



REGULATIONS IMPACTING FLEETS IN CALIFORNIA

Advanced Clean Transportation (ACT) Regulation



While fleets operating in California look to zero emission technologies to meet regulations that aim to reduce harmful emissions caused by fossil fuels, they are currently met with barriers to adoption due to the lack of product availability from OEMs. To encourage the production and sale of zero emission vehicles (ZEVs), the California Air Resources Board (CARB) passed the Advanced Clean Transportation (ACT) Regulation in June of 2020. The goal of this regulation is to increase the supply of available medium- and heavy-duty ZEVs to fleets, while also collecting fleet data that will help shape clean air regulations in the future.

The ACT Regulation is two rules in one:

01

For fleets: The ACT Regulation requires fleet operators to provide information to the on their assets and operations in California. This data will be used by CARB to shape future regulations regarding ZEV purchase requirements for California-based truck fleets.

02

For OEMs: Starting in 2024, truck manufacturers will be required to produce and sell ZEVs in California. The ACT regulation does not distinguish between battery-electric or fuel cell vehicles—all technologies that produce zero tailpipe greenhouse gas emissions (GHG) and criteria pollutants are encouraged.

Take advantage of limited incentives now

To help meet zero emission requirements, fleets have access to local, state, and federal incentives to purchase new electric vehicles (EVs) and install charging infrastructure—including PG&E's EV Fleet program. Fleets that begin the process of electrification now have more opportunities to reduce costs and see a quicker return on their investments because of the ample incentives available today. Deploying EVs typically takes 12 to 18 months to procure vehicles and install the necessary charging infrastructure, so fleets are encouraged to contact their utility early to get their electrification plans started. [Get started at fleets.pge.com.](https://fleets.pge.com)

For Fleets: Large Entity Reporting Requirement

Who: Businesses, fleets, brokers, public agencies

What: One-time reporting from “large” entities about their vehicle operations at each California location

Goal: Gather data to inform future zero emission fleet rule(s)

When: Due April 1, 2021

Who is required to report data?

Any entity doing business in California that:

- Had gross annual revenues (US) greater than \$50M in 2019, and
- Operated a facility in California in 2019, and
- Has at least one vehicle with 8,501+ gross vehicle weight rating (GVWR) in California

Any fleet that:

- Owned more than 50 vehicles (8,501+ GVWR) in 2019, either under common ownership or control, and
- Operates a facility in California

Any broker that:

- Dispatched more than 50 vehicles (8,501+ GVWR) into or around California, and
- Operated a facility in California

Any government agency in California:

- Including state, local, municipal, and federal entities (except for school districts, transit, and emergency vehicles), that had one or more vehicles (8,501+ GVWR) operating in California in 2019

Which vehicles are applicable?



All on-road vehicles over 8,500 lb. GVWR, plus on- and off-road tractors



All fuel types, including gas, diesel, natural gas, hybrid, propane, electric, and hydrogen



Long-term leases or rentals, with a year or more contract



Vehicles that accrue a majority of their miles in California but are not domiciled in-state

What data needs to be reported?

Reporting entities are required to include information on fleet composition and vehicle operations for each facility. Entities can report either 2019 or 2020 data, and alternate periods are allowed for seasonality, wherein fleets should select high-volume season for accurate data representation. Data will be submitted through the [CARB website](#).

- Location
- Weight Class
- Fuel Type
- Body Type
- Whether equipped with all-wheel drive
- Whether equipped with GPS
- Registration info (state, IRP, other)
- Annual mileage and route info
- Average daily mileage
- Whether operations are return-to-base
- Whether vehicles parked at facility 8+ hours daily
- Other information to determine high-level ZEV viability

For OEMs: Manufacturer Zero Emission Medium- and Heavy-Duty Truck Sales Requirement

Who: Manufacturers who sell more than 500 vehicles that are over 8,500 lbs. GVWR	What: Must produce and sell medium- and heavy-duty ZEVs as an increasing percentage of their annual California sales volume	Goal: increase sales of zero emission vehicles	When: Starting with model year 2024
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Which vehicles are applicable?

OEMs can decide which vehicle types to focus on within each weight class. Sales targets vary by weight class and include:

Class 2b-3



Pickup trucks, vans, and other light- and medium-duty vehicles

Class 4-8



On-road medium- and heavy-duty vehicles, and off-road yard tractors

Class 7-8



On-road heavy-duty tractors

Schedule of OEM ZEV sales percentages

MODEL YEAR	CLASS 2B-3 GROUP	CLASS 4-8 GROUP	CLASS 7-8 GROUP
2024	5%	9%	5%
2025	7%	11%	7%
2026	10%	13%	10%
2027	15%	20%	15%
2028	20%	30%	20%
2029	25%	40%	25%
2030	30%	50%	30%
2031	35%	55%	35%
2032	40%	60%	40%
2033	45%	65%	40%
2034	50%	70%	40%
2035+	55%	75%	40%

Note for fleets: The ACT Regulation **does not** require fleet operators to buy 5% battery-electric trucks in 2024, and 40% in 2035. The main goal is to ensure there is adequate supply of ZEVs from OEMs in the truck marketplace, though these sales targets give a sense of CARB’s zero emission goals for the transportation sector as a whole.



Drive change with EVs, connect with an EV Fleet specialist
to learn how, visit: pge.com/evfleet

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