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TO: California Energy Commission
Commissioner Hochschild
Commissioner Monahan
FR: Momentum
DA: August 9, 2019

RE: 2019-2020 Investment Plan Update for the Clean Transportation Program

Momentum (formerly Grant Farm), is pleased to submit these comments to the Commission in support of the Alternative and Renewable Fuels and Vehicle Technology Program as it transitions into a new era of implementation as the Clean Transportation Program.

Use of Unencumbered Funds: Looking at Tables 3 and 4 of the Investment Plan (below), will the unencumbered funds be allocated under solicitations to be released before the end of 2019 or may some of those funds be allocable in 2020? We would encourage the Commission to work to bifurcate these funding sources so that lessons learned from an earlier solicitation can influence the development of successful solicitations for the future funding source. Many of the Commission's programs have significantly improved through multi-year iterative processes.

Funded Activity	Unencumbered Funds	2019-2020 Funds	Total Remaining Funds
Light-Duty EVSE	\$44.1	\$32.7	\$76.8
MHD ZE Vehicles and Infrastructure	\$-	\$30.0	\$30.0
Hydrogen Refueling Infrastructure	\$23.7	\$20.0	\$43.7
Zero- and Near-Zero-Carbon Fuel Production	\$-	\$10.0	\$10.0
Low Carbon Fuel Production and Supply	\$12.5	\$-	\$12.5
Advanced Freight and Fleet Technologies	\$17.5	\$-	\$17.5
Workforce Development	\$-	\$2.5	\$2.5
Manufacturing / Workforce Development	\$2.5	\$-	\$2.5
Total	\$100.3	\$95.2	\$195.5

EV Blueprint: Will EV Blueprint Phase II Implementation funding come from the EPIC Program or the Clean Transportation Program? What is the timing of the anticipated Phase II Implementation funding for the Port of Long Beach's EV Blueprint?

Pre-Solicitation Workshops: We encourage greater utilization of pre-solicitation workshops for all planned Grant Funding Opportunities (GFO). These workshops are extremely helpful, enabling interested stakeholders and participants to properly plan for and better facilitate projects for these advanced technology deployments. As you know, the majority of the projects funded under the ARFVTP and Clean Transportation Program are very costly and have long planning and implementation horizons. Pre-solicitation workshops enable interested stakeholders to understand those project activities and components which may or may not be eligible for funding in the CEC's future GFO(s) and plan accordingly for pursuing other public funding to leverage into the project. This leveraging would provide greater opportunity to attract federal funding into our state, improving the rate at which our federal tax dollars are reinvested into the California economy, support job creation and buttressing our continued technological advancement.

Encourage continued or expanded funding for hybrid technologies: Looking at the summary of the 54 demonstration projects the Program has supported, those technologies with the fewest investments include off-road hybrids, medium-duty hybrids and PHEVs, and E85 hybrids. Recent demonstrations in the private sector have shown promise for innovative hybrid and plug-in hybrid technologies to achieve incredible fuel savings and correlating emissions reductions, more cost-effectively. We encourage further investment in these hybrid and plug-in hybrid technologies, particularly where they can achieve earlier, cost-effective emissions reductions and energy and fuel savings than full electrification may soon allow, such as in the ports agriculture, forestry, and other heavy industry. Investing in hybrid technologies generally requires conversion of the technology to an electric drivetrain which creates a new pathway for assets to be leveraged into a zero-emission future by replacing the existing power source with other zero-emission gensets as these technologies improve and come down in price.

Support Co-located Hydrogen Facilities: We commend the Commission on the Investment Plan's added "focus on stations that efficiently co-located refueling for medium- and heavy-duty vehicles with light-duty vehicles". Carrying this focus forward to the forthcoming light-duty solicitation will enable leveraging common infrastructure and greater economies of scale. While we do not believe co-location of medium- and heavy-duty hydrogen refueling infrastructure (HRI) with light-duty HRI should be mandated, we do believe co-location should be encouraged wherever feasible and appropriate.

Cost Share Federal Funding: For the forthcoming EVSE investments, we would encourage the Commission to explore avenues to leverage these outlays as cost share for federal funding that is currently under negotiation in Washington D.C. Current reporting states that up to \$3.5 billion in alternative fuel infrastructure funding may become available over the next five years. Utilizing the Commission's annual EVSE outlays as cost share for federal funds could triple or quadruple the maximum investment potential, making our taxpayer dollars go even further toward achieving California's climate and transportation goals. We encourage the Commission to develop a Federal Cost Share Program, similar to that operated under EPIC, that would provide match funding to recipients of federal awards that advance the goals of the Clean Transportation Program. These may include funding sources from the Department of Transportation, Department of Energy, Environmental Protection Agency, and their subparts.

Expand funding for low- and negative-carbon biofuels: We encourage the Commission to expand funding for projects creating low- and negative-carbon biofuels. Investments in biofuels, particularly for localized and regionalized projects such as at dairy farms and agricultural processors, are critical to developing rural economies, addressing key aspects of the state's Short-Lived Climate Pollutant Plan, and managing SB 1383 organics diversion requirements. Most importantly, continued investment in technologies for both production and utilization of low- and negative-carbon biofuels will ensure that the State's historic investments in these technologies are not made to be at risk of becoming stranded asset investments.

Future-proofing California's Workforce: Across each of the proposed Investment Activities, we would encourage the Commission to prioritize investments in projects that advance workforce development and preparedness for future, emerging career pathways. In that stream, we would encourage the Commission to support projects that provide our universities, colleges, community colleges, and technical schools opportunities to participate, operate, and learn about and on these advance technology platforms. Accordingly, we would encourage the Commission to allocate up to half of the funding outlay for Workforce Development (approximately \$2.5MM unencumbered in 2018-2019 and \$2.5MM for 2019-2020) to be used as an enhancement or

plus-up for projects within the other funding bins that incorporate meaningful workforce development efforts.

Disadvantaged Communities: While we strongly support many of the objectives of the Disadvantaged Communities Advisory Group (DACAG), we are concerned that the DACAG proposal to invest 100 percent of Clean Transportation Program funding in Disadvantaged Communities (DAC) results in an aggregation of heavy industry, medium and heavy duty truck traffic, freight routing, and waste infrastructure into disadvantaged communities that oftentimes are DAC as a result of the aggregation of those activities in less affluent communities. We suggest that there are other benefits – job creation, job training, air quality improvements, equitable distribution of economic and environmental benefits – that would make for better metrics of success of CEC investment into DAC. As a company, we oftentimes find ourselves curious as to why truck refueling facilities, fleet management facilities, and waste and bioenergy facilities are dissuaded by existing state policy from locating in high income communities and instead favored for location in communities that are often suffering from historical decisions to aggregate these industries in disadvantaged neighborhoods.