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TRITIUM



VELOCE

March 3, 2021

Liane Randolph, Chair
California Air Resources Board
1001 "I" Street
Sacramento, CA 95814

RE: Advanced Clean Fleets Rulemaking

Dear Chair Randolph & Members of the Board,

We are 23 companies, incubators, investment firms, and business groups investing in the shift to a zero-emission transportation system and a prosperous low-carbon economy. As business stakeholders operating in California and representing trillions of dollars in annual economic activity, we write to express our support for the development of a strong and effective Advanced Clean Fleets (ACF) standard by the California Air Resources Board (CARB).

A strong ACF standard will stimulate important economic development in California, drive innovation and job growth, and create the market structures to advance the state's standing as a manufacturing and business nexus in the global transition to electric vehicles (EVs) and a clean energy economy. An ambitious ACF standard will transition California's medium- and heavy-duty vehicles to zero-emission technologies by 2045 and transition the state's drayage fleet to zero-emission by 2035, as well as help to meet our state's broader air quality and climate goals. In short, the ACF standard holds enormous promise to substantially reduce the transportation sector's greenhouse gas emissions and toxic air pollution that disproportionately harms frontline communities while ensuring California capitalizes on the clean energy economy of the future.

California has already established itself as an epicenter of the clean energy economy, with nearly 540,000 clean energy workers.¹ That figure includes almost 40,000 clean vehicle jobs, which covers jobs in electric and hybrid vehicle manufacturing, repair and maintenance, wholesale trade, and professional service in California's core EV industries. Notably, this does not capture jobs associated with EV charging infrastructure, which is a large and growing industry. With an ambitious ACF standard, CARB will position California's economy to benefit from the enormous growth in zero-emission vehicle (ZEV) demand, both inside and outside of the state. California's ZEV policy leadership over the last decade has provided tremendous benefits to-date, facilitating the rise of a robust and growing ZEV business ecosystem. In 2019, electric vehicles (EV) were the state's 2nd most valuable export, producing over \$7.1 billion in revenue² and growing an impressive 139% year-over-year. Furthermore, this growth has supported high quality jobs; the average wage in California's EV ecosystem is 33% higher than the state's average wage.³ With state and national governments around the world advancing ZEV standards, the global market is only poised to grow; a strong ACF standard will help ensure California's economy and workers are the beneficiary of that growth.

As CARB works to develop this standard, we ask that the Board and staff prioritize the following objectives and include several proposed concepts:

- As a baseline, the standard should go beyond the targets established in the Advanced Clean Trucks (ACT) rule. This will ensure that there is sufficient demand from fleet operators to meet

¹ <https://e2.org/reports/clean-jobs-california-2020/>

² <https://www.census.gov/foreign-trade/statistics/state/data/ca.html>

³ <https://laedc.org/2020/03/01/laedc-ev-industry-report/>

the growing supply of zero-emission medium- and heavy-duty vehicles from manufacturers driven by the ACT rule.

- The standard should enable Executive Order N-79-20, which committed the state to transitioning all drayage trucks to zero-emission by 2035 and all trucks to zero-emissions by 2045.⁴ The standard should also adhere to the Board Resolution in June 2020 to transition last mile delivery and government fleets to 100 percent zero-emission by 2035, and refuse trucks, local buses, and utility fleets to zero-emission by 2040.⁵
- We strongly support CARB's proposed concept to require the retirement of fossil fuel drayage trucks that have reached the end of their "useful life," defined as 800,000 miles or 18 years (whichever comes first) by SB 1, and should be expanded to include all fossil fuel medium- and heavy-duty vehicles.
- We also strongly support requiring all trucks entering drayage starting in 2023 be zero-emission.
- The standard and complementary policies or programs should prioritize investments and deployments benefiting frontline communities exposed to disproportionate levels of harmful criteria pollution from trucks via ports and freeways. This is not just equitable, but economically advantageous; climate investments located in California's disadvantaged communities have supported more jobs per million dollars than investments located elsewhere.⁶
- The standard and complementary policies or programs must support and ensure the development of high-quality jobs in ZEV manufacturing, charging infrastructure, fleet operations, and other related industries and economies.

As leaders in California's business community creating jobs and driving economic growth in the state, we are grateful to CARB for the role it continues to play in achieving a full transition to zero-emission vehicles in the state as soon as possible. We look forward to working together to effectuate a strong and effective ACF rule as a critical step in that transition.

Sincerely,

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⁴ <https://www.gov.ca.gov/wp-content/uploads/2020/09/9.23.20-EO-N-79-20-text.pdf>

⁵ <https://ww3.arb.ca.gov/regact/2019/act2019/finalres20-19.pdf>

⁶ https://innovation.luskin.ucla.edu/wp-content/uploads/2019/03/Employment_Benefits_from_CA_Climate_Investments_and_Co-investments.pdf

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