

DOCKETED

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**eMotorWerks Comments on Sacramento CalEVIIP LCFS Assignment --
March 22, 2019**

Additional submitted attachment is included below.

March 22, 2019

Vice Chair Janea Scott
California Energy Commission
1516 Ninth Street
Sacramento, CA 95814-5512

RE: Low Carbon Fuel Standard Assignment for Sacramento County Incentive Project
(Docket No. 17-EVI-01)

Dear Vice Chair Scott,

eMotorWerks respectfully submits the following comments on the CALeVIP Sacramento County Incentive Project (CIP), which will offer \$14 million in rebates for purchase and installation of eligible electric vehicle (EV) supply equipment (EVSE). eMotorWerks manufactures and sells Energy Star-certified level 2 (L2) EVSE for residential, commercial, workplace, fleet, and public charging applications and its customers have previously been recipients of CALeVIP funds to support EVSE deployment in Fresno County. We believe that the Sacramento CIP provides an important catalyst for the buildout of essential public EV charging infrastructure in Sacramento County and furthers the CEC's leadership in helping decarbonize California's transportation sector.

eMotorWerks was recently made aware of the Applicant Requirement in the Sacramento CIP Implementation Manual that,

*"To receive an incentive, an applicant must . . . b. Release claim to [Low Carbon Fuel Standard] LCFS dispensed fuel credits to SMUD through acceptance of application terms and conditions. SMUD will register EV chargers with California Air Resources Board to claim LCFS dispensed fuel credits prior to incentive payment."*¹

To our knowledge, this programmatic element was included without the benefit of sufficient public notice for stakeholder comment and input. This Application Requirement as currently written does not provide a reasonable basis to assign LCFS rights to SMUD for non-residential EV charging infrastructure, versus the site host claiming LCFS rights or extending the option for the site host to designate a third-party under the current LCFS Regulation, typically in exchange for consideration from the EV manufacturer or service provider.

While not explicitly outlined in the Implementation Manual, it was described during the March 19, 2019 webinar on the Sacramento CIP that, in exchange for LCFS rights, SMUD is expected to provide additional up-front Sacramento CIP funding and direct reinvestment of a substantial amount of SMUD's LCFS proceeds into Sacramento CIP, as well as prioritized service upgrades to support accelerated EVSE installation and enhanced Sacramento CIP marketing

¹ Implementation Manual for Sacramento County Incentive Project, March 4, 2019, at 16.

<https://calevip.org/sites/default/files/2019-03/implementation-manual-sacramento-county.pdf>

through existing SMUD channels. If such direct support from SMUD is extended, these SMUD-provided benefits could in aggregate justify default assignment of LCFS rights for L2 EVSE.

eMotorWerks notes that SMUD is unique in its position as a geographically-limited Electric Distribution Utility *and* Load Serving Entity, so that it may offer a combination of interconnection and financial assistance to customers. Therefore, eMotorWerks cautions against the precedent that this could set. The CEC should carefully consider the impact that LCFS re-assignment could have on project economics for different market participants engaged in both L2 and DC fast charging EVSE deployment. Until eMotorWerks has reviewed an official proposal including SMUD's substantial commitments to Sacramento CIP, it cannot support mandatory assignment of LCFS rights at this time. We urge the CEC to perform additional analysis and solicit stakeholder feedback on this programmatic element before moving forward with the Sacramento CIP Implementation Manual as written.

We appreciate the consideration of these comments and look forward to the successful implementation of the Sacramento CIP.

Sincerely,

/s/ Marc Monbouquette

Marc Monbouquette
Senior Manager, Regulatory and Government Affairs
eMotorWerks