California Fuels and Convenience Alliance (Gebriel Saleh)

Please see attached regarding CFCA's comments.

CALIFORNIA FUELS + CONVENIENCE ALLIANCE

California Fuels and Convenience Alliance

2520 Venture Oaks Way, Suite 100

Sacramento, CA 95833

916.646.5999

June 15, 2026

California Air Resources Board
1001 I Street
Sacramento, CA 95814

RE: CFCA Comments – 2nd 15-Day Proposed Amendments to the Advanced Clean Fleets Regulation

The California Fuels and Convenience Alliance (CFCA) represents approximately 300 members, including nearly 90% of all independent petroleum marketers in the state and more than half of the state's 12,000 convenience retailers. Our members—predominantly small, family- and minority-owned businesses—play a vital role in California's fuel supply chain, serving local governments, emergency services, school districts, transit companies, independent fuel retailers, and the agriculture industry. Thank you for the opportunity to comment on the amendments to the Advanced Clean Fleets regulation. CFCA has significant concerns with the proposed amendments, as outlined below:

EXPANSION OF SCOPE TO INCLUDE PRIVATE CONTRACTORS AND SERVICE PROVIDERS

Most notably, the proposed amendments yet again appear to significantly broaden the scope of the regulation beyond public fleets. While the regulation has historically been presented as applying to state and local government fleets, the revised applicability language now states that the rule applies to "any state or local government agency with jurisdiction in California that owns, leases, **rents, contracts for the operation of**, or operates one or more vehicles." Similar language is incorporated into the definitions of both "fleet" and "fleet owner."

This marks a notable departure from the language included in the initial 15-day modifications, which applied to entities that "own, lease, or operate" vehicles. By adding references to agencies that "rent" vehicles or "contract for the operation of" vehicles, the amendments appear to extend compliance obligations beyond government-owned fleets and into the operations of private contractors providing services on behalf of public agencies.

The practical implications of this change are significant. Across California, local governments routinely rely on private entities to perform essential public services, including waste collection, infrastructure maintenance, emergency response support, construction activities, utility operations, and transportation services. Under the revised language, these contractors may effectively become subject to the same compliance requirements as the public agencies they serve, despite not being public entities themselves.

The rationale for this expansion is unclear. If the intent is to prevent public agencies from avoiding compliance obligations through contracting arrangements, CARB should explicitly state this objective and fully evaluate the consequences. However, the current language appears to capture a broad range of private-sector service providers without sufficient analysis of the operational, financial, and legal impacts.

This issue is particularly acute in rural communities and smaller jurisdictions. Many local governments have access to only a limited number of qualified contractors, often with few or no alternative service providers available within a reasonable geographic distance. If contractors determine that compliance obligations are operationally infeasible or financially prohibitive, public agencies may face increased costs, reduced competition, service disruptions, or an inability to secure qualified vendors altogether.

These concerns are compounded by the continuing challenges associated with fleet electrification. Many contractors face infrastructure limitations, utility interconnection delays, vehicle availability concerns, and substantial capital costs associated with transitioning their operations. These barriers are often more pronounced in rural regions where charging infrastructure and electrical capacity remain limited. Expanding compliance obligations to private contractors without addressing these realities risks creating unintended consequences for the communities that depend on these services.

Furthermore, the revised language raises important legal and policy questions. The prior Advanced Clean Fleets regulation was repealed as it applied to private fleets following uncertainty surrounding federal authorization. By broadening the applicability provisions to encompass vehicles operated under contract for public agencies, CARB risks reintroducing similar concerns through indirect means. At a minimum, the Board should clearly explain the legal basis for this approach and evaluate whether these amendments effectively extend regulatory requirements to private entities that were previously excluded from the program.

Rather than expanding compliance obligations through increasingly broad applicability language, CARB should focus on working collaboratively with local governments and service providers to identify realistic pathways toward fleet transition that account for operational realities, infrastructure constraints, and regional differences. A planning-based approach would better support emissions reductions while preserving essential public services and avoiding unintended burdens on the communities that rely on them.

CONCLUSION

In its current form, the proposed amendments create significant uncertainty regarding the regulation's intended scope and whether private contractors and service providers will be subject to compliance obligations under the Advanced Clean Fleets program. The addition of language applying the rule to agencies that “rent” vehicles or “contract for the operation of” vehicles represents a substantial expansion from prior regulatory text and warrants further clarification.

Before moving forward, CARB should clearly define the entities and activities subject to the regulation, evaluate the operational, economic, and legal implications of this expanded scope, and engage directly with affected local governments and private-sector service providers. Without such clarification, the amendments risk creating unintended consequences that could reduce service availability, increase costs for public agencies and taxpayers, and undermine the collaborative approach necessary to achieve successful fleet transitions across California.

If you have any questions, please contact CFCA's Senior Policy Analyst, Gebriel Saleh, at gebriel@cfca.energy.

Sincerely,

Gebriel Saleh

Gebriel Saleh
Senior Policy Analyst