



Liane Randolph
Chair, California Air Resources Board
1001 I Street
Sacramento, CA 95814

Re: Wasting the Opportunity to Advance Zero-Emission Refuse Trucks

Dear Chair Randolph and Members of the Board:

We write to underscore our strong opposition to waste industry efforts to exempt an even wider range of combustion trucks from the Advanced Clean Fleets regulation. As we noted in our previous letter dated January 17, 2023, we are opposed to the expanded exemption for methane-fueled waste trucks—an exemption that will unnecessarily prolong combustion in a vehicle segment that is especially well-suited

for electrification. However, we have recently been made aware of an aggressive campaign by the waste industry to extend exemptions more broadly and we respectfully request that CARB not concede to these political requests.

I. A Large Exemption for Methane Burning Refuse Trucks Is Unjustified.

We fully agree with CARB's statement on the HVIP website:¹

Refuse collection trucks are ready for zero emission. The predictable routes and duty cycles of refuse trucks make them prime for electrification. CARB's 2R Initiative aims to double the number of zero-emission refuse collection truck sales in California in 2023. The zero-emission trucks offer emission benefits and noise reductions to the communities in which they operate, and sales made today help jump start this important segment.

That is why we are so confused that the Advanced Clean Fleets proposal would allow tens of thousands of combustion refuse trucks to delay conversion to zero-emissions. In fact, recent analysis shows refuse trucks being one of the most compelling cases for electrification. An International Council on Clean Transportation (ICCT) analysis found that 63% of all methane trucks purchased in the nation will be zero-emission by 2030 – the second highest electrification potential of any segment examined.² There simply is no technological rationale for this proposed exemption, and to the extent it is motivated by other policy or political concerns the current proposal is overbroad.

II. Any Flexibility Must Be Narrowly Tailored.

The Board requested flexibility for fleets that were instrumental in helping meet California's SB 1383 goals and run on biomethane captured from in-state waste operations. The proposed exemption, however, could apply to *any* methane burning vehicles – even those operating on fossil gas – that operate in a waste or wastewater fleet.

This absurd approach could actually discourage methane capture under SB 1383. If a waste fleet has the option to use book-and-claim methane reductions from CAFOs or landfills in Michigan or Mississippi, there is little reason for them to invest in capturing methane in California. If the intention is truly to encourage capture of methane pursuant to SB 1383, CARB should narrowly craft the exemption for trucks actually fueled by biogas captured from their own in-state landfill or wastewater treatment plants. Given the terrible policy a large exemption would create, we provide the following three recommendations:

Recommendation 1: CARB must strictly exclude exemption eligibility for fleets that operate on fossil gas, and only claim to run on biomethane through “book-and-claim” of out of state biomethane credits.

The Board discussion at the October 2022 hearing made clear that the rationale for considering additional flexibility for certain waste fleets is that these fleets purchased CNG vehicles to make use of their investments in methane captured from their waste operations pursuant to SB 1383, which sets goals for in-state methane reduction.

¹ CARB, News Release 2R Initiative:Refuse Reimagined, available at <https://californiahvip.org/news/2r-initiative-refuse-reimagined/>.

² Maria Rachal, “Battery Electric Trucks Could Be 63% of Refuse Truck Sales Come 2030: Report” (Jan. 31, 2023) <https://www.wastedive.com/news/battery-electric-refuse-trucks-waste-recycling-ev-mack-casella/641584/>.

Naturally, the waste and wastewater fleet provision should therefore only apply to those fleets *actually operating* on biomethane captured from their in-state waste and wastewater facilities. **Crucially, the exemption must not apply to vehicles that operate on fossil gas but merely claim to run on biomethane through the legal fiction of book-and-claim, whereby they purchase environmental attributes from out-of-state offset projects.**

There is no climate or environmental justice justification for allowing fossil methane burning trucks to be exempt from the ACF regulation simply for purchasing out-of-state biogas credits.

Waste and wastewater fleet owners that run on biomethane captured from their own, in-state landfills or water treatment facilities have made significant capital investments to support the State's methane-reduction goals, and we acknowledge the justification for providing additional flexibility for these operators. By contrast, fleets that use fossil gas paired with out-of-state biogas credits (e.g., from landfills in Mississippi or CAFOs in Wisconsin³) clearly do nothing to support California's SB 1383 goal of reducing *in-state* methane emissions. Nor is there any evidence that these flexibilities provide out-of-state benefits because many of the facilities generating book-and-claim credits were collecting methane for on-site electricity generation even before the SB 1383 program began.⁴ Allowing the exemption to apply to fossil gas trucks undermines two goals at once – it would disadvantage the construction of actual in-state methane capture projects relative to book-and-claim, and it would substantially broaden the number of vehicles that see a delayed transition to zero-emissions.

Recommendation 2: Reject Industry Requests for Continued Purchase of Methane-Burning Trucks Beyond 2024.

Furthermore, we urge CARB to remain firmly opposed to the industry's request that new methane-burning vehicles be allowed to enter fleets beyond 2024. This gratuitous request undermines the State's goal of transitioning biomethane – even if it is genuinely from in-state waste – toward socially optimal uses in the hardest to decarbonize sectors. The in-state supply of sustainable biomethane from landfills and wastewater treatment plants is extremely limited – likely less than 3% of today's total gas demand. As the 2022 Scoping Plan notes, biomethane will be needed for certain very-high temperature industrial end uses, and some amount of biofuel derivatives are likely to be needed in sectors like shipping and aviation. There is simply not enough sustainable, waste-derived biomethane to cover all these sectors, let alone to continue expanding its consumption in a sector that is immensely feasible to electrify. As recent research from ICCT has highlighted, economics alone could drive 63% of refuse trucks to be battery-electric by 2030, and 74% by 2035 – among the highest ZEV sales share of any vehicle class evaluated. These vehicles have frequent starts and stops, and operate very near to communities – two factors which make their electrification an outsized benefit both in terms of energy efficiency and public health. In recognition of their superb suitability for electrification, the CARB Board unanimously voted to pass a record funding plan that includes a dedicated funding stream – the 2R Initiative – squarely focused on speeding deployment of zero-emission refuse trucks. We urge CARB not to let the waste industry

³ See, e.g. Carbon Pulse, “Wisconsin-Based CCO Project Seeks LCFS Listing as Biofuel Credit Prices Crater” (June 7, 2022) <https://carbon-pulse.com/161963/>.

⁴ See, Earthjustice Comments on the LCFS, Appendix A: Sample of Projects Applications with Avoided Methane where Actual Baseline Was Methane Capture for Onsite Combustion at p. 14 <https://www.arb.ca.gov/lists/com-attach/155-lcfs-wkshp-nov22-ws-UTQCZQFyWX4LZQlj.pdf>. Based on the projects Earthjustice reviewed, almost every currently active pathway application relied on book-and-claim from out-of-state digesters that had previously been operating for on-site electricity – meaning they provided no new methane avoidance.

undermine these goals and benefits by allowing *new* methane-burning refuse trucks to continue being sold past 2024.

Recommendation 3: CARB Must Assess and Acknowledge the Potential Environmental Injustice of Prolonging Combustion in Communities Where Waste Facilities are Sited.

Finally, we urge CARB Staff to undertake a demographic analysis of the communities in which their prolonged ZE transition will have the greatest impact. As the California Public Utilities Commission Staff Report on Biomethane acknowledged:

“biogas sources such as wastewater treatment facilities, dairies, and landfills are often located in disadvantaged communities...A CEC study found that ‘biogas and biomethane combustion exhaust is similar to natural gas combustion exhaust.’ Emitting, burning, and flaring methane all negatively impact local air quality, resulting in negative health impacts such as increased mortality and morbidity, adverse effects on reproductive health, and birth defects.”⁵

Before CARB agrees to exempt fleets operating near these sites from the same transition timeline as the rest of the State’s high priority fleets, it should perform a demographic analysis to understand the distributional impacts of doing so. We are very concerned that the exemptions being pushed by the waste industry will continue the long, grim history of communities already over-burdened as the sites of pollution seeing the greatest delay in public health benefits.

Moreover, based on the location of vast majority of methane burning trucks in California, this massive exemption could mean the nation’s two filthiest air sheds, the South Coast Air Basin and the San Joaquin Valley, would have combustion trucks operating beyond the 2037 attainment date for the 2015 8-hour ozone standard. Less than two weeks ago, the CARB Board approved air plans acknowledging California does not have the luxury to continue combustion in all categories if our most polluted regions are to attain air standards. It would send a terrible message for CARB to allow this exemption for as many 16,000+ trucks simply to appease political opposition from the waste hauling and methane delivery industries.

We look forward to working with CARB Staff to craft the most health and climate protective ACF rule possible.

Respectfully,

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⁵ California Public Utilities Commission, R. 13-02-008 Phase 4A Staff Proposal (June 1, 2021) at 21 <https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M386/K579/386579735.PDF>.

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