



Federal Legislative Committee Meeting Agenda

January 25, 2024
2:00 p.m. – 3:00 p.m.

Agenda Items

Proposed Action

1. Welcome and Roll Call	
2. Chair's Report	
3. Update on Appropriations	Information
4. Update on PEPRA and 13(c)	Information
5. Discuss Spare Ratio Letter	Discuss
6. Initial Planning Discussions for Federal Lobby Day	Discuss
7. Reminders:	
8. Other Business	
9. Adjourn	



Connecting us.

~~November-January XX, 2024~~2023

The Honorable Theresa Kohler
Associate Administrator, Office of Budget and Policy
Federal Transit Administration
1200 New Jersey Avenue, S.E.
Washington, DC 20590

RE: Federal Transit Administration Spare Ratio Requirements

Administrator Kohler:

On behalf of the California Transit Association, I write to you today to voice our concerns with the Federal Transit Administration's (FTA) spare ratio requirements currently in place for transit agencies. The Association has a membership base of more than 220 organizations, inclusive of 85 transit and rail agency members and all leading original equipment manufacturers, and we have been a key supporter and facilitator of advancing supportive measures and regulations associated with zero-emission technology to further assist transit agencies as they transition to zero-emission vehicles, supporting infrastructure, and technology.

In writing to you today, the Association wishes to communicate our request for FTA to consider added flexibility within current regulations establishing spare ratio requirements. As outlined in FTA's Urbanized Area Formula Program Circular 9030.1E, ~~these current~~ spare ratio regulations state that transit agencies with more than 50 fixed-route revenue vehicles may not have a spare ratio of more than 20 percent of the total number of fixed-route vehicles required for annual maximum service. Transit agencies must adhere to this requirement ~~More specifically, for transit agencies~~ to be eligible for access to FTA 5307 formula funds, ~~these requirements must be adhered to~~. With many of our member agencies facing fiscal cliffs in the near future due to operational shortfalls, maintaining access to federal formula funding is critical. However, because of ~~these operational frequent~~ challenges with the reliability of zero-emission technology, infrastructure, and range, our member agencies risk falling out of compliance with current spare ratio requirements and losing access to these funds.

For context, as a result of the COVID-19 pandemic, transit agencies nationwide saw a drastic decrease in ridership levels, operating revenues, and operator shortages. To adjust accordingly, many of our member agencies responded by first refining, then ultimately reducing, their offered service levels. This temporarily resulted in an overall decrease in operative vehicles during maximum fixed-route service peaks, an increase

in inoperative or “spare” vehicles, and consequently, a spare ratio that exceeded the 20 percent cap. However, as transit agencies continue to rebound from the dip in ridership levels and expand services accordingly, these temporarily retired vehicles will be necessary for accommodating added service lines and increases in ridership numbers and operator retention.

Separately, while there are some agencies that have not felt the operational pressures of reducing service lines, all of our member agencies are certainly familiar with the Innovative Clean Transit Regulation, a state mandate currently placed on the public transit industry requiring a transition to fully zero-emission technology following a specified timeline. However, the range-reliability challenges that limits operators have experienced with newer zero-emission buses (ZEBs) have necessitated procurement of additional buses to effectively maintain service levels while a significant percentage of available buses are refueling. Due to the newness of zero-emission technology, transit agencies have found that there are several unknowns associated with utilizing it, sparking reliability concerns. For example, transit agencies have found that, as many of their early generation ZEBs get older, more discernible technical issues and bugs have emerged that require decoding. Many times, due to certain bugs with the technology, agencies have experienced overnight charging failures in battery-electric buses that necessitate a temporary reliance on compressed natural gas-powered buses. Though useful now, this fail-safe will no longer be an option once California’s transit agencies are fully transitioned to zero-emission vehicles.

Commented [MTS1]: MTS staff would like to recommend taking an approach that highlights reliability issues and infrastructure needs too. Staff recalls FTA pushing back on the range argument. Highlighting the other issues, such as reliability and infrastructure needs, may help bolster the argument.

In addition to general technological reliability concerns, transit agencies also face significant shortages of adequate zero-emission infrastructure across the state. Most notably, in instances of utility shortages, operators are unable to access charging equipment to sufficiently power their vehicles. This rings especially true for agencies managing fleets with more than just a small fraction of ZEBs, as the use of backup generators would prove to be inadequate in powering the entire fleet. In these situations, to avoid interrupting essential services, an ideal solution would be for operators to utilize fully charged spare vehicles. In that same vein, transit operators have also expressed reliability concerns with the relatively short distance that battery-powered vehicles are able to travel between refuels in comparison to compressed natural gas vehicles. To address this issue, an agency might consider acquiring more vehicles to counteract the difference in range capabilities. In order for this to be a viable option, in doing this, it is possible – and may be necessary – for an agency to possess a total number of spare transit buses that exceed federal maximum allowable spare ratio percentage in order to meet daily service needs.

To support agencies effectively addressing these challenges and more without jeopardizing access to 5307 formula funds, the Association requests the FTA develop and implement a flexibility clause for application towards zero-emission transit buses within the current spare ratio requirements. We contend that the 20 percent spare ratio threshold is prohibitive given declines in ridership numbers and the limitations of zero-emission technology, and it does not account for the dramatic changes within the industry that have occurred since the guidance for the Urbanized Area Formula Program was last updated in 2014.

In submitting this letter, the Association appreciates FTA's consideration of our request and looks forward to continuing to partner with FTA to address and realize industry environmental and fleet deployment objectives. If you have any questions regarding our comments, please contact me at michael@caltransit.org or (916) 446-4656 x1034.

Sincerely,

A handwritten signature in cursive script, appearing to read "Michael Pimentel".

Michael Pimentel
Executive Director