to continue to refine batteries with weight reduction as a key goal.
- More realistic data on all key performance metrics is needed on the vehicle, the charger, the depot, and from a utility perspective.

More information is available at

<https://nacfe.org/research/scaling-bevs/>

STUDY DOCUMENTS AIR POLLUTION FROM WAREHOUSES

A new article titled, "Air Pollution Impacts from Warehousing in the United States Uncovered with Satellite Data," from George Washington University and the International Council on Clean Transportation (ICCT) shows that communities living near warehouse are exposed to

higher levels of air pollution than in upwind areas, attributable to a concentrated activity of diesel trucks and other vehicles. Key findings include:

- In the continental U.S., the average nitrogen dioxide (NO₂) level in areas near warehouses is nearly 20 percent higher than in areas upwind of those warehouses. Additionally, larger numbers of loading docks or parking spaces were associated with more truck traffic and higher levels of NO₂.
- Census tracts with greater numbers of warehouses tended to have higher shares of residents of color. This aligns with results from previous studies that showed that racial and ethnic inequities in NO₂ exposure are largely attributable to diesel truck traffic.

The study is available at

<https://www.nature.com/articles/s41467-024-50000-0#MOESM5>