Senate Bill 671

Clean Freight Corridor Efficiency Assessment

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Clean Freight Corridor Assessment (SB 671) Overview

Goal: to identify corridors, or segments of corridors, and infrastructure needed to support the deployment of zero-emission medium-duty and heavy-duty vehicles

Developed between December 2021 and December 2023

14 total workgroup meetings

Workgroup comprised of 140 organizations and 300 individuals

Submitted to the Legislature in December 2023

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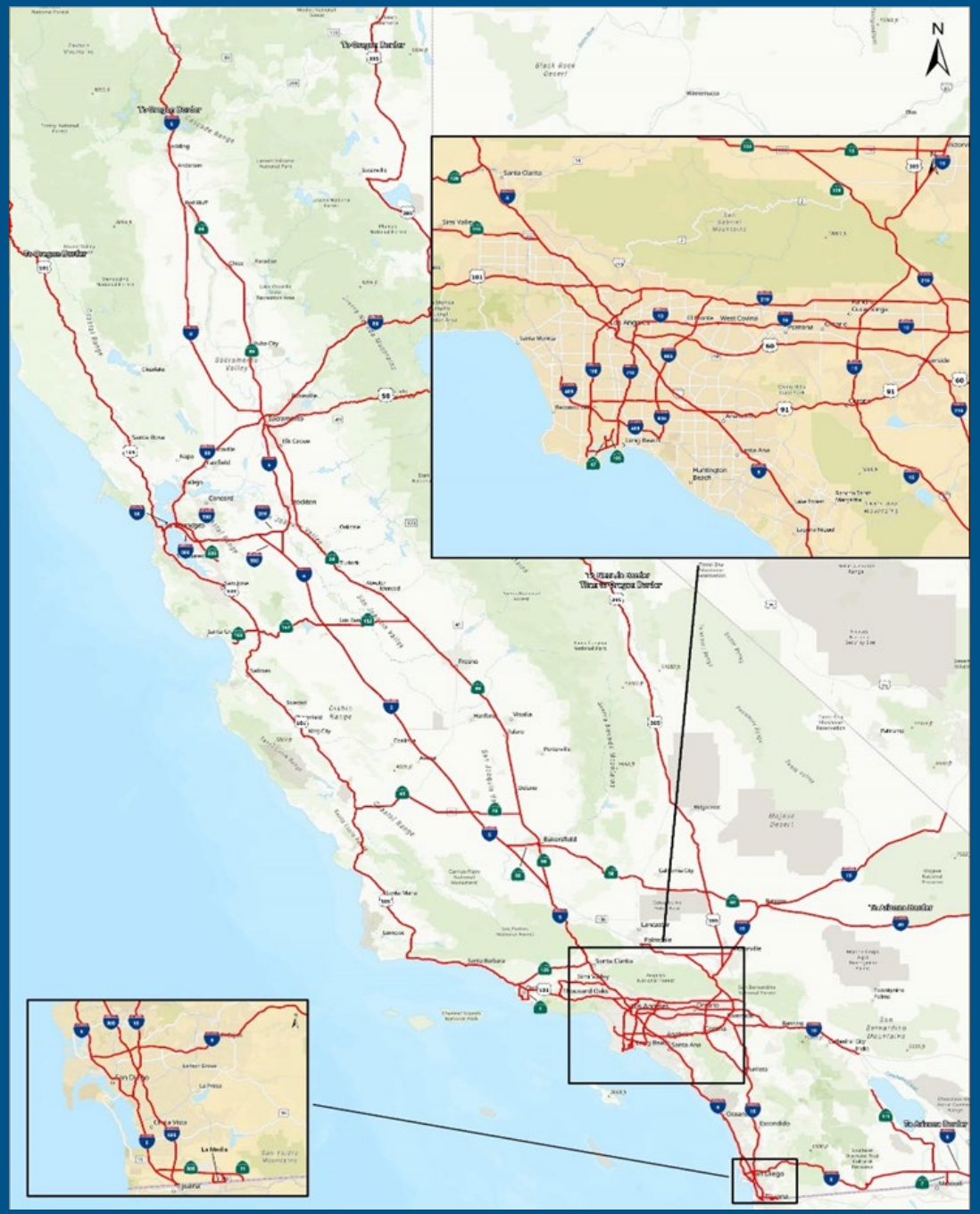
SB 671 Required the CTC to Identify…

- **Freight corridors or segments** that would be priority candidates for the deployment of ZE medium- and heavy-duty vehicles.
- **The top five** freight corridors or segments with the heaviest freight volume and near source exposure to diesel exhaust and other contaminants.
- **Projects** that would achieve the goals of the Assessment.
- **Barriers and potential solutions** to achieving the goals of the Assessment and the deployment of ZE freight vehicles.
- **The impact on roads and bridges** due to the increased weight of ZE vehicles.
- **Methods to avoid displacement** of residents and businesses on the freight corridor when considering projects.
- **Benefits** from the deployment of ZE vehicles.

Top 6 Freight Corridors and 34 Priority Clean Freight Corridors



Initial Viable Network & Statewide Infrastructure Needs

- There is a cost of $10 to $15 billion to support the 2035 initial viable network. This cost will need to come from all fund sources, various public (local, state. Federal) and private funds.

	Accelerated battery electric adoption	Balanced adoption	Accelerated hydrogen fuel cell adoption
Cost of ownership	**Battery electric trucks become more cost effective over time** accelerating incorporation into commercial fleets	**Balanced adoption of zero-emissions technologies** over time	**Fuel cell trucks become more cost effective over time** accelerating incorporation into commercial fleets
Technology choice and use case	**BEV trucks and charging become the optimal solution for all or most use cases** including drayage, delivery, and long haul	**No predominantly used technology across use cases**	**FCEV trucks and fueling become the optimal solution for all or most use cases** including drayage, delivery, and long haul

Estimated Timing for Infrastructure Development

Grid readiness could take 2-7+ years in parallel to this process

Current timeline	**1-2 years**	**1-2 years**	**~1-2 years**	**2-3 years**	**6-8+ years**
Station development phase	**Project development, funding, and financing**	**Planning Approval and Environmental Documents**	**Design and Right-of-Way**	**Construction**	
Strategic actions to consider	**A central delivery team works closely with stakeholders to help them understand funding processes**	**Pursue a Categorical Exemption** from the California Environmental Quality Act and **petition to expedite National Environmental Policy Act permitting** for SB 671 zero-emission station development **Allow for default approval of local permits when not processed in a timely manner**	**Create model station development process** (zoning and building permits) as appropriate with federal, state, regional, and local partners **Work with the California Public Utilities Commission to expedite electric grid upgrades**	**Take a corridor-approach to batch and sequence station buildout** (e.g., ensure top freight journeys within California are developed first, while also working with border states and countries to build out)	
Potential future timeline	**~6 months to 1 year**	**~6 months to 1 year**	**~6 months to 1 year**	**1-2 years**	**2-5+ years**

Central Delivery Team

Freight infrastructure-focused

State Agency Central Delivery Team

(To be determined by state)

Focus on goods movement and network connectivity

Corridor-specific

Regional leads

(e.g., RTPAs, MPOs, utility representatives, planning departments)

Partner to drive streamlined and standardized process, with local buy-in

Central Delivery Team Actions

IVN = initial viable network

State Agency Central Delivery Team

Regional leads

Cross-agency exercise

Station development phase	Project proposal	Funding awarded	Permitting	Design and Right-of-Way	Construction	On-going
IVN delivery team lead						
Potential central delivery team support to project sponsors	• **Match project sponsors** with most eligible funding source • **Coordinate with utilities** to ensure grid capacity before construction • **Develop workforce training programs** • **Coordinate with local agencies on land use and environmental justice considerations**	• **Proactively notify local leads** of upcoming project pipelines within their jurisdictions	• **Coordinate with municipalities** to batch and streamline permitting • **Assist project sponsors in navigating permitting process**	• **Standardize zoning and design** as much as possible for charging and hydrogen fueling stations, as possible (goal to reduce timeframe by 12-18 months)	• **Monitor buildout and delivery** of charging and fueling stations	• **Develop lessons learned** and cost / development database to inform future build-outs and drive performance improvement

Key Recommendations- Central Delivery Team

- Consider designating one lead group or agency to carry out the functions of the CDT outlined in the Assessment.
- The CDT should identify leads from RTPAs, MPOs, ports, utilities, localities, fleets, state-agencies, and other stakeholders.
- The CDT should develop a process for impacted communities, community-based organizations, equity advocates, public health advocates, tribal nations, environmental advocates, and any other groups identified to be included in zero-emission station location planning and implementation.
- The CDT should work with community colleges and ports to support training, reskilling, and upskilling freight industry workers.

Key Recommendations- Public Funding

- Allocate available public funds, where feasible, to support the build out of the 2035 initial viable network cost. The total cost of $10 to $15 billion will need to be shared between private and public funding and come from all available fund sources.

Key Recommendations- Streamlining ZE Station Development

- Create a Central Delivery Team (CDT) to coordinate and implement SB 671 Assessment recommendations.
- The CDT should create a set of standardized station development models.
- Authorize a statutory exemption from CEQA for zero-emission infrastructure.
- Authorize a default local permit approval for zero-emission stations after a certain timeframe.
- State agencies should continue to work on zero-emission infrastructure planning.

Key Recommendations- Supporting Fleet and Truck Owners

- Create a limited-term truck incentive program for fleets of all sizes.
- Create a truck buy-back program.
- LCFS provision for all MDHD zero-emission stations.
- Explore funding for infrastructure near the California/Mexico border.

Zero-Emission Infrastructure and Freight on a National Level

- March 12, 2024: Biden-Harris Administration announced the ***National Zero-Emission Freight Corridor Strategy.***
- This strategy is meant to guide the deployment of zero-emission medium- and heavy-duty vehicle charging and hydrogen fueling infrastructure from 2024-2040.

Similarities with SB 671 Assessment Recommendations

- Prioritizes a sequenced deployment along key freight corridors
- Collaborative process with government, energy, industry, and community, similarly, to proposed Central Delivery Team actions
- Prioritizing stakeholder and community feedback
- 5 of the Top 6 Corridors (SB 671) included in the Zero-Emission Freight Corridors list for Phase 1 of the National Strategy

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SB 671 Assessment - Next Steps

- CTC Staff continues to meet with Legislative staff about Assessment recommendations with respect to draft legislation

- Continued collaboration with Go-Biz, CEC, CPUC, CARB, and Caltrans on the transition to Zero-Emission Freight
  - CEC's Clean Transportation Program and efforts to identify energy needs
  - GO-Biz ZEV Strategy, State Agency Action Plan, and ZEV Strike Team
  - CPUC efforts on the Freight Infrastructure Plan

- Commission's continued emphasis on funding for medium- and heavy-duty zero-emission vehicle infrastructure in the Trade Corridor Enhancement Program

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