# PG<mark>s</mark>e

## **REGULATIONS IMPACTING FLEETS IN CALIFORNIA Advanced Clean Fleets Rule**



In June 2020, the California Air Resources Board (CARB) passed the Advanced Clean Transportation (ACT) Regulation, which will require an increasing percentage of the trucks sold in California to be zero emissions by 2024 to help the state meet tough emission reduction targets. To ensure that this manufacturer mandate is successful, CARB is developing a new regulation, the Advanced Clean Fleets Rule, to require California fleet owners and operators to purchase zero emission vehicles (ZEVs). The goal of this emerging public policy will be to transition California's entire fleet of medium- and heavy-duty trucks to zero emission by 2045.

## CARB established a set of principles to help mold this new regulation:

- Maximize ZEVs deployed to meet air quality and GHG goals
- Focus action in disadvantaged communities
- Simplify and streamline compliance and enforcement
- Match vehicle capabilities with fleet operational needs

- Expand infrastructure access to enable new markets
- Encourage use of smaller vehicles and innovation
- Support workforce training
- Ensure a level playing field

#### Take advantage of limited incentives now

To help meet zero emission requirements, fleets have access to local, state, and federal incentives to purchase new electric vehicles (EVs) and install charging infrastructure—including PG&E's EV Fleet program. Fleets that begin the process of electrification now have more opportunities to reduce costs and see a quicker return on their investments because of the ample incentives available today. Deploying EVs typically takes 12 to 18 months to procure vehicles and install the necessary charging infrastructure, so fleets are encouraged to contact their utility early to get their electrification plans started. **Get started at fleets.pge.com**.

### Regulatory frameworks under consideration to help transition the trucking sector to zero emission technology by 2045

#### **Regulated fleets**

Require entities that own or hire trucks used to ship cargo or to serve customers and employees to transition to ZEVs.

#### Zero emission fleet standard

Require that a gradually increasing percentage of certain targeted fleets must be ZEVs by milestone dates. Would require development of a baseline registry.

#### Zero emission zones

Require only ZEVs be allowed to enter some heavily impacted communities. Would require the clear definition of the boundaries of "ZEV Only" areas.

#### **ZEV** purchase

Beginning in 2027, require entities that own or purchase new trucks to purchase only 100% ZEVs. Would require development of a baseline registry.

#### **Green fleet contracting**

Require that regulated entities must contract only with fleets that operate ZEVs. Would apply to large entities and may only apply to certain services.

#### Zero emission mile

Require a certain percentage of miles be zero emission to help encourage the development of technology in vehicles that are difficult to electrify.

#### Market segments considered for early action

#### **Public fleets**

City-, county-, and state-owned vehicles, excluding school buses

#### First- and last-mile delivery fleets

Parcel, food, beverage, linen services, home delivery, mail, and other local delivery vehicles

#### **Drayage fleets**

Class 7-8 drayage trucks operating at intermodal seaports or railyards

#### **Utility fleets**

Private electricity, water, sanitation utilities, telecoms, and broadband

#### **Refuse fleets**

Compactor, roll-off trucks, transfer trucks, and other trucks used in refuse management

#### **Buses and shuttles**

Employee shuttles, limousines, motor coaches, and other buses not covered by the Innovative Clean Transit (ICT) rule

## CARB's timeline and next steps

- Receive fleet reported data April 2021
- Rule recommendation to Board in December 2021
- Implementation starts 2023

**Get involved:** fleets can help shape the development of the Advanced Clean Fleets Rule, visit <u>CARB's schedule of activities</u> to monitor official meetings and events regarding the rule.



## Drive change with EVs, connect with an EV Fleet specialist to learn how, visit: <a href="mailto:pge.com/evfleet">pge.com/evfleet</a>

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