

# Update on SB 671 Clean Freight Corridor Efficiency Assessment

November 3, 2022

# Implementing SB 671

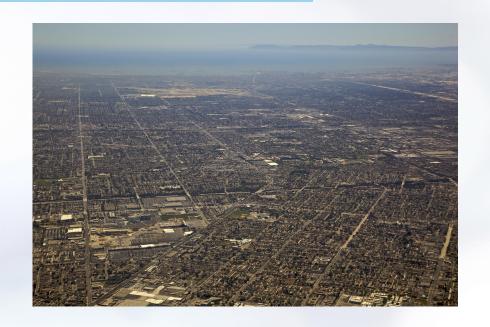
- Legislature and Governor recognized the need for clean freight corridors and zero-emission freight infrastructure when Senate Bill 671 (Gonzalez, 2021) was signed into law
- Requires coordination of state agencies in developing a corridor approach to planning zero-emission infrastructure



### Freight Impacts are Significant and Growing

#### Freight Impacts on Health:

- Elevated cancer risks in communities near hubs
- Largest contributor to unhealthy levels of regional fine particulate and ozone pollution
- Premature death, cardiac, and respiratory disease





# Executive Order N-79-20 **Transition from Combustion**



Full transition to

ZEV drayage trucks by 2035





Full transition to ZEV buses & heavy-duty long-haul trucks - by 2045\*





ZE off-road equipment
by 2035\*

\*where feasible



# **Coordinating Statewide Freight Policies**

- Multiple air quality improvement, public health, and GHG reduction plans
- Core strategies, Sustainable Freight Action Plan
  - Zero-emissions everywhere feasible
  - Improved efficiency
  - Cleaner fuels and cleaner combustion everywhere else







All California Seaports



# Addressing Freight Emissions Through Regulations













Marine Vessels

Locomotives

Trucks

**TRUs** 

Cargo Handling Equipment

**Forklifts** 



# **Advanced Clean Fleets Proposal**

- Transitioning well-suited fleets to zero emission
- ZEV requirements for
  - Public fleets
  - Drayage trucks
  - High priority fleets
- 100% ZEV sales by 2040
- Expected ZEV sales with Advanced Clean Trucks
  - Over 500,000 by 2035
  - Over 1.25 million by 2045

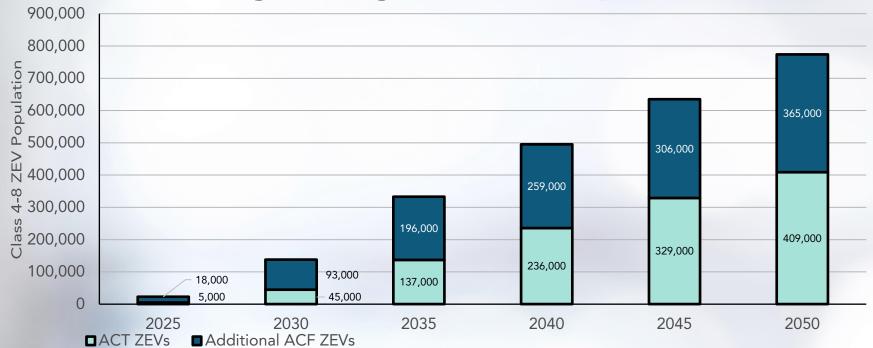






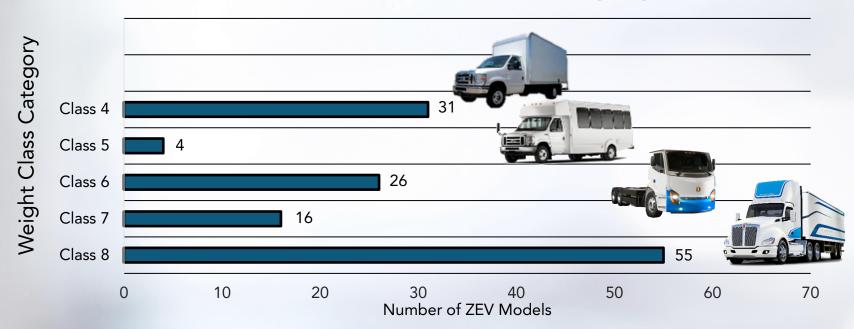


# Significant Increase in Medium- and Heavy-Duty ZEVs Expected





### ZEV Models in U.S.



135 models already delivered to fleets

148 different models available to be ordered/pre-ordered

More that 100s ZEV models available worldwide



# **Equity is Critical to the ZEV Transition**

- ZEVs have to work for everyone and improve transport for all fleets
- Infrastructure cannot be a barrier
- Opportunity to build a ZEV ecosystem from the ground up with equity and accessibility in mind
- SB 671 identifies freight corridors and the infrastructure needed to deploy medium- and heavy-duty ZEVs



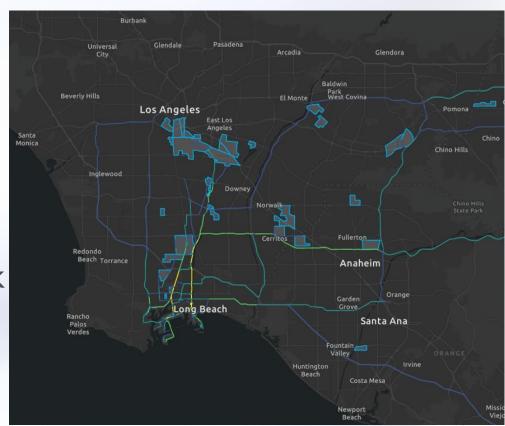
# SB 671 Supports California's Mission

- Coordinate and align the State's effort on transportation, energy, health, and the environment.
- Identification of priority corridors to focus transportation funding to deploy ZEVs that will reduce localized pollution impact to communities
- Potential projects (advance/innovate technology or reduce environmental impacts) to transition to ZE freight
- Recommendations incorporated into TCEP and extent possible into funding guidelines of CTC, CARB, CEC



## MHD Fleet Infrastructure Needs

- Both electricity & hydrogen
- Large scale, rapid deployment
- Equitable access
- Public fueling network
- Grid planning
- Standards





# Diverse Stakeholder Workgroup

- Fleets
- Warehouse land-owners
- Beneficial cargo owners
- Energy & solution companies
- Electric utilities
- Local governments & ports
- State agencies
- Non-Government Organizations (NGOs)

**Clean Freight Corridor Assessment** 





# Bill Requirements

- Priority Corridors
- Projects
- Top 5 Corridors
- Barriers & Solutions

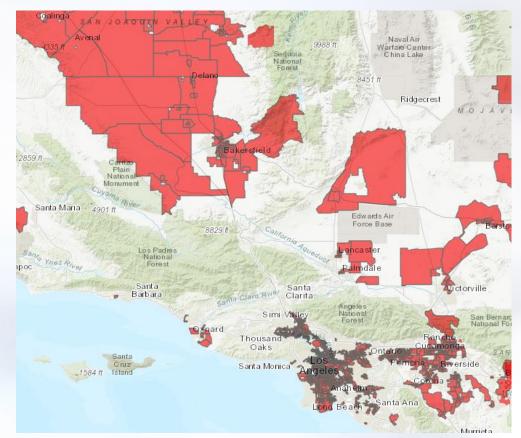
- Avoid Displacement
- Weight on Roads
- Microgrids
- Benefits



# **Equity in the Clean Freight Corridor**

### **Assessment**

- CalEnviroScreen 4.0 will be used to look at socio-economic factors.
- The Assessment will discuss methods to avoid displacement.
- Projects evaluations will consider their overall benefit to the communities among other things.





### **CEC Funds for Zero-Emission Vehicles**

• \$1.4 billion for three years for electric vehicle charging and hydrogen refueling goals.

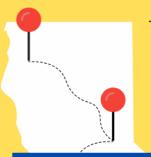


# National Electric Vehicle Infrastructure Funds (NEVI) and SB 671

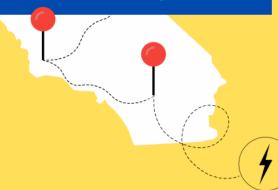
- NEVI is a part of the Infrastructure Investment and Jobs Act.
- For the first five years of the formula program, NEVI funds only passenger vehicles.
- With update to federal legislation future NEVI funds could be made available for freight.



AUGUST 2022



California's Deployment Plan for the National Electric Vehicle Infrastructure Program



PREPARED BY





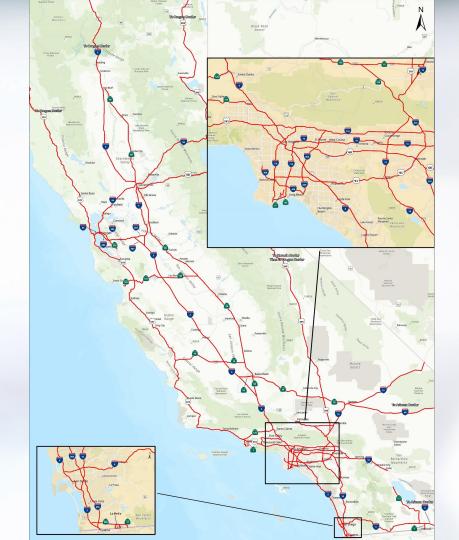


# Alternative Fuel Corridors

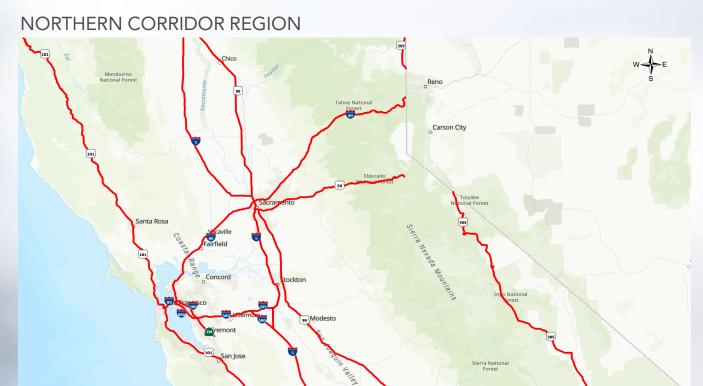
- NEVI formula fund projects must be located along an Alternative Fuel Corridor.
- Alternative Fuel Corridors are a federal designation.
- Commission staff will work with Caltrans staff to make sure SB 671 Priority Clean Freight Corridors are also Alternative Fuel Corridors.





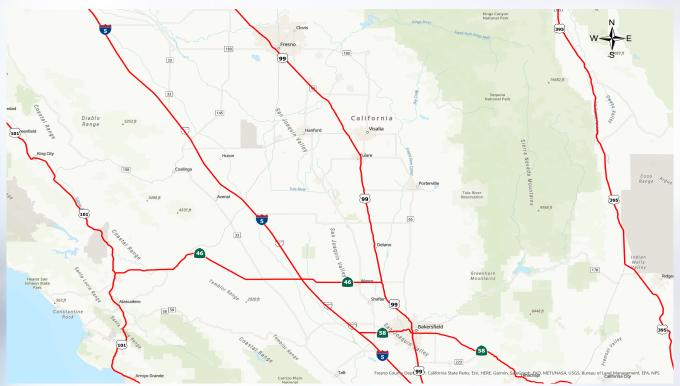




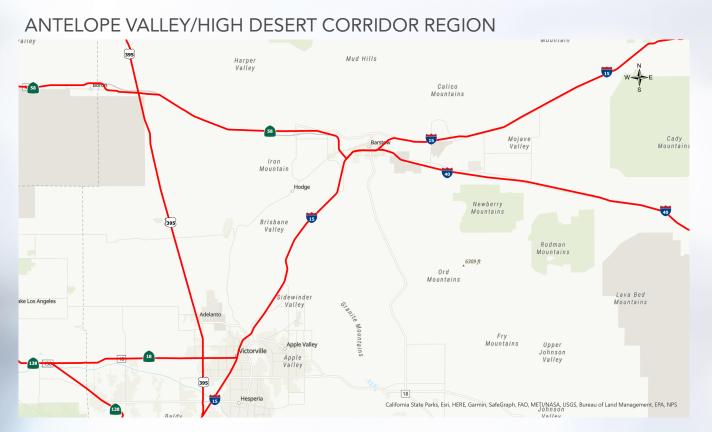




#### **CENTRAL VALLEY CORRIDOR REGION**

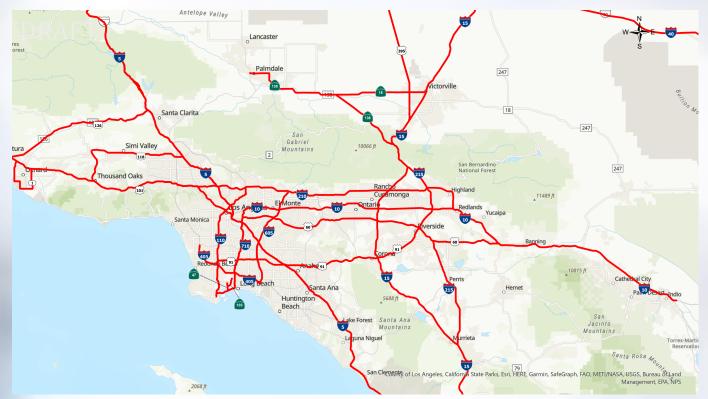






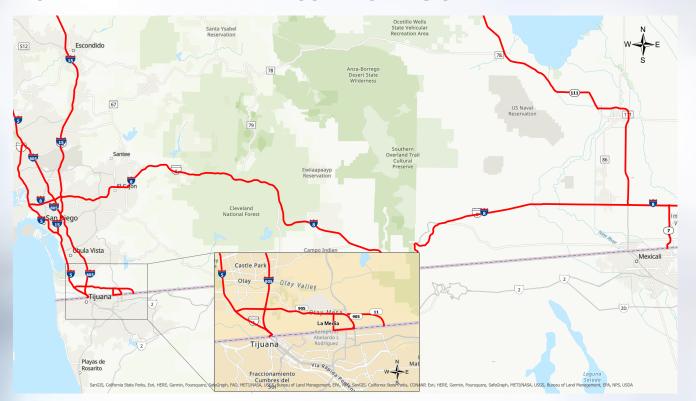


#### SOUTHERN CORRIDOR REGION





#### BORDER AND INLAND EMPIRE CORRIDOR REGION





# **Timeline & Next Steps**

- The Commission, CARB, and other State Agencies have finished compiling Draft Priority Clean Freight Corridors and reviewing zero-emission freight infrastructure projects submitted by the workgroup.
- ZEV Infrastructure projects are eligible to apply in the Trade Corridor Enhancement Program in the upcoming cycle.
- Remaining Assessment tasks will be completed prior to August of 2023, and a draft of the Assessment will be circulated by August of 2023 for comment.
- The final Assessment is due to the Legislature on December 1, 2023.



# Looking Toward the Assessment

- Electricity load projections and identification of ZE infrastructure locations with CEC/CTC/CARB
- Identify the significant need for funding and private development – explore any ways to address this
- Identify timing needs to help build infrastructure sooner



