Jason Martin (Jason Martin)

Rancho Water recommends submitting the 1st April 2026 15-day version of the ACF revisions, and postponing these latest revisions for more development and refinement of appropriate language and procedures for successful implementation.

Rancho Water
WORKING FOR OUR COMMUNITY

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Electronic Submittal:
https://ww2.arb.ca.gov/lispub/comm/bclist.php

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

SUBJECT: COMMENTS ON SECOND 15-DAY MODIFICATIONS TO THE ADVANCED CLEAN FLEETS REGULATION

Dear California Air Resources Board:

Rancho California Water District (Rancho Water/District), serves approximately 150,000 residents in the Temecula Valley, operating critical drinking water, recycled water, groundwater, and wastewater infrastructure that supports public health, fire protection, economic development, and environmental stewardship throughout the region. The District appreciates the opportunity to provide comments on the Second Notice of Public Availability of Modified Text for the Advanced Clean Fleets (ACF) regulation.

Rancho Water further wishes to acknowledge CARB's continued engagement with stakeholders as it seeks to refine and clarify the applicability of the ACF regulation to state and local government fleets. We recognize that the Second 15-Day modifications are intended to clarify various aspects of the Rulemaking including CARB's interpretation that vehicles operated "by or for" a public agency, including vehicles operated under contract, are considered part of the public agency's fleet for purposes of compliance. Rancho Water generally supports regulatory clarity. However, we have significant concerns as this clarification also deeply expands the parameters of the regulation by applying ACF fleet compliance requirements to contractor-owned and contractor-operated vehicles performing work on behalf of public agencies.

Water agencies routinely rely on contractors, vendors, and specialized service providers to perform critical functions that support public health and safety. These services may include pipeline construction, emergency repairs, well drilling, electrical work, vegetation management, paving, traffic control, heavy equipment operations, security services, and specialized maintenance activities. In many cases, these contractors perform work for numerous public and private clients and maintain fleets that are independently owned, managed, and operated.

Under the proposed modifications, public agencies may be required to track, document, report, and potentially account for vehicles that they do not own, control, or dispatch, and cannot reasonably influence from a fleet procurement perspective. Rancho Water is concerned that this approach effectively transfers compliance responsibility to public agencies for vehicles and fleet decisions that remain under the control of independent third parties.

In addition to the compliance challenges, the proposal could create significant procurement and contracting impacts. Public agencies may be forced to evaluate contractor fleets as part of contract administration, potentially reducing the pool of available vendors capable of performing critical infrastructure work. This concern is especially acute for emergency response contractors and specialized utility service providers where equipment availability and rapid mobilization are essential to protecting public health and maintaining reliable water service.

Many companies would refrain from bidding on projects due to uncertainties about the law. They may have to hire lawyers just to see if they could legally sign the “not applicable” part of the certifications, before they even bid on the projects, or perform deliveries. They wouldn’t be able to certify that their subcontractors are compliant or what type of drivetrain their delivery trucks or subcontractors use. All that work, for a regulation that exempts private fleets from needing to replace vehicles, would cause a large drop in bids received. This would possibly cause us to limit who could deliver goods to a few huge monopolies. More likely, many vehicles would slip through the cracks, causing every government agency to be out of compliance.

Accordingly, Rancho Water respectfully requests that CARB consider the following modifications or clarifications:

Contractor Owned and Contractor Operated Vehicles: Exclude delivery trucks, contractor and subcontractor owned and contractor operated vehicles from a public agency's ACF fleet when the public agency does not own, control, dispatch, or direct the procurement of those vehicles.

Safe Harbor Provisions: Establish a clear safe-harbor provision allowing public agencies to rely on contractor certifications rather than independently verifying vehicle compliance. Because private companies are exempt from the regulation, they should not be required to make these certifications.

Unintentionally Inaccurate Information from Third Parties: Clarify that public agencies acting in good faith will not be subject to enforcement actions arising from inaccurate information provided by private companies.

Emergency Response and Mutual Aid Exemptions: Exempt emergency response, emergency repair, mutual aid, and critical infrastructure contractors from any requirements that could delay deployment of personnel or equipment during emergencies.

<u>Fleet Ownership Clarification:</u> Clarify that specialized service contracts and construction contracts do not create fleet ownership or fleet operational responsibility for the contracting public agency.

Rancho Water supports California's clean transportation objectives and remains committed to transitioning its own fleet in a manner that protects reliability, affordability, and emergency response capabilities. As noted in our prior comments, the District has made significant investments in fleet electrification, charging infrastructure, renewable energy generation, and operational sustainability initiatives. We've purchased six medium duty electric vehicles so far with another three budgeted for 2026. Fifteen fast chargers have been installed with more on order. We are installing a five-megawatt hydroelectric generation system at our ponds and are planning on battery storage projects. We have also invested in and installed over seven megawatts of solar power production. We remain committed to continued progress while ensuring that critical public health and safety services are not compromised.

As stated, these latest proposed modifications to the regulation would make our efforts to comply with the regulation nearly impossible, as such, Rancho Water supports and aligns with recommendations included by the Association of California Water Agencies and others to request that CARB remove them and send the previous April 2026 15-day language for final approval. These latest proposed changes require more vetting and refinement. As such, we recommend postponing consideration of these items until the next round of revisions, allowing for the development of appropriate language and procedures to support successful implementation of the draft's intent.

We appreciate CARB's consideration of these comments and look forward to continued engagement on the implementation of the ACF regulation.

Sincerely,

RANCHO CALIFORNIA WATER DISTRICT

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