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**Highland Electric Fleets Comment on 2026-2027 Investment Plan  
Update for the Clean Transportation Program**

*Additional submitted attachment is included below.*

May 22, 2026

California Energy Commission  
Docket Unit, MS-4  
Docket No. 26-ALT-01  
715 P Street  
Sacramento, California 95814

Submitted online via:

<https://efiling.energy.ca.gov/EComment/EComment.aspx?docketnumber=26-ALT-01>

**RE: Highland Electric Fleets Comment on 2026-2027 Investment Plan Update for the Clean Transportation Program**

Dear Commissioners and Staff of the California Energy Commission,

Thank you for the opportunity to provide comments on the 2026–2027 Investment Plan Update for the Clean Transportation Program. As a turnkey electrification services provider partnered with school districts and cities across the state, Highland Electric Fleets greatly appreciates the Commission’s leadership in advancing California’s clean transportation progress.

As the CEC develops the 2026-2027 Investment Plan Update, Highland underscores the significant near-term need for investment in medium and heavy-duty (MHD) sector charging, especially for public agencies and school districts working to electrify their fleets. In addition to maximizing funding in this space, Highland recommends program design modifications to enhance the effectiveness and impact of these investments.

Importantly, as the L.A. County Legislative Delegation outlined in the attached letter to the Administration, the state can leverage momentum created by the upcoming LA28 Games to expedite zero-emission infrastructure in Southern California, improving air quality in communities suffering from some of the nation’s worst air pollution. Highland supports targeted infrastructure funding and program changes to accomplish these goals while enabling city, county and school district fleets in the region to support clean transportation at the Games.

While California has led the way for medium and heavy-duty ZEV adoption, the MHD sector today faces major ongoing obstacles, including tariff impacts and the loss of several key federal incentives and regulatory drivers for fleet electrification. In this climate, state incentives to support and accelerate the transition to clean transportation are crucial to continuing California’s progress toward self-sustaining ZEV markets.

Advancing medium- and heavy-duty vehicle electrification is a key strategy to reduce overall carbon emissions, criteria air pollutants, and exposure to toxic air contaminants – especially in overburdened communities. Replacing polluting diesel school buses with zero-emission models has an outsized impact because children are especially vulnerable to serious health risks from

tailpipe emissions, such as asthma, bronchitis, and lasting health consequences later in life. Riding in diesel-fueled school buses contributes up to 33% of a child's daily exposure to some air pollutants, according to a 2003 [study](#) funded by CARB.

Despite the lower fuel and maintenance costs of zero-emission buses, higher upfront costs continue to be a significant barrier for school districts. Among these costs, infrastructure is a key variable in the financial viability of zero-emission school bus adoption, according to the January School Bus Incentive Program [Report](#) issued by CARB. School district budgets have been further constrained by the end of COVID-era funding, enrollment declines, and continued uncertainty around federal school bus funding.

Given the key role of medium-and-heavy duty vehicle electrification in meeting California's clean transportation, air quality, equity, and climate goals, Highland urges the Commission to maximize the planned investment in MHD ZEV infrastructure to the extent allowed by statute, with a focus on school districts and municipal depots. We further recommend that the CEC explore opportunities to reallocate hydrogen refueling incentives to battery electric charging projects, where this may be responsive to market conditions and demand for grant funding.

As California prepares to host the LA28 Games, state leadership and investment to support the buildout of LA-area zero-emission charging infrastructure now will enable these sites to be energized in time for the Games, and ensure that needed infrastructure is in place for planned fleet conversions in the near future. As noted in the L.A. Delegation's letter, "The success of the LA28 Games is not only a regional priority—it is an opportunity for our State to showcase global leadership in transportation electrification and deliver enduring environmental, economic, and equity benefits."

Highland supports the Delegation's request to prioritize funding for ZEV infrastructure projects that will support the LA28 Games and also build the foundation for further fleet electrification. We also support the call to enable public agencies and school districts working to convert their fleets to build for future growth. Allowing these entities to construct future-proofed charging depots now, that can both support the LA28 Games and also their forthcoming vehicle replacement cycles, will lower overall construction costs and help to scale up infrastructure deployment.

To enhance the effectiveness of the CEC's MHD ZEV infrastructure investments, Highland suggests the following general recommendations for the development of solicitations:

- Expand applicant eligibility to accommodate a broader scope of public-private partnerships and ownership models.<sup>1</sup> Many school districts choose to partner with

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<sup>1</sup> For example, the U.S. EPA has enabled a broad definition for eligible applicants within their Clean School Bus Program, including public school districts, tribal communities, and eligible contractors which are defined by the Infrastructure Investment and Jobs Act, Public Law 117-58 (42 U.S.C. 16091), as any for-profit, not-for-profit, or nonprofit entity that has the capacity (1) to sell, lease, license, or contract for service clean school buses, ZE school buses, charging or

electrification-as-a-service providers to lower costs and access needed logistical support and technical expertise as they transition their fleets to electric vehicles.

- Enable state and federal incentive stacking to optimize available funding opportunities.
- Design depot access requirements to accommodate the operations of school districts and public transit agencies. Many school districts and public transit agencies operate sites that are not open to the general public. While they serve an essential public function, these depots should be exempt from public access requirements for safety of the public and district drivers.
- Ensure vehicle-to-infrastructure ratios permit optimized overnight and off-peak charging for school buses.

Highland appreciates the ongoing work by the Commission and the Advisory Committee to develop the Investment Plan Update, and we look forward to continued engagement on the implementation strategy for MHD ZEV infrastructure funding. Increased support for school districts and public agencies at this pivotal time is essential to accelerate the transition to zero-emission vehicles and achieve wide-ranging benefits for communities and the state as a whole.

Thank you for your consideration.

Sincerely,

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Highland Electric Fleets

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fueling infrastructure, or other equipment needed to charge, fuel, or maintain clean school buses or zero-emission school buses, to individuals or entities that own, lease, license, or contract for service a school bus or a fleet of school buses; or (2) to arrange financing for such a sale, lease, license, or contract for service. CEC could consider adopting a similar definition to EPA to give greater flexibility in ownership models within their program.

Additionally, the most recent HVIP Implementation Manual expanded the definition of eligible applicants to include individual owners and/or operators who will operate or oversee the operation of the vehicle for a minimum of three years.