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Comment Received From: The Lion Electric Co. Submitted On: 6/18/2020 Docket Number: 19-TRAN-02

## The Lion Electric Co Comments on Drayage Truck Pilot Project

See attachment.

Additional submitted attachment is included below.



Thursday, June 18, 2020

The Lion Electric Co. 4522 Parker Avenue, Suite 350 McClellan Park, CA, 95652

California Air Resources Board 1001 | Street Sacramento, CA 95814

## RE: The Lion Electric Co. Comments on Proposed ARB/CEC Drayage Truck Pilot Program

Dear ARB Staff,

The Lion Electric Co. appreciates the Air Resources Board (ARB) and California Energy Commission (CEC) coordination in developing this proposed program and the opportunity to provide comments. Lion would like to thank both agencies for reducing emissions in California through the deployment of clean transportation technology.

Lion is a leading Original Equipment Manufacturer (OEM) of all-electric vehicles, including zero-emission trucks, school buses, and shuttle buses, with its largest deployments in California. Lion's zero-emission Class 8 trucks can drive up to 250 miles on a single charge to successfully serve drayage truck deployments. Today, there are currently over 300 Lion electric vehicles in operation in North America that have been carrying kids to school every day safely for the last three years, with over six million miles of service provided. We are deeply invested in California with Experience Centers in Sacramento and Los Angeles and over twenty-five full-time employees in the State.

Lion supports this proposed funding concept and efforts to demonstrate large scale deployment of zeroemission trucks in freight operations. This program will help validate and further commercialize the use of zero-emission vehicles in the trucking sector. Within the proposed program, Lion's specific comments include:

Regarding match funding, Lion supports a 25% match funding requirement from applicants. From our experience working with fleets in California and throughout the country, this is necessary to achieve significant and meaningful participation by operators. Additionally, with most larger fleets primarily leasing vehicles, achieving a large-scale vehicle purchase and deployment will be more successful with reduced match requirements. A 25% match funding requirement is significant enough to allow fleets a sense of ownership over their proposed projects and to give them financial responsibility to ensure the success of their grant activities. A match funding requirement higher than this may prove burdensome for many fleets, especially during this time of economic hardship as a result of the COVID-19 pandemic.



The Lion Electric Co.

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Lion also recommends revisiting the match funding once fleets have adopted the electric solution. Based on experience, fleets that see the benefits of electric are more inclined to purchase electric trucks with less incentive funds.

- Lion also supports including scoring criteria that evaluates the vehicle provider's ability to deliver vehicles on-time and that allocates more points for those providers that can demonstrate their previous track record of successfully deploying zero-emission medium- and heavy-duty vehicles in a timely manner. With this program likely to fund major deployments in order to evaluate zero-emission trucks at scale, as well as encumbrance deadlines for the funding, it will be important to evaluate potential awardees on their experience delivering vehicles quickly.
- Lion would like to request clarification regarding the use of investor-owned utility (IOU) program funds such as PG&E's EV Fleet Program, SCE's Charge Ready Program, and SDG&E's MDHD Infrastructure Program. Is it acceptable for applicants to utilize funds from these programs to help offset the infrastructure installation costs associated with this project?

Lion would like to thank CARB and CEC again for its work to date on accelerating the deployment of zeroemission vehicles throughout the state to ensure that all community members have access to sustainable transportation and breathe clean air. As a manufacturer of all-electric zero-emission heavy-duty vehicles, we are proud to support CARB and CEC as you facilitate the transition to a cleaner, healthier California for all. We also thank you for the opportunity to provide input on this proposed program.

We remain available for a digital meeting or phone call to answer any questions. The Lion team looks forward to continuing to work with CARB and CEC into the foreseeable future.

Sincerely,

Nate Baguio Vice President of Sales <u>Nate.baguio@thelionelectric.com</u>

