

Metropolitan Water District of Southern California (Roxana Ramirez)

Please find attached Metropolitan's comment letter regarding CARB's Advanced Clean Fleets (ACF) April 2, 2026, 15-Day Rulemaking Package.



THE METROPOLITAN WATER DISTRICT
OF SOUTHERN CALIFORNIA

April 17, 2026

Submitted via <https://carb.commentinput.com/?id=HBtS485cF>

Clerk's Office
California Air Resources Board
1001 I Street
Sacramento, CA 95814

Dear California Air Resources Board,

Re: Comments on the Proposed Amendments to the Advanced Clean Fleets Regulation

The Metropolitan Water District of Southern California (Metropolitan) appreciates the opportunity to comment on the California Air Resources Board's (CARB's) Proposed Amendments to the Advanced Clean Fleets (ACF) and Low Carbon Fuel Standards Regulation, dated April 2, 2026 (hereinafter referred to as the 15-Day Rulemaking Package). Over the past six years, Metropolitan has actively monitored and provided feedback on the ACF to help develop a feasible, realistic, and flexible regulation that can adapt to the evolving and uncertain zero-emission vehicle (ZEV) market.

As part of its Climate Action Plan, Metropolitan is committed to transitioning its fleet and operational equipment away from carbon-based fuels, with a goal of achieving carbon neutrality by 2045. We anticipate that 20 percent of our medium-to-heavy duty trucks will be zero-emission by the end of 2026, provided there are no manufacturer cancellations of recently submitted ZEV orders. This transition requires carefully balancing regulatory compliance with our commitment to ensure reliable water delivery and rapid responses to emergencies and mutual aid requests across southern California.

Following the complete repeal of ACF requirements for drayage, high-priority, and federal fleets during CARB's hearing on September 25, 2025, only State and Local Government (SLG) fleets remain subject to the ACF Regulation. The 15-Day Rulemaking Package introduces significant updates that enhance flexibility for SLG fleets and reflect collaboration between CARB and the regulated community. Metropolitan appreciates the amendments in the latest ACF SLG draft, including the extension of the 50 percent ZEV purchase requirement to the end of 2029, the expansion of AB 1594 (Garcia, 2023) flexibilities to all SLG fleets regardless of vehicle age, and early access to the new Fleet Resilience Exemption, along with updates to the ZEV Infrastructure Delay Extension and Daily Usage Exemption.

However, concerns remain about SLG fleets' ability to comply with the ACF Regulation, particularly as manufacturers are pausing or withdrawing ZEV production following a decline in

ZEV sales after the expiration of the \$7,500 federal tax credit in September 2025.¹ Given this market uncertainty, Metropolitan respectfully submits the following comments on the latest 15-Day Rulemaking Package.

Background

Metropolitan is a regional water wholesaler that delivers about two million acre-feet of water annually to 26-member public agencies, which in turn directly or through their retail agencies provide water to approximately 19 million people in southern California. As the largest distributor of treated drinking water in the United States, Metropolitan's service area covers approximately 5,200 square miles across Los Angeles, Orange, San Diego, Riverside, San Bernardino, and Ventura counties. In addition, Metropolitan operates a range of facilities, including the Colorado River Aqueduct, 15 hydroelectric plants, nine reservoirs, 830 miles of large-scale pipes, and five water treatment plants.

Metropolitan has a fleet of dedicated vehicles ready to respond quickly to emergencies and critical infrastructure repairs. For example, during the Palisades and Eaton Fires in early 2025, these vehicles were deployed to support local partners in rapid response efforts. Additionally, Metropolitan conducts an average of 35 planned large-scale shutdowns each year for preventative and corrective maintenance, which are crucial for ensuring reliable water deliveries and maintaining the integrity of our infrastructure. Project timelines vary, typically ranging from one week to several months, requiring ongoing operation of fleet vehicles to meet operational standards efficiently.

General Comments

1. Conduct Biennial Reviews of ACF SLG Rule to Assess ZEV Market Dynamics, Infrastructure Readiness, and Enforcement Discretion

Metropolitan recommends biennial ACF SLG feasibility reviews, starting in 2027, to enable CARB to respond promptly to shifts in demand, infrastructure readiness, and enforcement discretion needs, thereby reducing fleet risk and preserving program integrity.

CARB data shows that medium-to-heavy duty trucks account for approximately 21 percent of the state's greenhouse gas (GHG) emissions inventory.² After the repeal of the ACF for private fleets, SLG fleets remain subject to the ACF Regulation and account for roughly seven percent of the medium-to-heavy vehicle population.³

SLG fleets are already experiencing the impacts of the repeal, as manufacturers scale back or pause production amid federal actions and softer consumer demand. For example, Ford halted production of the all-electric F-150 Lightning effective December 2025, signaling a shift toward hybrids, smaller EVs, and energy storage solutions. In addition, in March 2026 General Motors

¹ <https://www.cbtnews.com/ford-scraps-f-150-lightning-takes-19-5b-hit-as-ev-demand-declines/>

² [Zero-Emission Fleet Rule Workshop Presentation 2020/02/12](#)

³ [ACF Regulation Emissions Inventory Workgroup Presentation](#)

(GM) announced a temporary EV production pause through April 13, 2026, due to weak demand⁴ with uncertainty about a longer-term halt.

These dynamics force SLGs to adjust procurement plans, consider fewer ZEV truck options, and reallocate budgets in response to market fluctuations and policy shifts. For example, Ford's discontinuation redirected Metropolitan to the electric Chevy Silverado, and potential GM cancellations could raise the cost of alternative ZEV pick-up truck options by roughly \$17,000 per vehicle, compared to the cost of an F-150 Lightning. At the time of this writing, the only other comparable alternative to the Chevy Silverado is the Rivian with a base-model cost of over \$71,000. The result is a ZEV market that remains highly sensitive to policy changes, automaker decisions, and global supply dynamics. This shift has affected Metropolitan's budget forecasts and may impact ACF compliance planning. These conditions further underscore the need for biennial feasibility reviews to ensure the regulation remains responsive and achievable.

The September 25, 2025, Board hearing underscored the far-reaching impact of the ACF regulation and highlighted the range of factors SLGs must balance to achieve a ZEV-compliant fleet within the regulation timelines. These factors include ZEV technology development, market availability and volatility, global supply chains, affordability, budget constraints, public service mandates, infrastructure readiness, and differences between federal and state regulations.

2. Expand Fleet Resiliency Internal Combustion Engine (ICE) Vehicle Percent Limit Based on Utility-Specific Criteria

Section 2013.2, State and Local Government Fleets Exemptions, (e) Fleet Resiliency Exemption (formerly the Mutual Aid Exemption) of the proposed 15-Day Rulemaking Package lowers the required ZEV percentage of a total fleet in order to access this exemption, from the previous threshold of 25 percent to now five percent. This change enables SLG fleets to access the exemption more quickly, particularly as ZEV medium- and heavy-duty options face production pauses or cessation from some manufacturers, making the former 25 percent requirement harder to reach. However, a remaining challenge within this exemption is the 25 percent cap on ICE vehicles within a fleet using this exemption, as specified in Section 2013.2(e)(D):

“The total number of exemptions shall not exceed 25 percent of the total number of vehicles in the California fleet less the number of ICE vehicles already in the fleet purchased pursuant to a granted exemption as of the date the application is emailed to CARB.”

Essential service providers, including SLG fleets, rely on a large portion of their vehicles for emergency response and mutual aid, often exceeding 25 percent of their total fleet.

Metropolitan recommends CARB revise the Fleet Resiliency Exemption to allow greater flexibility for public fleets beyond the current 25 percent ICE cap under specific conditions. Given Metropolitan's 5,200 square-mile service area, a substantial share of vehicles used for emergency response and mutual aid are considered critical to prevent water disruption for millions in southern California. As operational demands evolve, Metropolitan may need to

⁴ <https://gmauthority.com/blog/2026/03/gm-pauses-ev-truck-production-again-at-factory-zero-plant/>

increase the proportion of ICE vehicles designated for mutual aid or emergency response to protect infrastructure. Accordingly, CARB should provide additional flexibility in the rule to accommodate future adjustments based on specific criteria. This could include size of service area, ZEV performance limitations during emergency deployments and other factors affecting the appropriate ICE percentage for mutual aid and emergency response.

Additionally, Metropolitan recommends that the calculation of the total number of Fleet Resiliency Exemptions allowed not deduct prior granted exemptions. It would be punitive to limit the number of fleet resiliency vehicle exemptions based on exemptions received for vehicles needed for entirely separate functions. For example, a ZEV Purchase Exemption may be granted for a specific maintenance vehicle that is not available as a ZEV. This separate qualified exemption should not be used to decrease the allowable number of Fleet Resiliency Exemptions that can be granted to vehicles performing other critical functions.

3. Create Working Group to Evaluate ZEV Availability

The proposed 15-Day Rulemaking Package adds the definition "*Good engineering judgment*," which states: "*Good engineering judgment is using commonly believed scientific and mathematical principles when making a decision that seeks to maximize public benefit and minimize public harm.*" This term appears multiple times in Section 2013.2. State and Local Government Fleet Exemptions and Extensions. It indicates that when CARB's Executive Officer reviews applications for exemptions allowing the purchase of ICE vehicles, they will rely on the submitted information and their "*good engineering judgment*" to approve or deny these requests.

SLG fleets have extensive experience and expertise in identifying vehicles that provide public benefits while minimizing public harm. Their familiarity with service areas, infrastructure maintenance, and daily operations is crucial when assessing whether ZEVs can effectively serve as one-to-one replacements for existing ICE medium- and heavy-duty vehicles.

Therefore, Metropolitan recommends that CARB establish a working group to evaluate whether new ZEVs can effectively replace ICE vehicles and ascertain if there are viable mobile refueling options after 2030, as mobile refueling options must be able to consistently recharge vehicles for extended deployments in the field. As the ZEV market continues to mature, this group should include public agency utility members who can assess the performance and specifications of ZEVs for critical applications necessary for daily operations and emergency response. The group should have access to a minimum of 12 months of field data to inform their decisions, ensuring that the ZEVs meet or exceed the performance standards set by ICE vehicles. Additionally, such a working group will be effective in being able to review future critical areas, such as fast mobile fueling options which are being considered for implementation beginning in 2030.

4. Allow Flexible Timing for Early/Excess ZEV Credits to Match SLG Planning Cycles

Existing Section 2013.1(d) governs how early, or excess ZEV credits can be used. The proposed 15-Day Rulemaking Package implies that credit must be used in the following calendar year. This rigid timing burdens SLGs that must align with public procurement policies and varying budget cycles, adding an unnecessary tracking burden and limiting planning for like-for-like replacements. Many manufacturers may not offer ZEVs that meet operational needs, so

flexibility in timing is essential. Allowing flexibility in credit timing would also minimize exemptions, since all credits must still be exhausted before accessing exemptions. Metropolitan requests confirmation that the early or excess ZEV credits may carryover from year to year until needed.

5. Confirm CARB's Interpretation of SLG ACF language related to Hiring Compliant Fleets

The proposed 15-Day Rulemaking Package includes a revision to the definition of "fleet owner," a change which CARB staff has indicated does not create a concern since the language under Section 2049. Hiring Compliant Fleets, remained unchanged. Given this position combined with the removal of ACF applicability to private fleets, Metropolitan is requesting confirmation that SLGs who contract ("hire or operate") with a private company to perform public services (e.g., street sweeping, maintenance) are not responsible for the contracted company's vehicle compliance with CARB requirements. This is reasonable given that the private fleets are no longer subject to the ACF, and as such they will not be issued certificates of reported compliance, nor will they be listed on the ACF webpage as a compliant fleet and are unlikely to sign a statement that they comply with a regulation that does not apply to them. Public agencies should not be required to assume compliance responsibility for private fleets under these circumstances.

Conclusion

We look forward to continued engagement with CARB and other public agencies to refine the ACF regulation, with the goal of ensuring operational resiliency while supporting a feasible transition to zero-emission fleet technologies and maintaining essential services.

If you have any questions or need further information, please do not hesitate to reach out to Roxana Ramirez at ramirez@mwdh2o.com or 213-217-6407.

Very truly yours,



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