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# CalETC Comments on 2020-2023 Clean Transportation Program Investment Plan

Additional submitted attachment is included below.



July 6, 2020

California Energy Commission Re: Docket No. 19-ALT-01

Submitted via electronic commenting system for docket 19-ALT-01

Re: Lead Commissioner Report: 2020-2023 Investment Plan Update for the

Clean Transportation Program

The California Electric Transportation Coalition (CalETC) appreciates the opportunity to provide comments in support of the Lead Commissioner Report on the 2020-2023 Investment Plan Update for the Clean Transportation Program. As a member of the Advisory Committee for the Clean Transportation Program, CalETC provided some minimal verbal feedback for the revised Investment Plan on June 19, 2020. This letter is intended to reiterate our support of the direction the Draft Staff Report establishes and the multi-year funding approach, as well as to provide more thorough feedback for consideration by Lead Commissioner Monahan and CEC staff. We also include for the record the June 2020 CalETC White Paper on infrastructure needs and costs to support 5 million light-duty electric vehicles by 2030.

CalETC supports and advocates for the transition to a zero-emission transportation future to spur economic growth, fuel diversity and energy independence, contribute to clean air, and combat climate change. CalETC is a non-profit association committed to the successful introduction and large-scale deployment of all forms of electric transportation. Our Board of Directors includes representatives from: Los Angeles Department of Water and Power, Pacific Gas and Electric, Sacramento Municipal Utility District, San Diego Gas and Electric, Southern California Edison, the Southern California Public Power Authority and the Northern California Power Agency. In addition to electric utilities, our membership also includes major automakers, manufacturers of zero-emission trucks and buses, electric vehicle charging providers, and other industry leaders supporting transportation electrification.

California has goals to deploy 1.5 million zero-emission vehicles (ZEVs) and 250,000 electric vehicle (EV) charging stations, including 10,000 direct current fast chargers (DCFC), by 2025. California also has a goal of deploying 5 million ZEVs by 2030, which will require even further scale-up of the charging infrastructure for EVs. The state currently has about 37,400 public Level 2 charging

<sup>&</sup>lt;sup>1</sup> Former Governor Edmund G. Brown Jr. Executive Order B-16-2012 set the goal of placing 1.5 million zero-emission vehicles on California's roads by 2025. Former Governor Edmund G. Brown's Executive Order B-48-18 set the goal of 250,000 electric vehicle charging stations, including 10,000 DCFC charging stations, by 2025. In addition, the Charge Ahead California Initiative, [SB 1275 (De León), Chapter 530, Statutes of 2014] set the goal of placing 1 million zero- and near-zero-emission vehicles into service on California's roads by 2023.

<sup>&</sup>lt;sup>2</sup> Former Governor Edmund G. Brown Jr. Executive Order B-48-18 set the goal of 5 million zero-emission vehicles on California's roads by 2030.

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stations, and 2,900 public DCFC stations.<sup>3</sup> Based on the <u>CalETC White Paper</u> and as indicated in the Investment Plan, California has a long way to go to meet its ZEV and charging station targets, as well as the air quality and climate change goals underpinning these targets.

Our comments below correspond with the relevant sections in the Draft Staff Report.

## **Executive Summary**

- CalETC appreciates staff's clear recognition that electric vehicle (EV) infrastructure investments currently being made by the utilities, private sector and public sector are insufficient to meet the state's goals. We respectfully request that the Purpose section of the Executive Summary include the need to ensure the state's investments benefit communities of color, disadvantaged communities, low-income communities, rural and/or tribal communities. To the extent the state's investments are aimed at creating good family-supporting jobs in CA, we request that those jobs also benefit the many unemployed and underemployed Californians and those struggling with re-entry following incarceration. In the Executive Summary and in the equity discussion in Chapter 1, we suggest some of the legislation and policy commitments to equity investments be included, e.g. AB 617, (Garcia, 2017), and AB 1550, (Gomez, 2016).
- We suggest the CEC consider delineating investments made in rural and tribal communities in Table ES-1, understanding that rural and tribal communities may overlap with other communities identified. CalETC appreciates the CEC and Commissioner Monahan's commitment to rural and tribal communities as reflected in the makeup of the Advisory Committee and her comments during the Advisory Committee meeting in June.
- As Commissioner Monahan indicated and as our own <u>CalETC White Paper</u> suggests, the manner in which public and private sector investments are made can substantially impact costs. We believe it is essential to consider Level 1 charging, specifically L1 EVSE, and to place a priority on keeping costs of infrastructure and electricity fuel low, particularly in communities of color, low income communities, disadvantaged communities, rural and/or tribal communities. Level 1 charging is a highly effective approach to providing affordable and safe electricity fuel to EV drivers in single-family homes, multi-unit dwellings, and potentially some other long-dwell-time locations. Although Level 1 charging can by no means suffice for all charging needs, and level 2 and DCFC are essential, the CEC should consider some situations where low-cost investment in Level 1 charging may be preferred and beneficial to vulnerable communities with little or no access to affordable charging.

#### Zero-Emission Vehicles and Infrastructure

• CalETC lauds staff's recognition that a convenient, reliable network of public charging stations is essential to ensure that all Californians have access to ZEVs. Further, we agree that additional and increased public funding will be vital to meeting the state's ZEV goals,

<sup>&</sup>lt;sup>3</sup> Data from <u>www.afdc.energy.gov</u>. Accessed on August 7, 2019. This does not include non-public stations or Tesla stations and represents 15,957 public L2 charging *connectors* and 1,624 public DCFC charging *connectors*.

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to ensure equity in accessibility to zero-emission mobility, and to ensure the success of the medium- and heavy-duty zero-emission truck rules that were just adopted by the California Air Resources Board. We support the 2020/21 state budget allocation of \$51 million to the Clean Transportation Program and its use for EV charging infrastructure. As indicated in the Investment Plan, California is well behind on its infrastructure goals, and is falling further behind by the day (see <u>CalETC White Paper</u>). Further, the state goals for infrastructure only go out to 2025 and our White Paper only considers the infrastructure needs and costs for 5 million ZEVs, far less than what the state will need to meet air quality and climate change goals in 2035, 2040 and 2050.<sup>4</sup>

- CalETC supports the CALeVIP program but recommends that the CEC avoid restricting
   CALeVIP to any specific standardization, networking requirements, or labor restrictions,
   other than the existing statutory requirements for all state investments ensuring fair
   wages, Americans with Disabilities Act, SB 454 and other important requirements. Given
   the rapidity at which technologies are advancing and the need to ensure affordable,
   innovative, and disruptive technologies are not disincentivized, we urge the CEC to allow
   for flexibility in CALeVIP in the 2020-2023 timeframe.
- We respectfully suggest that investment in Level 1 charging infrastructure (EVSE not just wall plugs) be considered to expand access to EVs and charging infrastructure for all Californians, including those in communities of color, low income communities, disadvantaged communities, rural and/or tribal communities, for the following reasons:
  - O Public investments in safe Level 1 charging infrastructure is an attractive alternative to support daily charging needs in addition to Level 2 and DCFC infrastructure investments. About half of the EV drivers residing in single family homes with access to off-street parking, charge EVs using Level 1 charging at home. For multiunit dwellings, workplaces and other areas of long-dwell time (8 hours or more), Level 1 charging infrastructure is affordable and has minimal grid impacts.
  - o While DCFC infrastructure is essential to expand the range of battery-electric vehicles, implement more advanced VGI options, and provide an option for EV drivers unable to charge at work or at home, DCFC is a more costly means of charging electric vehicles than Level 1 or Level 2 home, multi-unit dwelling, or workplace charging. The higher costs of DCFC result from higher equipment costs, development costs, utility service costs and operating costs (tariff designs, operations and maintenance, call center, etc.) relative to L1 or L2 infrastructure. While we recognize the importance of investment in DCFC infrastructure, and the need to invest more in DCFC due to its cost and unique benefit relative to L1 and L2<sup>5</sup>, the CEC should not restrict public investment solely to DCFC investment. We

<sup>&</sup>lt;sup>4</sup> E.g.: CARB's early modeling and stated intention to push for 100% ZEV in 2035 (Mobile Source Strategy and also Mary Nichols presentation to the legislature); and ACT targets (both near-term and the 100% in 2045 goal that was in the press release and the resolution)

<sup>&</sup>lt;sup>5</sup> DCFC will be particularly important to serve EV drivers needing away-from-home charging, and rideshare drivers as California begins to implement the Clean Miles Standard in 2023.

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encourage the CEC to consider multiple public investment options to keep electricity fuel affordable for all, particularly for those drivers who have no other option but to access a public charger (including in multi-unit dwellings) and who live in communities of color, low income communities, disadvantaged communities, rural and/or tribal communities.

- o It is imperative that the state's investments are made in such a way as to ensure that residents in multi-unit dwellings, disadvantaged communities, low-income communities, rural and/or tribal communities do not disproportionally face high electricity fuel costs for their vehicle charging, relative to ZEV drivers who live in detached homes with garages or have other easily accessible affordable electricity fuel. DCFC charging should be equally available but not the default charging option for less affluent ZEV drivers.
- CalETC supports staff's recommendation to increase access to eMobility options, particularly in low-income, rural, tribal and/or disadvantaged communities. These mobility solutions may be less costly and require different types of charging infrastructure options, relative to individually owned EVs.
- CalETC supports the Investment Plan focus on light-duty EVs in 2020/21 and increasing funding for medium- and heavy-duty electric vehicle infrastructure, including transit, in 2021 and beyond. However, it is essential that the investment for light-duty electric vehicle infrastructure continue through 2023, and at levels higher than currently included in the Investment Plan, given the state's ambitious goals for ZEVs and the lack of sufficient infrastructure that will likely persist for at least the next 5 years. Substantial investment in medium- and heavy-duty affordable and accessible infrastructure will be needed as OEMs and fleets work to comply with the CARB Transit, ACT, TRU, and other upcoming medium- and heavy-duty electrification mandates in the next 5 years. Additional investment in hydrogen infrastructure will also be key as the funding transitions to include more investment in medium- and heavy-duty electric vehicle infrastructure.

## <u>Alternative Fuel Production and Supply</u>

- CalETC supports the CEC recognition that it is essential to consider the environmental impacts of fuel production facilities. We also support the request from equity advocates to consider environmental implications in the most vulnerable communities in our state.
- We continue to recommend the inclusion of renewable electricity in the alternative fuel
  production and supply allocation. Expanding access to renewable electricity fuel,
  particularly in areas where access to electricity is unreliable or non-existent, such as tribal
  communities referenced in our Advisory Committee meetings, or in low-income and/or
  disadvantaged communities, would result in more equitable access to renewable
  electricity fuel and EVs.
- We support allocating the Alternative Fuel Production and Supply funding in 2020/2021 to Recovery and Reinvestment. However, we have some concerns which are provided below. Further, should this Recovery and Reinvestment funding prove to be successful, we would

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support continuing the investment beyond 2020/21 as it seems likely California will need many years to recover from the social and economic consequences of COVID-19.

## Manufacturing and Workforce Training and Development

- CalETC recommends the Investments in Manufacturing and Workforce Training and Development be coordinated with the Recovery and Reinvestment investments as these investment categories are another essential component to California's recovery from this pandemic-induced recession.
- The Clean Transportation Program investments in ZEV manufacturing have been essential
  to creating and retaining good jobs. CalETC supports staff's recommended investments in
  zero-emission technology manufacturing. While we cannot comment on whether the
  recommended allocation is adequate, we are committed to working with staff and other
  Advisory Committee members to better understand whether the amount and alternating
  year approach to this allocation is enough to recover and accelerate ZEV manufacturing
  and workforce training and development.

### Recovery and Reinvestment

- While CalETC supports the Recovery and Reinvestment efforts by the CEC, we are concerned that this may not be the best use of Clean Transportation Program Funds for the following reasons:
  - o Other successful programs funded by the Clean Transportation Program are oversubscribed and have been very beneficial in vulnerable communities.
  - o The current budget of \$10 million is vastly insufficient to make a substantial difference in California's current economic recession. This \$10 million may be better spent by ensuring that oversubscribed shovel-ready ZEV infrastructure programs funded by the Clean Transportation Program are augmented, and that the jobs already created are preserved.
  - We suggest the full \$10 million should fund EV charging infrastructure projects to help close the gap in infrastructure accessibility identified by the CEC and others in support of a growing population of light,- medium- and heavy-duty ZEVs.

## School Bus Replacement Program

CalETC strongly supports the \$14 million allocation to provide the necessary charging
infrastructure to operate zero-emission school buses funded through Proposition 39. This
kind of partnership in funding, recognizing the necessity for charging infrastructure to
support zero-emission school buses, is an excellent example of coordination across state
agencies to meet challenging state goals.

California Energy Commission, Docket No. 19-ALT-01 July 6, 2020

Re: Lead Commissioner Report: 2020-2023 Investment Plan Update for the Clean Transportation Program

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Thank you for your consideration of our comments. Please do not hesitate to contact me at (916) 551-1943 or <a href="mailto:eileen@caletc.com">eileen@caletc.com</a> should you have any questions.

Sincerely,

Eileen Wenger Tutt, Executive Director California Electric Transportation Coalition