

Date of Hearing: January 13, 2020

ASSEMBLY COMMITTEE ON TRANSPORTATION
Jim Frazier, Chair
AB 1594 (Bauer-Kahan) – As Amended March 26, 2019

SUBJECT: Heavy-duty vehicles: electric vehicle charging stations: ports

SUMMARY: Requires the California Air Resources Board (ARB) to ensure at least two electric vehicle charging stations for heavy-duty vehicles are installed each at the Ports of Long Beach, Los Angeles, and Oakland. Specifically, **this bill:**

- 1) Requires ARB, no later than January 1, 2030, to ensure at least two electric vehicle charging stations for heavy-duty vehicles are installed each at the Ports of Long Beach, Los Angeles, and Oakland.
- 2) Authorizes the Legislature to appropriate funding from the General Fund to ARB to implement this requirement.

EXISTING LAW:

- 1) Establishes ARB as the air pollution control agency in California and requires ARB, among other things, to control emissions from a wide array of mobile sources and coordinate with local air districts to control emissions from stationary sources in order to implement the Federal Clean Air Act.
- 2) Requires ARB to develop a plan to reduce GHG emissions to 1990 levels by 2020 and to ensure GHG emissions are reduced to at least 40% below 1990 levels by 2030.

FISCAL EFFECT: Unknown

COMMENTS: California's sea ports of entry serve as key commercial gateways for the movement of billions of dollars' worth of products annually and, overall, freight movement generates about one-third of California's \$2.2 trillion economy and supports more than 5 million freight-dependent jobs. Freight movement (also known as goods movement) represents a complex web of goods being transported via ship, plane, train or truck using highways, local roads, railways, navigable waterways, key seaports, airports, warehouses, and intermodal facilities. Due to increasing market demands, freight movement is expected to continue to grow, impacting our state while also facing competition from other locations in the United States and across the world. However, despite the growth and economic benefits that goods movement represents, the industry also places a heavy burden on the state in terms of the increased demand on transportation infrastructure and increased environmental impacts. To reduce the environmental impacts of the transportation sector including freight, and to plan freight more comprehensively, the state has enacted various laws, regulations, initiatives and executive orders.

Most notably, AB 32 requires ARB to develop a plan to reduce GHG emissions to 1990 levels by 2020 and, subsequently, SB 32 (Pavley) Chapter 249, Statutes of 2016, requires ARB to ensure GHG emissions are reduced to at least 40% below 1990 levels by 2030. AB 32 also requires ARB to prepare and approve a Scoping Plan, to be updated every five years, to achieve the maximum technologically feasible and cost-effective reduction of GHG emissions by 2020, and

AB 398 (Garcia), Chapter 135, Statutes of 2017, requires ARB to update the Scoping Plan by January 1, 2018. Given that the transportation sector accounts for approximately 40% of GHG emissions, the Scoping Plan lays out various efforts to reduce emissions from freight and other mobile sources including accelerating the deployment of clean vehicles and equipment, shifting fuels in the freight sector through targeted introduction of zero and near-zero emission technologies, and continuing to develop applications of renewable fuels.

ARB has implemented various regulations to reduce emissions from the heavy-duty freight sector. There are more than 30 current or proposed regulations that effect the freight heavy-duty transportation sector including but not limited to: the Drayage Truck Regulation (limits drayage engines of specified model years from entering ports and railyards), the Cargo Handling Regulation (sets emission standards for cargo handling equipment at ports and rail yards) and the Truck and Bus Regulation (requires retrofits, and accelerates the turnover of old truck and buses to 2010 engine standards).

According to the author, “Eight of the 10 most-polluted cities in the United States are in California. Cars and Trucks lead the way as the top pollutants in the state. As we work on reaching our legislative goals in reduction of greenhouse gases, we must be forward thinking in providing the infrastructure we need to support emerging technologies. AB 1594 will support the new, impending electric semi-trucks by ensuring that the three largest ports in California have at least two electric charging stations.”

Committee comments: This bill purports to drive innovation for electrified heavy-duty freight trucks by requiring charging stations at the state’s three largest ports. However, as the bill is currently drafted, AB 1594 raises a number of questions.

First, it is unclear what this bill could accomplish, given the fact that ARB has funded many charging stations at each of the identified ports. For example, the Green Omni Project in 2015 included the installation of charging infrastructure for on-road trucks, yard truck and forklifts. In 2017, the Sustainable Terminals Accelerating Regional Transformation Project deployed 102 zero-emission pieces of equipment at the Ports of Long Beach, Oakland and Stockton, including 15 zero-emission trucks with chargers in Oakland. It is possible that ARB would interpret this bill as fulfilled upon its enactment, if passed as written.

Due to the lack of specificity in the bill, it is also unclear what types of heavy duty vehicles the bill is targeting. Ports have on-site heavy-duty vehicles such as yard trucks and top picks, as well as heavy-duty trucks transporting cargo from the ports. All three of the ports listed in the bill have extensive on-site electric equipment with chargers, so it seems unclear what this bill would accomplish without more clarification.

Finally, given the structure of the bill, it is unclear whether its aim is to be achieved by ARB through a regulatory process or an incentive program. On the one hand, ARB could interpret the bill’s requirement that it “ensures” that these ports install charging stations as authority to adopt regulations forcing them to do so. On the other hand, suggesting that the Legislature could appropriate funds to implement this requirement might mean that ARB is expected to develop an incentive program in which ports apply for funding from the appropriation to pay for the new chargers.

In light of the many ambiguities outlined above, the author may wish to amend the bill in the following way:

43022.6. (a) No later than January 1, 2030, the state board shall **implement an incentive program to** ensure at least two electric vehicle charging stations **are available at any given time during regular port hours to on-road** ~~for~~ heavy-duty vehicles ~~are installed~~ at each of the following ports:

- (1) Port of Long Beach.
- (2) Port of Los Angeles.
- (3) Port of Oakland.

(b) Moneys from the General Fund shall be available, upon appropriation by the Legislature in the annual Budget Act or other enacted statute, to the state board **following the adoption of guidelines** to implement this section.

REGISTERED SUPPORT / OPPOSITION:

Support

None received

Opposition

None received

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