

**DOCKETED**

<b>Docket Number:</b>	21-TRAN-03
<b>Project Title:</b>	Zero Emission Vehicle Infrastructure Barriers and Opportunities
<b>TN #:</b>	241422
<b>Document Title:</b>	Prologis Comments - ZEV infrastructure planning should include real estate owners, warehouses
<b>Description:</b>	N/A
<b>Filer:</b>	System
<b>Organization:</b>	Prologis/Alexis Moch
<b>Submitter Role:</b>	Public
<b>Submission Date:</b>	2/4/2022 4:19:17 PM
<b>Docketed Date:</b>	2/4/2022

*Comment Received From: Alexis Moch  
Submitted On: 2/4/2022  
Docket Number: 21-TRAN-03*

**ZEV infrastructure planning should include real estate owners,  
warehouses**

*Additional submitted attachment is included below.*

February 4, 2022

Madison Jarvis  
California Energy Commission  
Docket Unit, MS-4  
Docket No. 21-TRAN-03  
715 P Street  
Sacramento, California 95814

**RE: Comments on the January 20, 2022 Workshop regarding the Zero-Emission Vehicle Infrastructure Plan**

Dear Ms. Jarvis:

Thank you for the opportunity to comment on the development of the Zero-Emission Vehicle Infrastructure Plan (ZIP). We are excited to participate in this discussion. In particular, as you develop the ZIP, we encourage the California Energy Commission (CEC) and its sister agencies to include real estate owners as key stakeholders and partners in the State's zero emission vehicle (ZEV) infrastructure efforts, and to focus on warehouses and intervals in between warehouses and other goods movement facilities as optimal locations for electric vehicle (EV) charging and hydrogen refueling infrastructure. We also hope that you will fully evaluate and support solutions to overcome common barriers, including deploying integrated energy solutions with solar and storage associated with EV charging.

**About Prologis, Inc.**

Headquartered in San Francisco, CA, Prologis, Inc. is the world's leading owner, operator, and developer of industrial real estate, focused on global and regional markets across the United States (U.S.), the Americas, Europe, and Asia. The company also leases modern distribution facilities to customers, which include manufacturers, retailers, transportation companies, third-party logistics providers, and other enterprises.

Prologis is also the world's leader in logistics real estate solutions, with a U.S. footprint covering approximately 609 million square feet of warehouses and distribution centers in about 2,967 buildings in 21 states. California is our largest market, where our portfolio includes close to 150 million square feet of space. These assets are an essential link in the flow of products throughout the country, with over \$1.3 trillion worth of goods flowing through Prologis' American distribution centers each year. This accounts for 30% of all goods shipped throughout the country and more than 6% of U.S. GDP across a wide variety of product categories, including food and beverage, apparel, electronics, medical supplies and pharmaceuticals, building and transportation supplies, and automotive supplies. Further, Prologis and its customers contribute roughly \$36 billion to the U.S. tax base every year.

In addition to providing exceptional service to its customers, Prologis distinguishes itself by working closely with each community in which it operates to ensure sustainable development, develop workforce solutions for the next generation of talent for the logistics industry, and provide environmental stewardship and leadership. We are committed to being a national leader in the rollout of EV charging stations and providing enabling infrastructure to support Governor Newsom's Executive Order N-79-20 to transition light-duty and heavy-duty vehicles to ZEVs.

Our commitment to being a part of the solution for the clean energy economy is not new. Prologis' rooftop solar installations are a brand differentiator and place us third for on-site solar capacity among U.S. companies. We currently have 269 megawatts (MW) of solar generating capacity installed across our portfolio, with a goal of 400 MW by 2025. By staying ahead of what's next, Prologis is helping California shape the next generation of American infrastructure and commerce.

With Prologis' sizeable footprint in the State and our work on the frontlines of the growth and management of e-commerce and supply chain management, we are interested in partnerships with the government to advance workforce development opportunities, particularly in disadvantaged and low-income communities, help meet the challenge of climate change by expanding our solar and storage investments, and accelerate deployment of EV charging stations to serve medium- and heavy-duty vehicle fleets.

### **California ZIP Planning Should Include Real Estate Owners as Key Stakeholders**

Prologis believes the electrification of logistics fleets is critical to the future of commerce. As such, we are committing our talent and capital to advance this capability and offer new solutions for customers across the State. We hope to collaborate at the state and local level to help achieve a quick and effective deployment of ZEV infrastructure for medium- and heavy-duty vehicles across California that builds on existing logistics networks and works in concert with community partners to advance State objectives.

Real estate owners like Prologis can serve as key enablers of the State's transportation electrification objectives by enabling coordinated, planned, and more rapid expansion of ZEV infrastructure needed to support the electrification of light-, medium-, and heavy-duty vehicles in the State. We encourage the CEC – along with its grant administrators and sister agencies including the California Air Resources Board (CARB), Governor's Office of Economic and Business Development (GO-Biz), the California State Transportation Agency (CalSTA), Caltrans, and California Public Utilities Commission (CPUC), among others – to consider real estate owners as key partners in accelerating ZEV market development.

### **California's ZIP Planning Should Focus on and Prioritize Warehouses as Optimal Locations for Workplace Charging and Medium- and Heavy-Duty Vehicle Infrastructure**

Warehouses and distribution centers are a critical element of California's flourishing goods movement industry, which according to the Southern California Association of Governments (SCAG), supports 37 percent of all jobs in Southern California. These sites attract a large and wide array of employees and therefore offer attractive locations for workplace charging that may be highly utilized and able to serve a wide range of residents. In California, Prologis and its customers employ roughly 144,008 individuals under our roofs across 780 facilities.

Warehouses, and intervals in between warehouses and other goods movement facilities, also offer the most convenient and lowest impact location for medium- and heavy-duty fleet charging, with the least deviation from scheduled routes and duty cycles. Many of our customers and their partners are planning rapid transitions to electric or fuel cell trucks, due to their own climate initiatives, state incentives, and forthcoming regulations at a regional and statewide level. EV charging or hydrogen refueling at or near warehouses provides an attractive and convenient solution for many of our customers and fleets serving them, including drayage trucks.

## **California’s ZIP Planning Should Support Integrated and Resilient Energy Solutions, Including Solar and Storage**

We also encourage the ZIP to evaluate integrated energy solutions that can support effective grid integration and resiliency for EV charging in the face of potential grid challenges, including public safety power shutoffs. In particular, pairing EV charging with on-site solar and energy storage can help alleviate grid impacts and associated demand charges from EV charging, while providing a buffer against potential grid disruptions. We hope that the ZIP will highlight this promising opportunity and advance solutions to further enable it.

Again, real estate owners and warehouses in particular are uniquely capable of enabling these integrated solutions. Warehouses provide abundant roof space for solar installations and can support battery installations to better integrate solar generation and EV charging into the grid. Large-scale, distributed solar on warehouses and distribution centers provides an important opportunity to accelerate California’s clean energy goals and increase grid capacity and reliability in the near-term.

## **California’s ZIP Planning Should Support Optimal ZEV Infrastructure Deployment, Carefully Evaluate Barriers and Identify Strategies to Overcome Them**

We encourage the CEC to use the ZIP to prioritize optimal ZEV infrastructure deployment that can serve the greatest number of vehicles at the lowest public cost, especially in disadvantaged and low-income communities. This requires leveraging private sector investment and collaboration with stakeholders, including industrial real estate owners, to accelerate deployment of ZEV infrastructure to support light-, medium-, and heavy-duty vehicles and fleets. We urge the CEC to carefully evaluate opportunities and tradeoffs among infrastructure solutions (for example, in terms of relative CO<sub>2</sub> abatement costs) before identifying incentive allocations or other priorities among market segments or technologies.

We appreciate that the draft outline includes a focus on “common barriers” and encourage the CEC to fully explore barriers and potential solutions to them. Our primary suggestion to overcome barriers to medium- and heavy-duty fleet ZEV infrastructure is to actively engage real estate owners and prioritize ZEV infrastructure at or near warehouses, accordingly. We also encourage the CEC to identify gaps in infrastructure and funding, including potential discrepancies between infrastructure in various utility jurisdictions, and support projects that can help close those gaps.

## **Conclusion**

As one of the largest industrial real estate owners in California and the world, Prologis and our customers are uniquely positioned to advance California’s transportation electrification goals. We look forward to partnering with the CEC and other agencies and stakeholder to advance the State’s priorities around transportation electrification, climate change, air quality, and equity.

Thank you, again, for the opportunity to comment on the ZIP. Please do not hesitate to reach out to us with any questions you may have about these comments or Prologis’ capabilities to support the State’s climate and transportation electrification goals.

## CONTACT

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