

# **CARB Advanced Clean Fleet (ACF) Draft Regulation Fact Sheet**

According to the California Air Resources Board (CARB), the <u>Advanced Clean Fleet (ACF) Regulation</u> is part of a comprehensive statewide strategy to reduce emissions from transportation, to protect public health, and meet climate goals including economy-wide carbon neutrality by 2045. The primary goal of the ACF regulation is to accelerate the market for zero-emission vehicles (ZEV), including trucks and buses by requiring fleets that are well suited for electrification to transition to zero-emission vehicles where feasible. CARB notes that the regulation would contribute to the goal of achieving the Governor's <u>Executive Order N-79-20</u> to reach:

- 100 percent zero-emission drayage trucks by 2035
- 100 percent zero-emission off-road vehicles and equipment by 2035, where feasible
- 100 percent zero-emission medium- and heavy-duty vehicles by 2045, where feasible

## Affected Entities:

Specifically, the ACF would apply to:

- State and local public agencies, with a fleet of at least one affected vehicle;
- Fleets performing drayage operations;
- · Federal government agencies; and
- "High priority" fleets.

Under the proposed ACF, "high priority" fleets are defined as an entity with \$50 million or more in gross annual revenue and operates one applicable vehicle in California or a fleet who owns, operates, or controls a total of 50 or more vehicles themselves or under common ownership and control.

#### Affected Vehicles:

Per the ACF, affected vehicles include:

- Medium-duty and heavy-duty (Class 2b-8) on-road vehicles (does not include tractors, backhoes, etc.);
- Yard trucks (also known as yard jockeys, spotter trucks, workhorse trucks, mules, or warehouse trucks) with a movable fifth wheel that can be elevated and used in moving and spotting trailers and containers at a location (does not include "Gators", "Argos" and similar utility vehicles); and
- Light-duty mail and package delivery vehicles.

Class 2b-8 medium-duty and heavy-duty on-road vehicles are defined as follows:

- "Class 2b through 3" means a vehicle with a gross vehicle weight rating (GVWR) greater than 8,500 lbs. and less than or equal to 14,000 lbs.
- "Class 4" means a vehicle with a GVWR greater than 14,000 lbs. and less than or equal to 16,000 lbs.
- "Class 5" means a vehicle with a GVWR greater than 16,000 lbs. and less than or equal to 19,500 lbs.



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- "Class 6" means a vehicle with a GVWR greater than 19,500 lbs. and less than or equal to 26,000 lbs.
- "Class 7" means a vehicle with a GVWR greater than 26,000 lbs. and less than or equal to 33,000 lbs.
- "Class 8" means a vehicle with a GVWR greater than 33,000 lbs.

## Vehicle Exemptions:

The following vehicles are exempt from the requirements specified in Sections 2013 through 2013.4 of the draft regulation:

- School buses as defined in California Vehicle Code (CVC) Section 545(a);
- Military tactical vehicles as described in title 13, California Code of Regulations (CCR) Section 1905;
- Vehicles awaiting sale;
- Emergency vehicles as defined in CVC Section 165;
- Historical vehicles;
- Dedicated snow removal vehicles (including intermittent snow removal vehicles);
- Two-engine vehicles;
- Heavy cranes as defined in Title 13, CCR Section 2021(b)(16); or
- Transit vehicles subject to the Innovative Clean Transit regulation commencing with Title 13, CCR Section 2023.

#### **Draft Regulation Provisions:**

Key provisions of the ACF include:

- 1. Manufacturers are required to only sell zero-emission medium- and heavy-duty vehicles starting 2040.
- 2. State and local governments owning fleets of affected vehicles, including county, special district, and state agency fleets, would be required to ensure 100 percent of affected vehicle purchases are zero-emission by 2027. Furthermore, such agencies would be required to ensure 50 percent of affected vehicle purchases from 2024-2026 are zero-emission unless the agency is located in a designated low-population county or owns a fleet of 10 or fewer affected vehicles.
- 3. For drayage fleets, starting 2024, only zero-emission trucks may be added to drayage service and legacy vehicles must be removed from drayage service at the end of their useful life. By 2035, all drayage trucks must be zero-emission.
- 4. High priority and federal fleets must comply with CARB's model year schedule <u>or</u> elect to use CARB's optional ZEV milestone schedule to phase in zero-emission vehicles to their fleet:
  - Model Year Schedule: Fleets must only purchase zero-emission vehicles beginning 2024 and must remove internal combustion engine vehicles at the end of their useful life.
  - > ZEV Milestone Schedule (Optional): Instead of the Model Year Schedule, fleets may elect to meet zero-emission vehicle targets as a percentage of the total fleet starting

with vehicle types that are most suitable for electrification. Compliance begins January 1, 2025. The proposed schedule is laid out in Table A:

Table A: ZEV Fleet Milestones by Milestone Group and Year

Percentage of vehicles that must be ZEVs	10%	25%	50%	75%	100%
Milestone Group 1: Box trucks, vans, buses with two axles, yard tractors, light-duty package delivery vehicles	2025	2028	2031	2033	2035 and beyond
Milestone Group 2: Work trucks, day cab tractors, buses with three axles	2027	2030	2033	2036	2039 and beyond
Milestone Group 3: Sleeper cab tractors and specialty vehicles	2030	2033	2036	2039	2042 and beyond

#### Reporting Mandates

The ACF mandates fleet owners submit online reports to CARB detailing their fleet composition to comply with Sections 2013 through 2013.4 of the regulation. These compliance reports must be submitted annually beginning April 1, 2024 and no later than April 1 each subsequent year until 2045.

Fleet Reporting. Fleet owners must report all of the following:

- State or Local Government Agency Information. Fleet owners must report all of the following:
  - (A) State or local government primary agency name;
  - (B) Entity's physical and mailing addresses;
  - (C) Designated contact person name;
  - (D) Designated contact person phone number;
  - (E) Designated contact person email;

- (F) The following operating authority numbers, if applicable: motor carrier identification number, United States Department of Transportation number, California Carrier Identification number, California Public Utilities Commission transportation charter permit number, International Registration Plan number;
- (G) Identify the jurisdiction (state, county name, city name, or other local government);
- (H) Name of the responsible official; and
- (I) Whether the fleet owner will permanently opt-in to the ZEV Milestones Option of title 13, CCR section 2015.2 as described in section 2013(e) and no longer be subject to the requirements specified in sections 2013, 2013.1, 2013.2, 2013.3, and 2013.4.
- **Vehicle Information**. The fleet owner must report the following information for each vehicle in the California fleet:
  - (A) VIN;
  - (B) Vehicle make and model;
  - (C) Vehicle model year;
  - (D) Vehicle license plate number and state or jurisdiction of issuance;
  - (E) Vehicle GVWR (Greater than 8,500 lbs. and equal to or less than 14,000 lbs., greater than 14,000 lbs. and equal to or less than 26,000 lbs., or greater than 26,000 lbs.);
  - (F) Vehicle body type;
  - (G) Fuel and powertrain type;
  - (H) Date vehicle purchase was made;
  - (I) Date vehicle was added to or removed from the California fleet;
  - (J) Whether the vehicle will be designated under or was purchased pursuant to any exemption or extension provision specified in section 2013.1;
  - (K) Odometer, or if applicable, hubodometer readings for vehicles as specified in section 2013.2(f);

- (L) Engine family and engine model year for any vehicles added to the California fleet after January 1, 2024;
- (M) Funding contract start and end date for vehicles purchased with California State-funding if the vehicle is to be excluded during the funding contract period as specified by the funding program.
- ZEV Purchase Reporting. Fleet owners that are replacing a vehicle pursuant to the ZEV Purchase Exemption specified in section 2013.1(d) must identify which vehicle is being replaced.

## **Low-Population Extension:**

Agencies located in "designated low population counties" are not required to purchase ZEVs until January 1, 2027, at which point 100 percent of additions to their fleet must be ZEV.

Designated low population county means the counties of Alpine, Amador, Butte, Calaveras, Colusa, Del Norte, Glenn, Humboldt, Inyo, Lake, Lassen, Mariposa, Mendocino, Modoc, Mono, Nevada, Plumas, Shasta, Sierra, Siskiyou, Sutter, Tehama, Trinity, Tuolumne, and Yuba.

Fleet owners must add ZEVs to their California fleet as specified by the following schedules:

- Agencies in non-designated counties (for agencies whose jurisdictions are not in a designated low population county):
  - Starting January 1, 2024, 50 percent of the total number of additions to a fleet in each calendar year must be ZEVs; and
  - Starting January 1, 2027, 100 percent of the total number of vehicle additions to the fleet in each calendar year must be ZEVs.
- Agencies in designated counties (for agencies whose jurisdiction is solely in a designated low population county):
  - Starting January 1, 2027, 100 percent of the total number of vehicle additions to the fleet in each calendar year must be ZEVs.

An agency whose jurisdiction or service area is split between a designated low population county and a non-designated county with at least 90 percent of the service area in the designated low population county shall comply with the same deadline as those agencies fully within designated low population counties—100 percent ZEV by January 1, 2027.

#### Small Fleet Extension:

Regardless of where an agency is located, if the agency owns a fleet of 10 or fewer vehicles affected by the regulation, it need only comply with the January 1, 2027 requirement that 100 percent of the total number of vehicle additions to the fleet in each calendar year must be ZEVs. Such agencies with "Small Fleets" are <u>not</u> required to meet the earlier phase-in requirement to purchase 50 percent ZEVs between January 1, 2024 and December 31, 2026.

If an agency in a non-designated county purchases an odd number of vehicles from 2024-2026, then it must round-up for purposes of compliance with the 50 percent mandate (e.g. if the



agency purchases one affected vehicle in a calendar year, then it must be ZEV; if it purchases three vehicles, then two of the three must be ZEV; etc.)

## Other Extensions and Exemptions:

**ZEV Purchase Exemptions.** Fleet owners may receive an exemption to purchase a new internal combustion engine (ICE) vehicle if a needed ZEV configuration is not available to purchase per the Streamlined ZEV Purchase Exemption. The Streamlined ZEV Purchase Exemption states that the Executive Officer at CARB will maintain a list of vehicle configurations on the CARB ACF webpage they have identified as available to purchase by a fleet owner in an ICE vehicle configuration. CARB will begin maintaining a list on its webpage no later than January 1, 2025 that will specify vehicle configurations not available for purchase as a ZEV or Near Zero Emission Vehicle (NZEV), and the date the exemption would expire for listed configurations determined to be available as specified.

**Purchase Agreement Timeline.** For government fleet owners, there is a one-year (365 consecutive days) time period to enter into a new purchase agreement under the vehicle delivery delay extension if the manufacturer cancels the purchase agreement for reasons outside of the fleet owners' control.

**Backup Vehicle Exemption**. Fleet owners may purchase a new or used ICE vehicle and exclude it from the ZEV purchase requirements if it is designated as a backup vehicle, which is operated less than 1,000 miles per year and may exclude miles travelled when the vehicle is operated in support of a declared emergency event.

**Daily Usage Exemption.** Fleet owners may request a calendar-year exemption as specified to purchase a new ICE vehicle of the same configuration as an ICE vehicle being replaced as specified, if no new Battery Electric Vehicle (BEV) is available to purchase that can meet the demonstrated daily usage needs of any existing vehicle as determined by the criteria specified. If approved, fleet owners must place their new ICE vehicle orders within one year from the date the exemption is granted. Fleet owners may request this exemption only if at least ten percent of their California fleet is comprised of ZEVs or NZEVs.

**NZEV Option.** Language was modified in the NZEV flexibility option to expand the use of the option to any NZEV with a 2035 or earlier model year to be counted as a ZEV for the whole regulation, except as specified in the Daily Usage and ZEV Purchase Exemptions.

**ZEV Infrastructure Construction Delay Extension.** Fleet owners may request the extensions as specified if they experience delays due to circumstances beyond their control on a project to install ZEV fueling infrastructure. Fleet owners may only request extensions for ICE vehicles being replaced at the site experiencing the delay. These extensions also apply for locations where the fleet owner has entered into a contract of one year or longer to charge or fuel their ZEVs at a single location prior to beginning the infrastructure project.



**Mutual Aid Assistance**. Fleet owners may receive an exemption from the ZEV requirements in which they may purchase new ICE vehicles for up to 25 percent of the total number of vehicles in the California fleet the calendar year the exemption is approved, less the number of ICE vehicles already in the fleet purchased pursuant to an exemption.

#### Timeline for Regulatory Process:

CARB will be accepting public comment March 23 – April 7, 2023 through a 15-day comment period. The CARB Board is expected to consider the Proposed ACF Regulation April 27-28, 2023.

## How to Learn More and Engage:

Website: https://ww2.arb.ca.gov/our-work/programs/advanced-clean-fleets/about

Email: zevfleet@arb.ca.gov

**Phone**: (866) 634-3735

#### Responding to 15-Day Comment Period (March 23 – April 7, 2023):

Comments may be submitted by postal mail or by electronic submittal no later than the April 7, 2023 due date to the following:

**Postal mail:** Clerks' Office, California Air Resources Board 1001 I Street, Sacramento, California 95814

Electronic submittal: https://www.arb.ca.gov/lispub/comm/bclist.php