

# Complying with CARB's Advanced Clean Fleets Regulation

MONDAY, AUGUST 19, 2024 | 1:00 - 2:30 PM

**THANK YOU  
FOR JOINING US!**



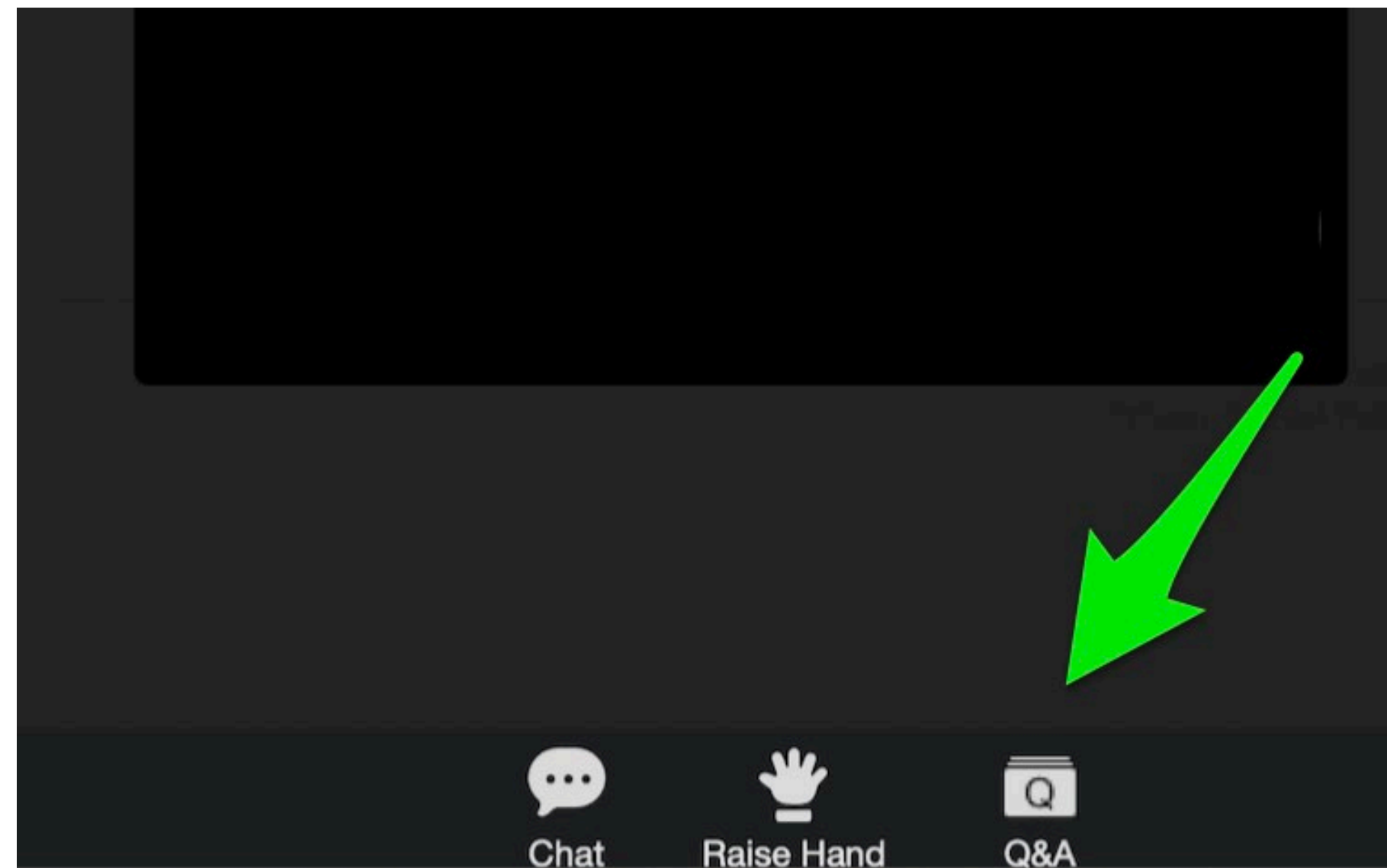
*Host & Moderator*

**MELISSA KUEHNE**  
*Senior Program Manager*  
*Institute for Local Government*



# TECH OVERVIEW & HOUSEKEEPING

- All webinar participants will be on **MUTE** for the duration of the event.
- Please type any questions for into the **Q&A BOX** at any time during the session.



- A recording of the session will be available shortly after the webinar.

# WEBINAR OVERVIEW

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**Welcome & Introductions**

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**Complying with the Advanced Clean Fleets Regulation – Alene Taber**

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**San Diego County's Green Fleet Action Plan – David Fernandez**

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**Audience Q&A**

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**Wrap Up & Adjourn**

*We welcome your written questions and comments in the Q&A throughout the webinar*

# ABOUT ILG

# NON-PROFIT, NON-PARTISAN AND HERE TO HELP

- The Institute for Local Government is the non-profit training and education affiliate of three statewide local government associations
- Together with our affiliates, we serve over 2,500 local agencies – cities, counties and special districts
- We provide practical and easy-to-use resources so local agencies can effectively implement policies on the ground



**California Special  
Districts Association**  
*Districts Stronger Together*



# ILG'S PROGRAMS AND SERVICES



Our mission is to help local government leaders **navigate complexity, increase capacity & build trust** in their communities

# POLL

- **Does your jurisdiction have a plan for converting its existing fleets to zero-emission vehicles?**
- **What is your agency's biggest challenge to converting your fleet to zero-emission vehicles?**



# TODAY'S PRESENTERS



**ALENE TABER**  
Counsel  
Hanson Bridgett



**DAVID FERNANDEZ**  
Chief of Fleet Services  
County of San Diego



# Complying with CARB's Advanced Clean Fleets Regulation

**ALENE TABER, ESQ.**

**AUGUST 19, 2024 WEBINAR**



# Applicability

**City/County, Special District, Utility**

**Own, Lease, or Operate**

**1 or More Vehicle – GVWR 8,500 lbs.**

# Vehicle Classification

## Class 1 - 6,000 lbs & Less



Minivan



Cargo Van



SUV



Pickup Truck

## Class 2 - 6,001 to 10,000 lbs



Minivan



Cargo Van



Full-Size Pickup



Step Van

## Class 3 - 10,001 to 14,000 lbs



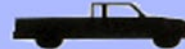
Walk-in



Box Truck

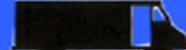


City Delivery



Heavy-Duty Pickup

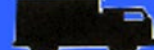
## Class 4 - 14,001 to 16,000 lbs



Large Walk-in



Box Truck



City Delivery

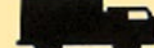
## Class 5 - 16,001 to 19,500 lbs



Bucket Truck



Large Walk-in



City Delivery

## Class 6 - 19,501 to 26,000 lbs



Beverage Truck



Single-Axle



School Bus

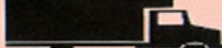


Rack Truck

## Class 7 - 26,001 to 33,000 lbs



Refuse



Furniture



City Transit Bus



Truck Tractor

## Class 8 - 33,001 lbs & Over



Cement Truck



Truck Tractor



Dump Truck



Sleeper



# Exempt Vehicles

- **School Buses**
- **Military Tactical**
- **Vehicles to be Sold**
- **Emergency**
- **Historical**
- **Two-Engine**
- **Snow Removal**
- **Heavy Cranes**
- **Transit Vehicles (ICT Reg.)**
- **ZE Airport Shuttle (Reg.)**

# ZEV Requirements



- **January 1, 2024 – 50% of Total Vehicle Purchases**



- **January 1, 2027 – 100% of Total Vehicle Purchases**

**OR**

**ZEV Milestones Option  
(Temporary until January 1, 2030 &  
Permanent Choice)**



# What Qualifies as a “Purchase”?

- Contract for Immediate Delivery & Paid
- Lease Agreement > 1 Year
- Contract for Conversion w/Specific Work Date & Paid
- Incentive Funds May **NOT** Count
- Lease Renewal - **NOT** a Purchase
- Early Purchase Credits





# Role of Near-Zero-Emissions Vehicle or “NZEV”



- **Hybrid EV that achieves a specific all-electric range**
- **2035 and earlier MYs are counted as ZEVs**
- **Affect exemptions if NZEV is considered available**



# Extension of Time for:



## **ZEV Infrastructure – Construction Delays**

- » **Request**
- » **Beyond Your Control**
- » **Temporary Extension to Count ICE as ZEV Purchase**

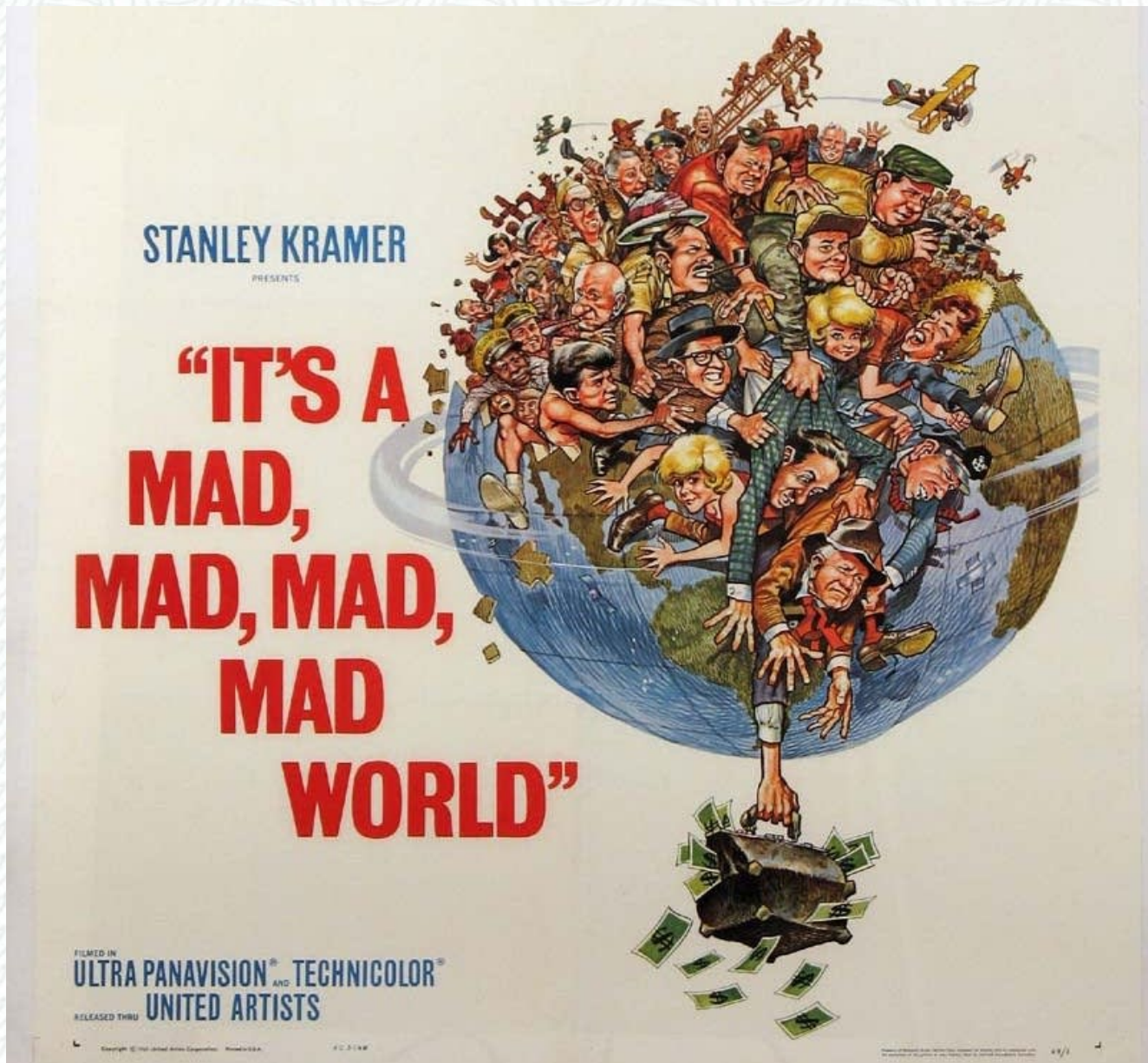


# Extension of Time for:

## ZEV Infrastructure – Site Electrification

- » Request
- » Utility Can Not Provide Power
- » Documentation





## Exemptions

- ➔ CARB Pre-Approval Required
- ➔ ICEs – 2010 MY Engine
- ➔ Count as Part of Fleet
- ➔ Recordkeeping
- ➔ Reporting



# Exemption Categories

## Back Up Vehicles:

- **Annual Designation**
- **Less than 1,000 Miles/Year**
- **Excludes Yard Tractors**
- **Purchase New/Used ICE Vehicle**
- **Cannot be Operated when Criteria Not Met**

## Daily Usage:

- **Request**
- **No Available Vehicles – Criteria**
- **10% ZEV/NZEV Fleet**
- **Purchase New ICE Vehicle – Same Configuration**

# Exemption Categories Continued...

## **ZEV Purchase Exemption:**

- **Request**
- **Configuration Not Available as ZEV/NZEV**
- **Considered Available If:**
  - **Certified**
  - **18 months or less**
  - **Not a Demo/Test Vehicle**
- **Purchase New ICE Vehicle**

## **Mutual Aid Assistance:**

- **Request**
- **Purchase New ICE Vehicle**
- **Mutual Aid Agreement**
- **Not More Than 25%**
- **Must Have ZEVs**
  - **25% by January 1, 2032**
  - **50% by January 1, 2035**
  - **75% Thereafter**

# Exemption Categories Continued ...

## **Intermittent Snow Removal Vehicles:**

- **Equipped w/Snow Plow or Snow Blower**
- **Request Designation**
- **Until January 1, 2030**

## **Non-Repairable Vehicles:**

- **Request**
- **Temporary Replacement Due to Accident or Event**
- **Need Police Report**
- **Purchase Used ICE of Same Configuration**
- **180 Days**

# Hiring Entities

**WHO:** Any Entity that Hires & Operates OR Hires & Directs the Operation of a Fleet

**WHAT IS "DIRECTING":** Depends on Level of Control

**WHAT IS REQUIRED:**

- **Verify Compliance**
- **Provide Specific Disclosure**
- **Recordkeeping**



# Examples of Directing Operations





*Erid was finally ready to admit that compliance was a bit more complicated than she first thought.*

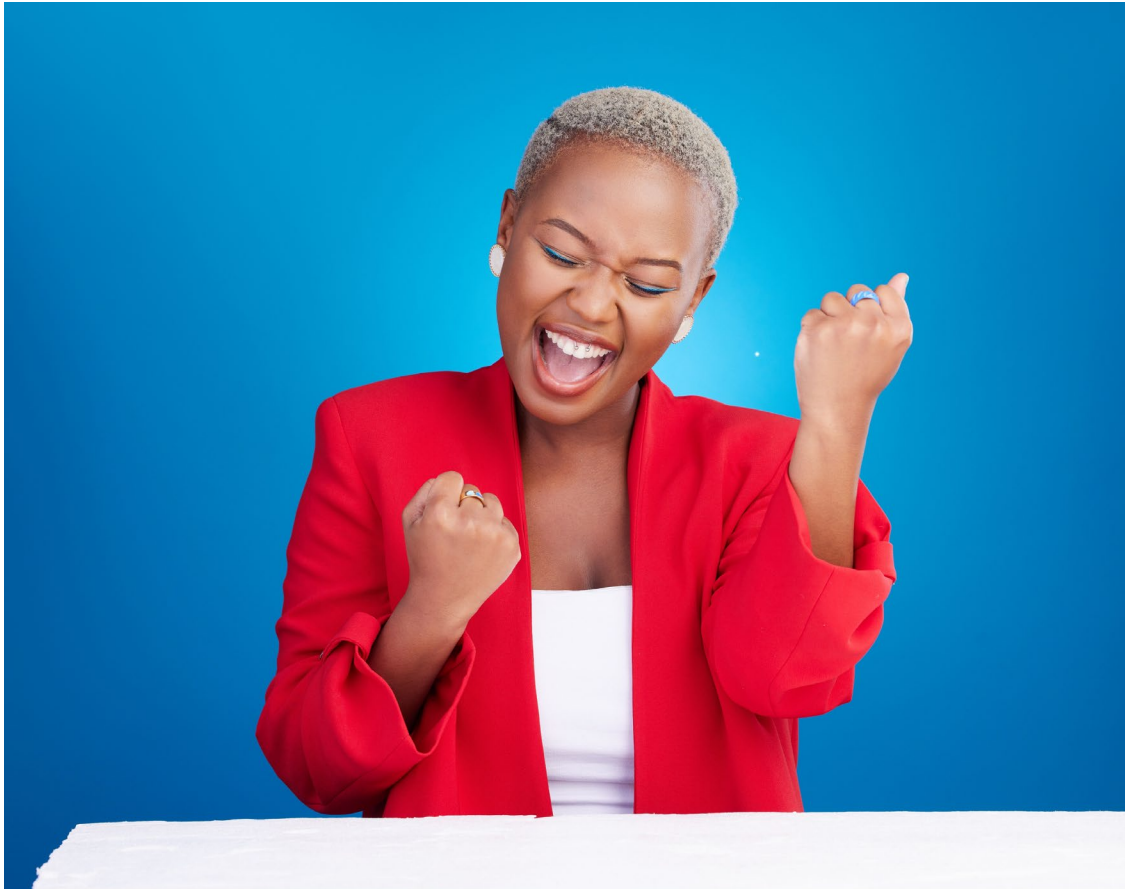


# Recordkeeping

- ➔ **Extensive**
- ➔ **Designated Person**
- ➔ **Must Be Available w/in 72 Hours**
- ➔ **Keep for 5 years**

- **Vehicle Information – GVWR, Fuel, VIN, License Plate, Etc.**
- **Purchase/Lease Contracts**
- **Emergency Operation Information**
- **Origin/Destination of Cargo**
- **Driver Payment Information**
- **Odometer Readings**
- **All Changes to the Fleet**

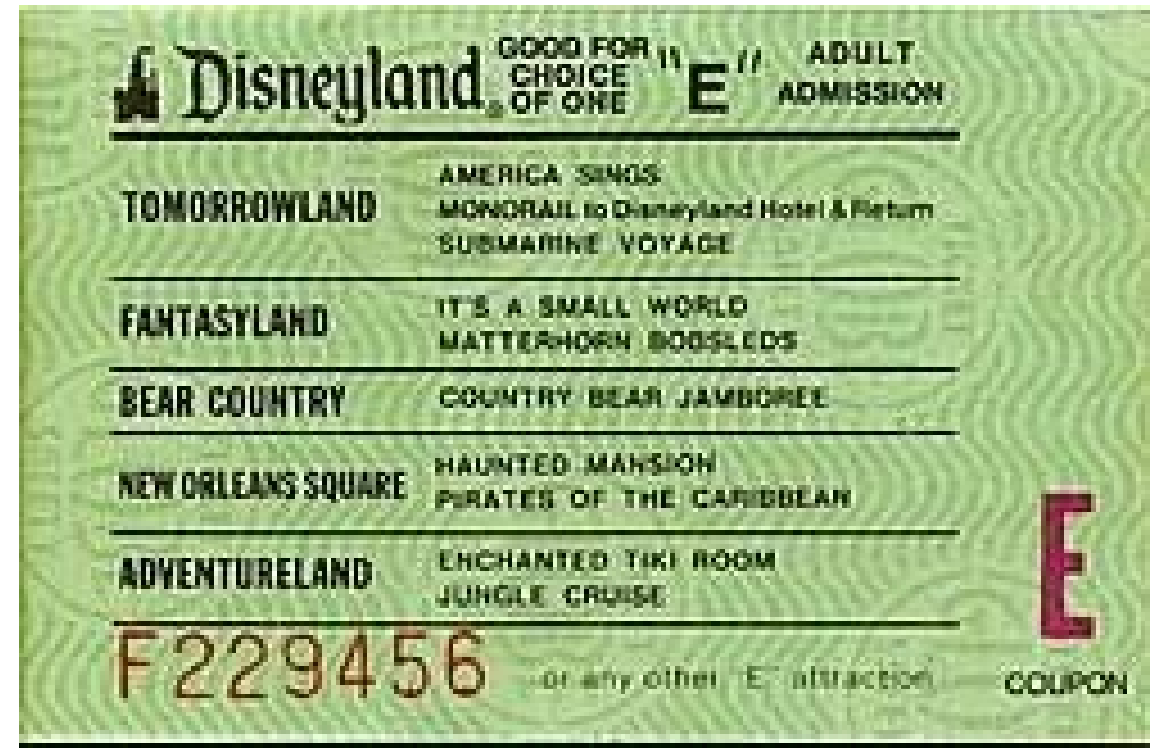
# Reporting Compliance



- **Must Be Submitted Online**
- **Initial Report Deadline:  
April 1, 2024 for Fleet  
Composition on January 1**
- **Every Year Until 2045**
- **30 Days to Report Changes**
- **Certificate of Reported  
Compliance & CARB ID**

# CARB Enforcement

- **Strict Liability – Intent Irrelevant**
- **Separate Violations for Each Day & Regulation Section**
- **Opportunity to State Defense**
- **Penalties Assessed Based on 8 Factors**
- **Review Hearing**



# Remember:

**1**

**Infrastructure  
Planning and  
Coordination  
w/ZEV  
Purchases**

**2**

**Expert on  
Constantly  
Evolving ZEV  
Availability**

**3**

**Designated  
Recordkeeper  
and Process**

# County of San Diego Green Fleet Action Plan

2023 Update – Executive Summary



COUNTY OF  
**SAN DIEGO**

# Progress since 2014 GFAP

- ✓ Over 2% of Light-Duty fleet transitioned to Electric Vehicles (EV)/Plug-in Hybrid Electric Vehicles (PHEV) by the end of 2020
- ✓ Deployed 260 public and fleet EV charging ports (as of fall 2022)
- ✓ Transitioned to 100% R99 clean diesel at County facilities
- ✓ Eliminated underutilized vehicles by over 8%, ahead of goal
- ✓ Implemented tools to save fuel and increase operational efficiency
- ✓ Reduced Greenhouse Gases (GHG) emissions from fleet by 27.1% since December 2013



# New goals

## Goal 1

Pursue a 100 percent environmentally sustainable County fleet

by **accelerating adoption of zero-emission vehicles**, building the right charging and refueling infrastructure, and minimizing indirect vehicle emissions.

## Goal 2

Provide a County fleet that maintains high reliability for users and the public

by **enhancing energy resiliency for critical fleet operations**, ensuring new zero-emission vehicles (ZEV) are suited to the job, and improving access to vehicle charging services in the field.

## Goal 3

Provide a County fleet that is cost-effective and efficient

by procuring low operating cost vehicles, **right-sizing the fleet and reducing underutilized vehicles**, and sequencing zero-emission vehicle procurements to prioritize highest payback transitions first.

# Risks and Mitigations

**A significant capital investment in charging infrastructure and higher capital cost vehicles will be required.**

- The County must balance the cost and convenience of infrastructure, and remain agile as infrastructure is deployed.
- Prioritize highest payback, lowest cost to transition vehicles first.
- Monitor and evaluate progress as initial rollout of charging stations occurs to ensure adequate utilization and minimize risk of over- or under-building the charging network.

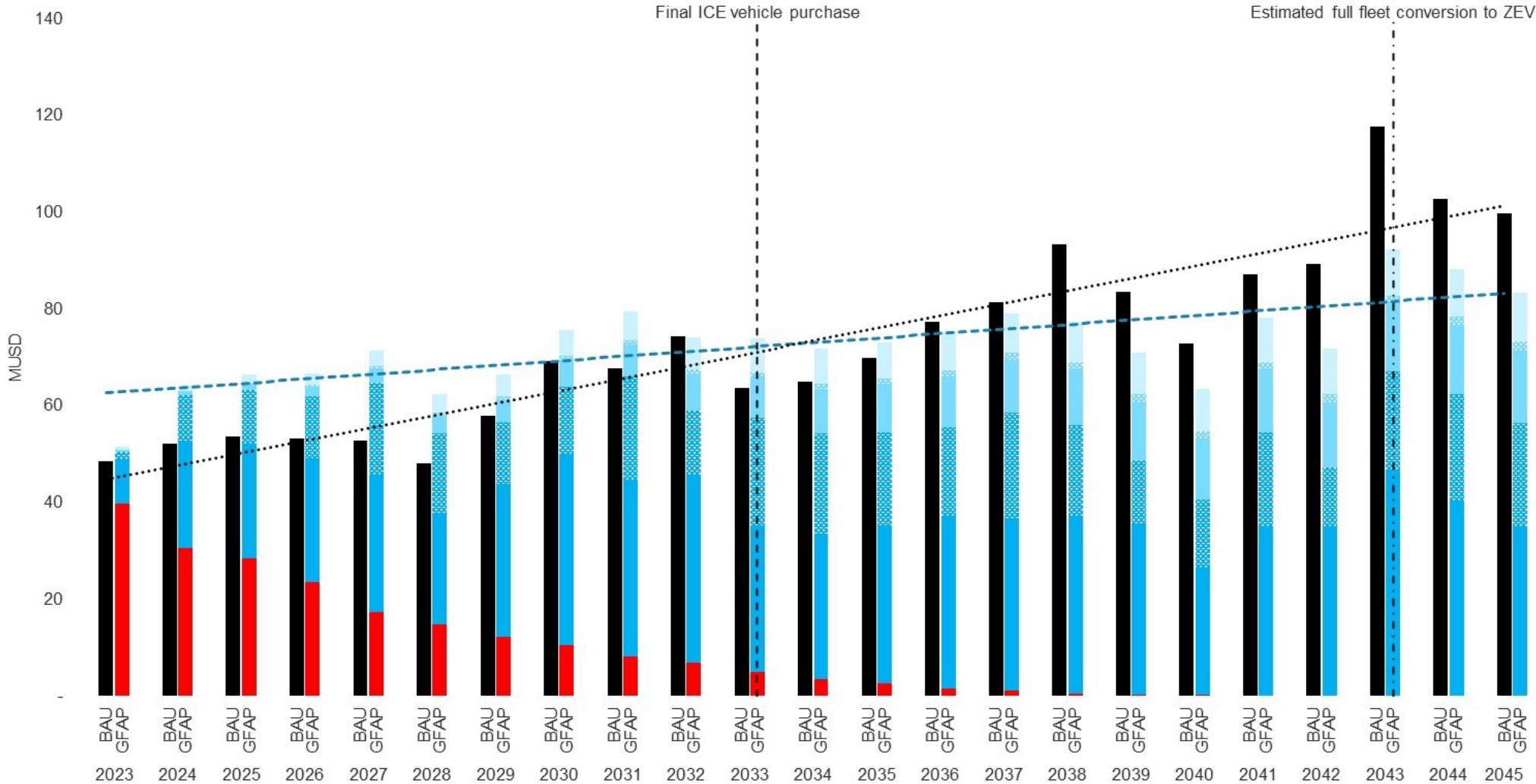
**The ZEV market is nascent, particularly for Medium- and Heavy-Duty vehicles, and supply chain issues persist.**

- Estimated timelines for ZEV adoption may be impacted by issues outside the County's control.
- Conduct early and ongoing engagement with manufacturers and suppliers.
- Explore leasing to mitigate risks from uncertain technologies, and consider extending lifespan of vehicles that are difficult to transition.

## **California Air Resources Board (CARB) Advanced Clean Fleet (ACF) Policy**

- A capability conversion ratio of ZEV:Conventional vehicles may need to be developed for certain vehicle segments.

# ZEV Transition Cost Estimate



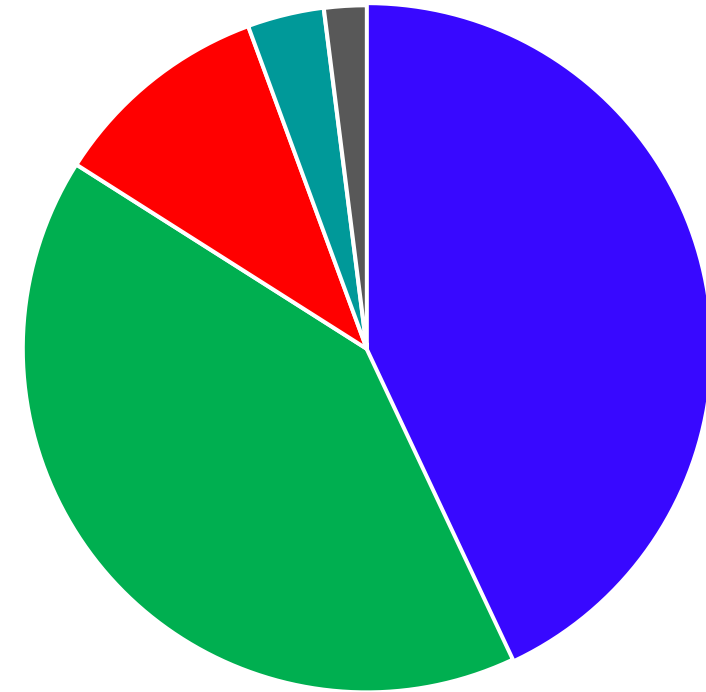
\*Business As Usual (BAU)    ■ Total expenditures (BAU)    ■ ICE Total expenditures    ■ Total capital expenditures, ZEV fleet    ■ Total operational expenditures, ZEV infrastructure    ■ Total electricity  
 ■ Total capital expenditures, ZEV infrastructure    ■ Total operational expenditures, ZEV fleet    ■ Total operational expenditures, ZEV infrastructure  
 - - - Linear (Total expenditures (GFAP))    ····· Linear (Total expenditures (BAU))

The total cost of the program is estimated to be \$1.676B between 2023 and 2045. This compares to a BAU expenditure of \$1.680B.

# Infrastructure Costs

## Group Cost Composition

Category	Cost
Total Cost	\$383M
Average Annual Cost	\$16.7M

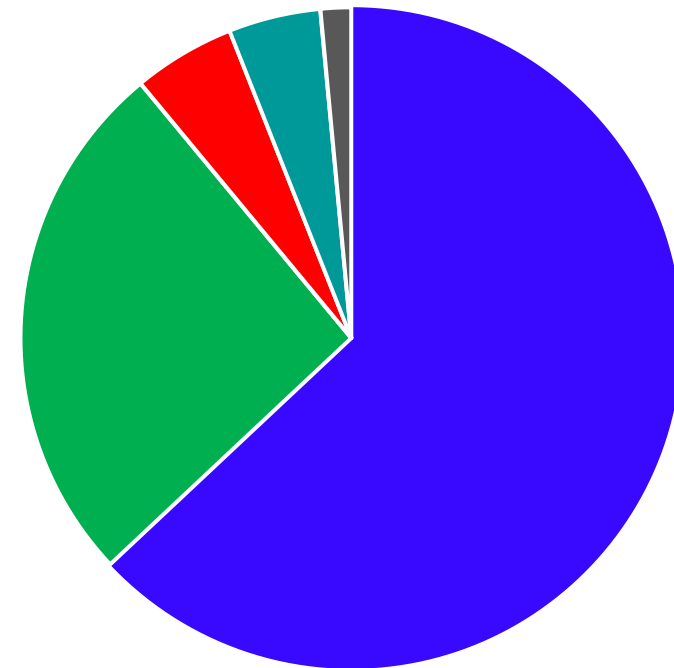


■ PSG ■ LUEG ■ FG3 ■ HHSA ■ Ex. Depts.

# Fleet Costs

## Group Cost Composition

Category	GFAP Cost	BAU Cost	Delta
Total Cost	\$787.6M	\$974.3M	(\$186.7M)
Average Annual Cost	\$34.2M	\$42.4M	(\$8.2M)



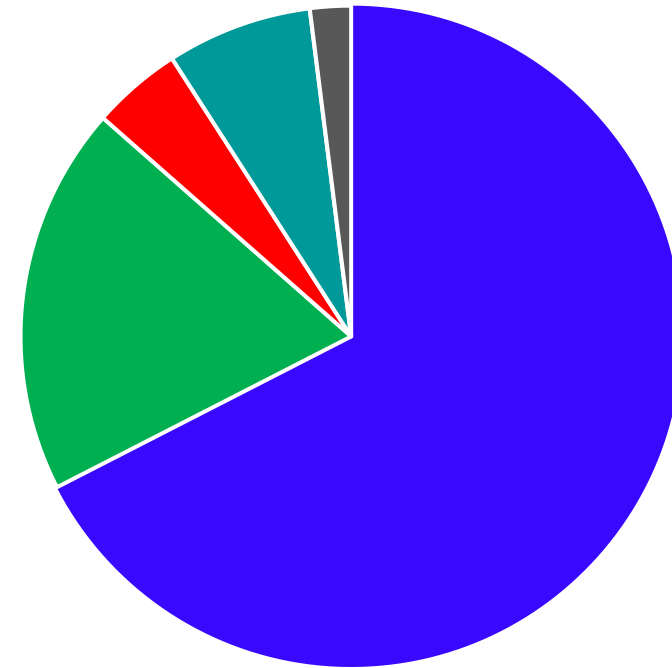
■ PSG ■ LUEG ■ FG3 ■ HHS ■ Ex. Depts.

# 5-Year Conversion Detail

## Conventional Vehicle Conversion to Electric Vehicle

### 5-year Total Conversion by Group

Group	23/24	24/25	25/26	26/27	27/28	Totals
PSG	139	236	246	241	208	1,070
LUEG	9	48	96	75	74	302
FG3	3	7	7	6	47	70
HHSA	7	13	12	35	45	112
Ex. Depts	1	5	7	9	10	32
Total	159	309	368	366	384	1,586



■ PSG (67.4%) ■ LUEG (19.1%) ■ FG3 (4.4%) ■ HHSA (7.1%) ■ Ex. Depts. (2%)



# How Groups Can Support

## Goal 1

Pursue a 100 percent environmentally sustainable County fleet

by Directing Departments to **take immediate action to convert the fleet** in-line with Board policy.

## Goal 2

Provide a County fleet that maintains high reliability for users and the public

by **supporting** EV infrastructure investment.

## Goal 3

Provide a County fleet that is cost-effective and efficient

by **re-emphasizing intent** of Board Underutilization policy and support **right-sizing fleet** to meet operational needs.

# AUDIENCE Q&A

What questions or comments do you have for us?



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# RECORDING AVAILABLE SOON



The recorded presentation and materials will be shared electronically with all attendees a few days after the webinar.





**ALENE TABER**

[ataber@hansonbridgett.com](mailto:ataber@hansonbridgett.com)



**DAVID FERNANDEZ**

[david.fernandez@sdcounty.ca.gov](mailto:david.fernandez@sdcounty.ca.gov)



**MELISSA KUEHNE**

[mkuehne@ca-ilg.org](mailto:mkuehne@ca-ilg.org)