

DOCKETED

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*Comment Received From: California Fuel Cell Partnership - Nico Bouwkamp
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**CaFCP feedback CEC MHD ZEVs and Infra Draft Solicitations
Blueprints_Block Grant Admin**

Additional submitted attachment is included below.



California Fuel Cell Partnership
3300 Industrial Blvd., Suite 1000
West Sacramento, CA 95691
(916) 371-2870

www.cafcp.org
info@cafcp.org

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Katie Herter & Alex Wan
California Energy Commission
1516 9th St
Sacramento, CA 95814

Re: “Blueprints for MD/HD ZEVs and ZEV Infrastructure” and “Block Grant for MD/HD ZEV Infrastructure” (19-TRAN-02)

Dear Ms. Herter & Mr. Wan,

We recognize the substantial effort California Energy Commission (CEC) and the state have put into zero emission vehicle (ZEV) commercialization in California over the years through the Clean Transportation Program (formerly ARFVTP), propelling ZEVs into the marketplace and vehicle user hands. After CEC funded the hydrogen fueling infrastructure for AC Transit’s fuel cell powered transit bus fleet, CEC facilitated the progress towards the AB8 goal of at least 100 retail hydrogen stations for light-duty fuel cell electric vehicles, and we look forward to CEC’s continued lead funding agency role in achieving the milestone of 200 retail stations by 2025¹. In parallel to supporting light-duty ZEV fueling infrastructure, we applaud CEC’s initiative to invest in medium- and heavy-duty ZEV fueling infrastructure strategies and the implementation of this essential infrastructure. Thank you for the opportunity to provide this feedback to the Draft Solicitation Concepts for Medium- and Heavy-Duty Zero-Emission Vehicle Infrastructure Deployments, both the draft Blueprints and Block Grant solicitations.

During the online April 2 workshop, staff requested stakeholder feedback on the concepts presented. The following response addresses the areas identified by California Fuel Cell Partnership’s medium- and heavy-duty fuel cell electric truck industry stakeholders. This feedback starts with high-level feedback applicable to both draft solicitations and the related concepts presented; and is followed by solicitation specific feedback and questions, with the intent to pave the path to success of all ZEV technologies.

1. Both solicitations concepts: Concept of balance

To achieve optimal effectiveness of California’s available investment funds, submitted proposals should include subjective criteria ratings in addition to prescriptive pass/fail criteria, to warrant CEC internal discussion about balanced representation in the areas of:

a) Vehicle technology

Both hydrogen fuel cell- and battery-electric powered electric vehicles provide operational benefits comparable to conventional vehicle technology. Depending upon duty cycles, each has a role to play in this market and awards that properly balance the technology implementation will best suit the state.

¹ Per Executive Order B-48-18: <https://www.ca.gov/archive/gov39/2018/01/26/governor-brown-takes-action-to-increase-zero-emission-vehicles-fund-new-climate-investments/index.html>

b) Scale of project

Mega-size projects will provide concentrated results and lessons learned for involved stakeholders about infrastructure and vehicles, while small projects have the potential to show the majority of truck operators how ZEV technology can be used in their daily business operations. We encourage the CEC to ensure that there is a balance in project sizes in these awards to the benefit of the freight industry overall.

c) Area of the region

Regional or municipal sized regions will allow for area specific stakeholders to work together to develop actionable strategies and implement ZEV fueling infrastructure for defined regions or municipalities, while high-level, overarching strategies and interstate fueling infrastructure facilitates statewide intra-regional or cross state ZEV freight movement corridors. We believe that a balance in local vs. regional vs. statewide coverage of these programs is important.

2. Acceptable projects for the Blueprints solicitation

The general outcomes of this solicitation should be defined or qualified as blueprints or strategies resembling the outcomes of previous CEC funded regional ZEV Readiness projects² or the Port of Long Beach Blueprint³. Based on our observations, the structure and requirements for project partners and outcomes of these projects resulted in actionable outcomes and progressive regional strategies. We believe that if the scope defining a qualifying blueprint project were more detailed, a stronger group of awards is likely. Better definition on the scope of application with respect to technology, location, project size, blueprint deliverables, and timeline could help insure this. Based on past experiences, without such detail in the requirements, and in combination with a first-come-first-served award, we believe this will not result in the quality of programs that the state expects.

3. Project timing for the Blueprints solicitation

We recommend a maximum of 18 months for project length after completion of the contracting process and kick-off of the project, to facilitate for swift implementation of blueprint recommended actions and alignment with ongoing progress in the truck technology development, funding availability, CARB Advanced Clean Trucks regulation, and industry investment planning. Stakeholders will find it beneficial if additional emphasis could be placed by CEC on quick turnaround towards report publication, for example within 3 months after project completion. Without an aggressive timeline, the value of these blueprints will be significantly diminished and will be unlikely to influence state transportation strategies.

4. Selection of the Block Grant Administrator

The selection of the Block Grant Administrator will be critical to ensuring that the \$50M state funds are then distributed in a manner that maximizes value to the state. We believe that the Administrator should be required to demonstrate an effective project selection process that will

² San Luis Obispo Air Pollution Control District. 2019. *Central Coast Go-Zero: Zero Emission Readiness Implementation Plan*. California Energy Commission.: https://storage.googleapis.com/slocleanair-org/images/cms/upload/files/ARV-16-015_FinalReport_withAppendices.pdf and Sacramento Metropolitan Air Quality Management District. 2019. *ZEV Readiness in the Sacramento Region*. <https://zevreadiness.frontierenergy.com/sites/default/files/ZEV-Readiness-Sacramento-Region.pdf>

³ Port of Long Beach, The Green Port. 2019. *Charging Ahead: The Port Community Electric Vehicle Blueprint*.: <https://thehelm.polb.com/download/379/zero-emissions/6769/port-community-electric-vehicle-blueprint-042919.pdf>

insure balanced awards to both FCEV and BEV technologies. The state will only meet its medium- and heavy-duty transportation targets if all sectors and ZEV technologies are considered in these early stage investments in infrastructure.

It is these early investments that allow for operators to make initial technology adoptions before making the commitment to their broader vehicle fleets and operations. Without a balanced investment, one technology or the other will not be enabled to best serve the market or be adopted in a timeline compatible with state goals. We encourage the CEC to either set a requirement for balanced awards, or for the applicants to propose a project selection process that will insure such balance.

Given the importance of selecting a qualified administrator to oversee a \$50M grant program, we recommend that CEC engage stakeholders in further discussion or workshops, as appropriate.

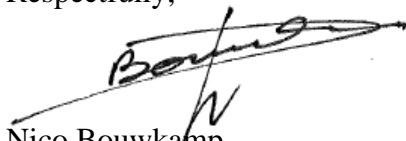
In the context of previous feedback, we submit the following questions, as shared during the webinar:

- How does a first-come, first-served blueprint program allow for balancing project scope (small fleet vs. huge network study) and/or vehicle technology (BEV vs. FCEV)?
- How will CEC warrant quality blueprint outcomes through scoring related to applicant eligibility and applicant quality?
- Based on air districts' track records with administering large investments, CEC should consider regional air districts, individually or collaboratively, as applicants for proposed block grant administration. How could regional air districts be administrators?
- How will a balance be assured between vehicle technology and vehicle category in both solicitations?
- How will the applicants for the blueprints and administration of the block grant show maximization of the related state investments?

These funding initiatives have the potential to facilitate broader hydrogen and electricity fuel applications towards establishing the holistic, decarbonized energy system that California needs.

Thank you for the opportunity to provide feedback to CEC's draft solicitations and the state's ZEV infrastructure funding program activities. We look forward to continuing our collaboration as we work with all stakeholders to achieve the first steps towards self-sustaining on- and off-road medium- and heavy-duty ZEV markets.

Respectfully,



Nico Bouwkamp
Technical Program Manager