

Otay Water District (Tenille Otero) (Tenille Otero)

Please see the attached letter with comments from the Otay Water District on (2nd 15-Day)
Proposed Amendments to the Advanced Clean Fleets and Low Carbon Fuel Standard Regulations.
Thank you.



...Dedicated to Community Service

2554 SWEETWATER SPRINGS BLVD, SPRING VALLEY, CA 91978-2004
(619) 670-2222 otaywater.gov

June 16, 2026

Comment letter submitted via electronic commenting system

Clerk of the Board
California Air Resources Board
1001 I Street
Sacramento, CA 95814

Subject: Comment Letter – Advanced Clean Fleets Regulation Amendments/Additional 15-Day Changes

Chair Lauren Sanchez and Members of the California Air Resources Board:

We greatly appreciate the time and effort that have gone into the amended 15-day comment draft, which was published for public comment on June 1, 2026. While the goals of these regulations are commendable, the reality remains that we cannot safely serve our communities unless specialized water and wastewater utility vehicles, along with support vehicles used for emergency response, are excluded from the regulation.

At the Otay Water District, we provide essential potable, recycled, and sewer water services to a population of more than 242,000 residents across approximately 125.5 square miles of southeastern San Diego County, including eastern Chula Vista, Bonita, Jamul, Spring Valley, Rancho San Diego, unincorporated areas of El Cajon and La Mesa, and eastern Otay Mesa along the international border with Mexico. Because of the size and geography of our service area, District vehicles travel thousands of miles each day across varied terrain to reach District assets. During emergencies, our vehicles must operate for extended hours and under challenging conditions to help meet our community's critical needs.

Additionally, Otay owns and operates a wastewater collection system that provides public sewer services to homes and businesses within the Jamacha drainage basin.

Otay manages 98 public fleet vehicles, including construction, utility repair, utility monitoring, and customer service vehicles. These vehicles operate around the clock—24/7—to prepare for and respond to emergencies such as wildfires, flooding, and infrastructure failures. For instance, Otay's water and wastewater specialty emergency vehicles are frequently dispatched to wildfire-prone areas to support firefighting efforts, including restoring fire flows and maintaining critical water pressures for fire protection. The fleet also transports construction vehicles, emergency mobile pumps, and generators to sites experiencing power outages or water main breaks, ensuring continued service and quick recovery. These specialty vehicles are designed to travel long distances, navigate rough, unpredictable terrain, and operate auxiliary equipment via power-take-off devices at project sites. Their extended duty cycles and specialized features enable them to serve as shelters and operate auxiliary equipment during extreme weather conditions, allowing staff to work safely in remote areas of the District and maintain essential services for the community. Otay's fleet is vital for emergency preparedness, response, and ongoing support as it adapts to the increasing challenges of climate change and ensures resilient service delivery.

The comments provided below respond directly to the 15-day changes to: (1) concern about the treatment of contracts regardless of length, (2) need for additional guidance to fleets on how leases and contracts fit within larger fleet compliance (3) amendments still do not adequately address exempting vehicles used in emergency response, and (4) restating additional work that needs to be undertaken beyond these 15-day changes.

1. Express concern with the latest interpretation of fleet contracts included in ACF compliance.

The District is concerned about the latest interpretation of contract agreements that will be included in ACF compliance. As proposed in the latest 15-Day Changes, ACF applies to all contract agreements regardless of length as a part of the public agency fleet, including short-term rentals. This interpretation is concerning and problematic administratively because short-term rentals are not planned for in the same way as longer contracts are and often are used to fulfill immediate fleet needs during emergencies. Consider the following scenario to describe this concern: A public agency contracts 20 heavy-duty vehicles in year 2027, for two weeks only to deal with a fire. Would this equate to the public agency contracting for 20 internal combustion engine (ICE) vehicles into its 2027 fleet, and thereby necessitating the addition of 10 ZEVs to offset the ICE vehicles under the 50% rule?

This latest interpretation of contracted vehicles poses a challenge for small and large agencies alike. During emergencies, public fleets are prioritizing public health to respond to floods, fires, earthquakes, and other natural disasters. Unsurprisingly, public fleets are desperately seeking any and all vehicles to immediately meet their needs. Despite best efforts to plan for ACF compliance under the current 50/50 requirements that will be in place through 2030 (pending approval of the current amendments), including all short-term rentals in ACF runs the risk of putting even the most proactive public agencies out of compliance with ACF. This challenge would only become more problematic after 2030 when all new purchases, leases, and contracts would need to be ZEVs for fleets to comply with ACF.

We offer a few options for how CARB can address this situation:

- Define “major contracts” and “short-term contracts” in 15-day changes clearly to avoid ambiguity
 - Specify that “short-term contracts” identified to deal with emergencies are not part of ACF compliance, and “short-term contracts” are those that last less than 12 months.
 - Hold off on the enforcement of “short-term contracts” as part of ACF compliance until further dialogue is held to appropriately administer rentals.
- Rescind the current June 1, 2026, second 15-day rulemaking draft and return to the changes from the initial 15-day draft, dated April 2, 2026.
- Develop a guidance document that separates major contracts from short-term contracts and work with public agencies on case-by-case scenarios.
- Prioritize how to appropriately identify short-term contracts in future amendment discussions, after this amendment process (2025-26) is closed.

2. Further guidance for fleets on how lease and contract agreements fit within a public fleet.

The posted Guidance Document raises additional questions for public fleets to consider, which must be made clear moving forward. These include:

- How lease and contract agreements are viewed as part of a public fleet?
- Are public fleets allowed to treat rental and contract agreements as a separate fleet from their internal fleet for ACF compliance? If so, can the separate fleet follow the Milestone pathway?
- What is a fleet to do if the only vehicles available for short-term rentals are not ZEVs?
- Retroactive requirements: The applicability is stated to have begun January 1, 2024. Adding all contracted vehicles to Otay's fleet now would place a significant burden on us for ZEV procurement.

3. The amendments do not adequately address exempting vehicles that support emergency response.

As currently designed, the proposed ACF modifications do not adequately address the operational realities of Otay's scale, geography, and service requirements, particularly in the context of emergency response. Emergency response to wildfires, earthquakes, or other disasters requires vehicles that can travel long distances, remain ready at a moment's notice, and operate continuously. There are currently no zero-emission alternatives that can provide the immediate readiness and operational dependability that ICE vehicles offer, especially when power is shut off as part of an SDG&E response to dangerous situations.

The current CARB proposal places an artificial cap on resilience, allowing no more than 25% of our fleet to be exempt from conversion to ZEV. To serve our more than 242,000 customers, Otay operates 29 medium/heavy-duty vehicles, but a 25% exemption limits us to only seven vehicles that we can rely on during emergencies and power outages. This dangerous cap ignores the realities we face. Emergencies do not wait for regulations, and they do not scale to fit an arbitrary percentage of the fleet. Reducing our usable emergency vehicles by 75% would endanger the communities we serve. California has already experienced devastating wildfires and extreme weather. With constraints like this, future disasters will be dramatically magnified.

Local agencies cannot have their ability to respond capped, especially when major incidents require regionwide support. Fire trucks, ambulances, and police vehicles are exempt, but the water and wastewater vehicles that enable this emergency response, such as trucks that tow fuel to water pumps, are not. This directly impacts firefighters' ability to do their jobs.

The proposed ACF mandates are creating unnecessary challenges for local agencies in upholding essential services that Californians depend upon for their essential daily needs, as well as during emergencies and disasters. Vehicles that are categorically exempted from the regulations, similar to those specified in Part (c) of §2013 of Title 13 of the California Code of Regulations, must include support vehicles that respond to, assist in, and recover from disasters and emergencies, including water and sewer utility vehicles. These vehicles should be included without an arbitrary 25% cap. Emergencies do not conform to percentage-based limitation.

4. Significant work remains for CARB and public fleets to address in ACF implementation.

We can appreciate that a lot of work remains following this 15-day period and following the conclusion of this process that began in 2025. We encourage CARB to pick this up immediately following the administrative close of this proceeding. Otay retains significant concerns about successful ACF implementation and is motivated, beyond the adoption of the 15-day changes, to continue substantive dialogue with CARB to identify ongoing challenges and clarifications that will need to be addressed in future regulatory efforts. We encourage CARB to take up a new amendment process to address:

Broad Issues:

- ZEV Market Uncertainty
- ZEV Market Affordability
- Grid Reliability

Specific Issues within ACF Language:

- Fleet owner definition rental and lease language
- Early or Excess ZEV Purchases
- Fleet Resilience Exemption capped at 25% of fleet and subtracted by other exemptions
- Increased Requirements to apply for ZEV Purchase and Daily Usage Exemptions
- Future Mobile Fueling Requirements to be reviewed for use in 2030
- Hiring Compliant Fleet
- Emergency Response Support

ACF remains a priority issue for the Otay Water District, and we will continue to actively engage in its implementation. As a local retail agency, Otay is committed to doing its part in achieving the state's climate and emissions goals; however, the current ACF mandates are creating significant challenges to compliance while maintaining the critical services our community relies on every day, including during emergencies and disasters. Our proposed changes to contracted vehicle reporting would better position Otay to meet these ambitious requirements while navigating real-world operational constraints.

Otay will continue to identify and implement best practices for ACF compliance and maintain open communication with the CARB board and staff to highlight areas where compliance challenges arise. This ongoing dialogue is essential for a landmark regulation like ACF, which is fundamentally changing how we manage medium- and heavy-duty fleet operations while continuing to deliver essential public services. Otay appreciates CARB's consideration of these comments and looks forward to continuing this important engagement.

If you have any questions or concerns, please contact me at (619) 670-2210 or jose.martinez@otaywater.gov. Thank you for your time and consideration.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Jose Martinez', with a stylized flourish at the end.

Jose Martinez
General Manager
Otay Water District