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Tesla Comments - 2020 CALeVIP Projects

Additional submitted attachment is included below.

September 6, 2019

California Energy Commission
Re: Docket No: 17-EVI-01
1516 Ninth Street
Sacramento, CA 95814

RE: Staff Workshops on the 2020 California Electric Vehicle Infrastructure Project

Dear Commissioner Monahan and Energy Commission Staff:

Tesla appreciates the opportunity to provide feedback on the recent workshops hosted by the California Energy Commission (Energy Commission) staff on the proposed program funding amounts and structure for the 2020 California Electric Vehicle Infrastructure Project (CALeVIP).

CALeVIP along with other funding programs in California is an important driver for investment in charging infrastructure across various regions in the state to help close the current infrastructure gap and achieve the goal of 250,000 electric vehicle (EV) charging stations by 2025. For 2020, certain project updates may be necessary to continue to ensure CALeVIP's effectiveness for meeting each regions' EV charging needs. Tesla focuses its comments below on the following recommendations regarding proposed eligibility and requirements for 2020: 1) Low Carbon Fuel Standard (LCFS) crediting, 2) regional incentive projects and 3) workplace and multi-unit dwelling (MUD) charging outreach focus.

I. CALeVIP project participants should not be required to waive the right to LCFS credit claims.

During the workshop, staff outlined potential changes to the incentive design for both direct current fast charging (DCFC) and Level 2 that includes a proposed requirement for participants to waive the right to LCFS credit claims. For Level 2, this is a proposed requirement regardless of location. However, for DCFC this requirement would only be applicable for DCFC under 100kW. While we recognize the need to ensure that funding is available more consistently and to stretch project dollars further by expanding the available funding pool, requiring charging providers to waive the right to LCFS credits is not a sustainable proposition for charging operators. As other stakeholders, including providers of charging infrastructure have previously outlined in comments regarding CALeVIP Sacramento, forfeiting LCFS credits greatly diminishes the value of the CALeVIP program for each applicant and may create a competitive disadvantage limiting potential participation in CALeVIP. By contrast, LCFS funds can enable charging providers to reinvest in their networks ensuring an optimal customer experience for EV drivers. Therefore, Tesla does not support waiving the right to LCFS credits as a project eligibility requirement for both Level 2 and DCFC funding. Tesla is, however, not opposed to project participants voluntarily choosing to waive the rights to LCFS credit claims.

To expand the funding pool for each region and ensure sustainable investments, the Energy Commission should continue to seek partnership opportunities with regional organizations similar to what it is already being done for the 2020 projects. Additionally, continuing to lower the proposed rebate amounts, as Energy Commission staff has proposed for the 2020 rebate amounts, is appropriate as deployment of infrastructure increases and costs are reduced via more streamlined processes. This also serves as another mechanism to ensure that funding remains available for longer periods of time. Finally, the Energy Commission should continue to work with project

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participants, partners and stakeholders to determine alternative strategies for continued infrastructure investment in each region, even after original projects funds are fully allocated.

II. Continuing to develop partnerships for leveraging regional project funding is important.

Tesla is supportive of continuing to develop regional partnerships to leverage funding and the focus within the 2020 funding projects on San Mateo, Santa Clara, San Diego, Sonoma and Mendocino county. While we recognize that regional partners have some level of flexibility in determining project requirements, we urge that project requirements remain as similar as possible across each regional project to eliminate confusion among project participants in various regions. For instance, under the proposed charger limits per site, the Peninsula-Silicon Valley project allows up to 20 Level 2 connectors while San Diego allows only 10. This discrepancy is likely partially due to San Diego allocating only approximately $1.86 million to Level 2 while Peninsula-Silicon Valley plans to allocate approximately $30 million for Level 2. Some level of flexibility may be needed to ensure the effectiveness of each of the regional projects. However, we encourage regions to share potential lessons learned and attempt to coordinate requirements accordingly by working with the Energy Commission to ensure there is consistency across the state.

III. Focusing outreach on MUDs and workplaces continues to be necessary.

MUDs and workplaces continue to be eligible site locations for Level 2 funding, as well as provide an important focus area for ensuring California meets its EV and charging infrastructure needs. While MUDs tend to be more aware of the project funding opportunities, increased focus should be dedicated to raising project awareness for workplaces. Especially in greater Southern California region including San Diego, workplaces appear to be less informed regarding CALeVIP opportunities. Therefore, we encourage partners in these various regions to focus outreach on engaging workplaces, which play an important role in providing charging access and can help encourage daytime charging with potential grid benefits.

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Tesla appreciates the opportunity to provide feedback on the development process for the 2020 CALeVIP projects. Generally, it appears that the 2020 project modifications are moving in the right direction, but we continue to urge staff to consider alternate solutions for leveraging limited funding rather than adding a new requirement for participants to waive the rights to LCFS credits. We look forward to continuing to work with stakeholders and staff as eligibility and requirements for 2020 projects are refined and finalized.

Sincerely,

Francesca Wahl
Senior Policy Advisor, Business Development and Policy