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**SENATE COMMITTEE ON ENERGY, UTILITIES AND  
COMMUNICATIONS**  
**Senator Steven Bradford, Chair**  
**2023 - 2024 Regular**

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**Bill No:** SB 934 **Hearing Date:** 4/22/2024  
**Author:** Gonzalez  
**Version:** 3/19/2024 Amended  
**Urgency:** No **Fiscal:** Yes  
**Consultant:** Sarah Smith

**SUBJECT:** Zero-emission freight infrastructure: interagency coordination: report

**DIGEST:** This bill requires the California Transportation Commission (CTC) and the California Energy Commission (CEC) to jointly convene the Zero-Emission Freight Central Delivery Team (Delivery Team) to lead the statewide coordination of zero-emission freight infrastructure planning and implementation, as specified.

**ANALYSIS:**

Existing law:

- 1) Requires the California Air Resources Board (CARB) to update its mobile source strategy every five years to achieve certain emissions reduction goals from the medium- and heavy-duty transportation sector. Specifies that CARB's mobile source strategy must identify policies to help accelerate emissions reductions from fleets and coordinate plans to achieve air quality goals. Specifies certain actions CARB must take to develop its mobile source strategy, including requiring CARB to identify areas where the state should coordinate with other agencies, districts, utilities, and technology providers to implement portions of the mobile source strategy. (Health and Safety Code §43024.2)
- 2) Requires the CEC to conduct a statewide assessment every two years of electric vehicle (EV) charging infrastructure needed to support the levels of EV adoption required for the state to meet its goals of putting at least five million zero-emission vehicles (ZEVs) on California roads by 2030, and of reducing emissions of greenhouse gases (GHG) to 40 percent below 1990 levels by 2030. (Public Resources Code §25229)
- 3) Requires the CEC to gather specified information about the deployment of ZEV fleets subject to CARB regulations to enable electric utilities to estimate increased electrical loads resulting from fleet transitions to ZEVs. (Public Resources Code §25328)

- 4) Requires the California Public Utilities Commission (CPUC) to direct investor-owned utilities (IOUs) to file applications for investments to accelerate transportation electrification, reduce reliance on petroleum, and meet certain climate goals. The CPUC may approve or amend applications for transportation electrification investments. IOUs are authorized to recover reasonable costs for approved investments from ratepayers if they are consistent with certain requirements. (Public Utilities Code §740.12)
- 5) Required the CTC to work with various stakeholders to develop the Clean Freight Corridor Efficiency Assessment. Existing law specifies that the goal of this assessment is to identify freight corridors, or segments of freight corridors, and infrastructure needed to support the deployment of medium- and heavy-duty ZEVs. Existing law specifies various considerations and findings the CTC must include in this assessment, including an identification of the top five freight corridors, or segments of freight corridors, with the heaviest freight volume and near-source exposure to diesel exhaust and other contaminants. (Government Code §14517)

This bill:

- 1) Requires the CTC and CEC to jointly convene the Delivery Team to lead the planning and implementation of zero-emission freight infrastructure deployment.
- 2) Specifies that the Delivery Team's membership must include, but is not limited to, the following entities: the California Department of Transportation (CalTrans), CARB, the CPUC, and the Governor's Office of Business and Economic Development (GO-Biz).
- 3) Establishes duties for the Delivery Team, including the following:
  - a) Working with zero-emission freight infrastructure stakeholders to strategically select specific project locations using a corridor-based approach that prioritizes the top five freight corridors, or segments of freight corridors, with the heaviest freight volume and near-source exposure to diesel exhaust and other contaminants.
  - b) Coordinating actions between state agencies, utility companies, and other zero-emission freight infrastructure stakeholders.
  - c) Developing a process for nongovernmental stakeholders to be included in charging and refueling station location planning and implementation,

including, but not limited to, impacted communities, community-based organizations, equity advocates, public health advocates, air quality advocates, tribal nations, and environmental justice advocates.

- d) Identifying lead entities from regional transportation planning agencies, metropolitan planning organizations, ports, utilities, state agencies, and other zero-emission freight infrastructure stakeholders that are necessary to build zero-emission stations quickly.
  - e) Identifying available funding sources and public-private partnership models and posting that information on the CTC's internet website.
  - f) Developing standardized zero-emission station development models, including zoning and building permits that can be replicated for each station across a priority freight corridor, based on local municipality guidelines, and posting that information on the CTC's internet website.
  - g) Working with community colleges and ports that provide training programs to support training of freight industry workers, as necessary.
  - h) Promoting the timely and equitable implementation of zero-emission freight infrastructure throughout the state.
- 4) Requires the Delivery Team to annually submit a report to the Legislature, starting on March 1, 2026, and specifies that this report must include a discussion of actions taken by the Delivery Team, policy recommendations, best practices, and an assessment of the state's progress towards meeting ZEV freight infrastructure goals.

## **Background**

*Concerns regarding the state readiness for the ZEV transition persist.* While prior legislation codified the goal of putting at least five million ZEVs on California roads by 2030, recent administrative decisions have expanded the scope and timeline of the state's ZEV transition. Executive Order N-79-20 established a goal that 100 percent of in-state sales of new passenger cars and trucks will be zero-emission by 2035. This executive order also established a goal that 100 percent of medium- and heavy-duty vehicles in the state will be zero-emission by 2045. In response to this executive order, CARB has adopted regulations aimed at phasing out the sale of petroleum-fueled vehicles. CARB has adopted the Advanced Clean Cars regulations to address light-duty vehicle transition requirements and is in the process of developing an Advanced Clean Fleets rule for medium- and heavy-duty

fleet transition. Meeting these goals will necessitate substantial utility investment to expand infrastructure and generation resources needed for EV charging and electrolytic hydrogen necessary to meet fleets' with refueling needs. While existing law tasks the CEC with duties to assess the state's ZEV infrastructure needs, the CPUC has

*Bill builds upon ongoing freight-specific planning.* In 2021, the Legislature passed SB 671 (Gonzalez, Chapter 769, Statutes of 2021) to better understand the trucking industry's needs for the ZEV transition. The bill required the CTC to conduct a Clean Freight Corridor Efficiency Assessment, identifying barriers and solutions to the ZEV transition. In December 2023, the CTC released its assessment pursuant to SB 671. This assessment identified three major barriers to the ZEV transition in the freight sector:

- Timing of freight corridor development: timing of station operability is uncertain due to the length of permitting, construction, and grid upgrades needed to open a station.
- Economics of fleet transitions: the costs and time associated with up-front investments in ZEVs are disincentives for many fleet owners.
- Complexity of stakeholder coordination: siting, constructing, and initiating service for ZEV freight charging and refueling stations requires coordination across multiple parties with differing regulatory authorities.

In addition to identifying barriers, the assessment also made recommendations addressing those barriers. Regarding the barriers associated with coordinating complex stakeholder networks, the assessment recommended establishing a Central Delivery Team to coordinate across agencies and convene stakeholders. The report states:

The central delivery team could include both a statewide public agency to oversee statewide development, as well as Regional Transportation Planning Agencies and Metropolitan Planning Organizations to coordinate station funding, permitting, and development at the local level. The site knowledge of a regional or local agency, combined with the funding, state permitting, and the corridor focus of a statewide agency, could position the state to achieve the goals identified in the Assessment.

This bill would enact the Central Delivery Team recommendation from the CTC's assessment.

*Dual Referral.* This bill passed out of the Senate Committee on Transportation on April 9, 2024 with a vote of 11-1.

### **Prior/Related Legislation**

SB 483 (Min, 2023) would have required the CEC to assess the energy resources needed to meet state goals to transition medium- and heavy-duty vehicles to ZEVs, and it would have required CARB to incorporate the CEC's assessments and a strategic plan for this transition into CARB's existing mobile source strategy. The bill was vetoed.

AB 2700 (McCarty, Chapter 354, Statutes of 2022) required the CEC to gather and report fleet data needed to support utilities' plans for grid reliability and enhanced vehicle electrification. The bill also required utilities to report how distribution investments made, pursuant to the bill, support climate goals as part of specified filings with the CEC and CPUC.

SB 671 (Gonzalez, Chapter 769, Statutes of 2021) required the CTC, in coordination with the CARB, CEC, CPUC, and GO-Biz to develop the Clean Freight Corridor Efficiency Assessment, with the goal of identifying freight corridors, or segments of corridors, and the infrastructure needed to support the deployment of zero-emission medium- and heavy-duty vehicles. The bill specified items that must be included in the Assessment, including but not limited to the identification of the top five freight corridors, or segments of freight corridors, with the heaviest freight volume and near-source exposure to diesel exhaust and other contaminants.

SB 676 (Bradford, Chapter 484, Statutes of 2019) required the CPUC to establish EV-grid integration strategies for certain load-serving entities. The bill also required publicly owned utilities to consider EV-grid integration strategies in their integrated resource plans and required community choice aggregators to report specified information to the CPUC regarding EV-grid integration activities.

AB 2127 (Ting, Chapter 365, Statutes of 2018) required the CEC to conduct a statewide assessment every two years of EV charging infrastructure needed to support the levels of EV adoption required for the state to meet its goals of putting at least five million ZEVs on California roads by 2030, and of reducing GHG emissions to 40 percent below 1990 levels by 2030.

**FISCAL EFFECT:** Appropriation: No Fiscal Com.: Yes Local: No

**SUPPORT:**

CALSTART  
ChargePoint  
Pacific Merchant Shipping Association  
Union of Concerned Scientists

**OPPOSITION:**

None received

**ARGUMENTS IN SUPPORT:** According to the author:

California has ambitious climate and air quality goals that will require the transportation sector to convert to zero-emission vehicle (ZEV) technology. Most recently, the California Air Resources Board issued the Advanced Clean Fleets (ACF) regulation, which will require certain freight fleets to convert to ZEVs starting as early as 2024 for drayage trucks. However, one of the major impediments to the successful transition to heavy-duty ZEVs is the lack of charging and refueling infrastructure, especially for medium- and heavy-duty vehicles. In fact, it takes between 6 and 8 years on average to develop a heavy-duty ZEV station, not accounting for electrical grid upgrades that could take up to 10 or more years according to the California Public Utilities Commission. In addition, varying local permitting requirements, minimal use and awareness of streamlining opportunities by local municipalities, and backlogs of projects in approval and inspection processes contribute to further delays. This is why the California Transportation Commission's Clean Freight Corridor Assessment recommended the creation of a state-level Central Delivery Team to facilitate the infrastructure build out needed to meet the state's climate goals and regulations. Senate Bill 934 builds off this recommendation by creating a Central Delivery Team for Freight Zero-Emission Vehicles at the California Energy Commission and California Transportation Commission to take a leadership role in the deployment of ZEV infrastructure for freight vehicles. The Team will coordinate actions among different stakeholders and agencies, identify available funding sources, and develop standardized station development models, among other items.

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