

DOCKETED

Docket Number:	19-TRAN-02
Project Title:	Medium- and Heavy-Duty Zero-Emission Vehicles and Infrastructure
TN #:	257970
Document Title:	San Diego Metropolitan Transit System (MTS) Comments - Supporting Increased and Streamlined Funding for Public Transit Agencies
Description:	N/A
Filer:	System
Organization:	San Diego Metropolitan Transit System
Submitter Role:	Public Agency
Submission Date:	7/24/2024 9:15:53 AM
Docketed Date:	7/24/2024

*Comment Received From: San Diego Metropolitan Transit System
Submitted On: 7/24/2024
Docket Number: 19-TRAN-02*

**San Diego Metropolitan Transit System (MTS) Comments -
Supporting Increased and Streamlined Funding for Public Transit
Agencies**

Additional submitted attachment is included below.



**Metropolitan
Transit
System**

July 23, 2024

Ms. Michelle Vater
Supervisor, Freight and Transit Unit
California Energy Commission
715 P Street
Sacramento, California 95814

Dear Ms. Vater:

On behalf of San Diego Metropolitan Transit System, we write to provide comments regarding Docket #19-TRAN-02 (Medium- and Heavy-Duty Zero-Emission Vehicles and Infrastructure).

Public transportation is the vanguard of the state's greenhouse gas reduction strategy and, through the California Air Resources Board Innovative Clean Transit (ICT) regulation, faces one of the most prescriptive and time-bound transitions to ZEV technology, yet state funding programs are not sufficiently incorporating the needs and challenges of transit with respect to zero-emission fleet conversion. To address these needs and support the state's ambitious ZEV goals, we urge you to consider including a solicitation concept specifically applicable to funding the incremental operating costs associated with zero-emission transit bus charging and refueling infrastructure projects. Based on the concepts presented in the July 16th CEC workshop, there are limitations for transit agencies to leverage CEC's funding programs to meet this urgent and near-term need.

The importance of operating funding for our agency and our peers cannot be overstated. Even without fleet transition as required by the ICT regulation, we face challenges to long-term fiscal sustainability while maintaining full coverage and reliable service on existing routes, as well as expanding service to advance towards state ridership targets.

Without additional support and predictability for the incremental operating costs associated with fleet conversion, our plans to make long-term capital investments in zero-emission vehicles and infrastructure are at risk. Operating support for early public transit adopters is critical to kickstart the industry and unlock the capital investment that the CEC supports and advocates for while long-term efforts to reduce the costs of infrastructure and zero-emission fuel ramp up.

Additionally, we urge the CEC to reduce the burden for transit agencies posed by application requirements. We suggest that the CEC consider options to reduce this burden for potential applicants who currently find the agency's application processes to be an unmanageable deterrent to engaging with the CEC's opportunities. For example, we would encourage the CEC to greatly enhance coordination with existing funding programs such as the Transit and Intercity Rail Capital Program and other programs administered by CalSTA, Caltrans, and the CTC such that transit agencies could access funds via a single, streamlined process. Alternatively, we would also encourage processes with greater certainty and predictability for applicants, such as a "first-come-first-served" process or increasing focus on recurring, multi-year programs.

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San Diego Metropolitan Transit System (MTS) is a California public agency comprised of San Diego Transit Corp., San Diego Trolley, Inc. and San Diego and Arizona Eastern Railway Company (nonprofit public benefit corporations). MTS member agencies include the cities of Chula Vista, Coronado, El Cajon, Imperial Beach, La Mesa, Lemon Grove, National City, Poway, San Diego, Santee, and the County of San Diego. MTS is also the For-Hire Vehicle administrator for multiple cities in San Diego County.



We recognize the enormous challenges in this work and commend the CEC for its efforts and leadership in this area. We look forward to working with you and welcome the opportunity to discuss these comments further.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael Wygant". The signature is fluid and cursive, with a large, sweeping flourish at the end.

Michael Wygant
Chief Operating Officer
San Diego Metropolitan Transit System