



NORTHERN CALIFORNIA CONTRACTORS ASSOCIATION

Advanced Clean Fleets Regulation Summary – What Contractors Need To Know

As we have recently fielded a few questions on the California Air Resources Board – Advanced Clean Fleets Regulations, we thought it would be a good idea to put together the following Q&A to assist contractors who must comply. It's important to note that the Truck Regulation Upload, Compliance, and Reporting System (TRUCRS) has been recently updated and is now available for fleet owners to report and update company, vehicle, and engine information to meet Advanced Clean Fleets reporting requirements.

What is the Advanced Clean Fleets (ACF) regulation?

The Advanced Clean Fleets (ACF) regulation is part of the California Air Resources Board's (CARB) approach to accelerate a large-scale transition to zero-emission medium-duty and heavy-duty vehicles. This regulation works in conjunction with the Advanced Clean Trucks (ACT) regulation, approved in March of 2021, which pushes manufacturers to bring zero-emission vehicles (ZEV) to market. The ACF is the purchase mandate for fleets and the ACT is the sales mandate for truck manufacturers. The ACF regulation was promulgated under the authority of the Governor's Executive Order N-79-20.

What is the status of ACF rulemaking?

The ACF has been approved by CARB and takes effect January 1, 2024.

Who must comply?

The ACF regulation applies to fleets performing drayage operations, fleets owned by State, local, and federal government agencies, and high priority fleets, which may cover contractors.

When would a contractor be considered as owning a high priority fleet?

- Any contractor that owns, operates, or directs 50 or more covered vehicles, with at least one covered vehicle in California.
- Any contractor with more than \$50 million total gross annual revenue that operates at least one covered vehicle in California.

What types of vehicles are covered?

The regulation covers medium-duty and heavy-duty on-road vehicles with a gross vehicle weight rating greater than 8,500 pounds, off-road yard tractors, and light-duty package delivery vehicles. It does not apply to passenger vehicles and light duty passenger trucks.

Compliance

High priority fleets must phase zero-emission vehicles (ZEV) into their fleets, for covered vehicles, beginning in 2024 according to one of two available compliance pathways—the "Model Year

Schedule” (which is the default compliance pathway) or the “ZEV Milestones Option” (which is the alternate, opt-in compliance pathway).

Option 1 – Model Year Schedule Timeline:

Compliance is achieved through zero-emission vehicle additions and the removal of existing ICE vehicles at the end of their useful life. Exemptions and delays are available for qualifying fleets.

- Starting January 1, 2024, all additions of covered vehicles to a fleet must be zero-emission.
- ICE vehicles must be retired after 18 years old or 800,000 miles, whichever comes first.

Option 2 - Zero-Emission Milestone Timeline:

Zero-emission vehicle percentage milestones as determined by preset vehicle groups. Fleets can add ICE vehicles to their fleet if they reach the zero-emission percentage milestones outlined below.

ZEV Fleet Milestones by Milestone Group and Year

Table 1: ZEV Fleet Milestones by Milestone Group and Year

Percentage of vehicles that must be zero-emission: 10% 25% 50% 75% 100%

Milestone Group 1: Box trucks, vans, yard tractors: 2025 2028 2031 2033 2035 and beyond

Milestone Group 2: Work trucks, day cab tractors: 2027 2030 2033 2036 2039 and beyond

Milestone Group 3: Sleeper cab tractors and specialty vehicles: 2030 2033 2036 2039 2042 and beyond

What are the reporting and recordkeeping requirements?

Beginning January 1, 2024, fleet owners are required to submit annual compliance reports beginning February 1, 2024, until February 1, 2045. Reports must be submitted through the online TRUCRS reporting system. Fleet owners must keep the required reporting records and documentation for at least five years. Fleet owners must make such records available in an electronic or paper format upon request or make them available to CARB staff within 72 hours of a written or verbal request for audit.

Penalties

Penalty amounts are not specified in the regs, but the regs state that a fleet owner “who fails to comply with the requirements of this article, who fails to submit any information, report, or statement required by this article, or who knowingly submits any false statement or representation in any application, report, statement, or other document filed, maintained, or used for the purposes of compliance with this article may be subject to penalties.”

Is there funding for purchasing zero-emission trucks?

The 2021 and 2022 State budgets include a total investment of \$10 billion over 6 years to reduce CO2 emissions from the transportation sector by supporting ZEVs and ZEV infrastructure. This funding has been administered by CARB, the California Energy Commission, the California State Transportation Agency, and the Governor’s Office of Economic and Business Development. It includes funding for the HYBRID AND ZERO-EMISSION TRUCK AND BUS VOUCHER

INCENTIVE PROJECT (HVIP) which provides funding for the purchase of clean trucks. You can review the program Here: <https://californiahvip.org/>.

Where can I get more information?

Information about the ACF is available at the Advanced Clean Fleets | California Air Resources Board website. If you have questions, call (866) 634-3735 or email zevfleet@arb.ca.gov