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California Energy Commission
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CC:

California Public Utilities Commission Energy Division
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VIA EMAIL

Re: Comments on 2022-2023 the Clean Transportation Investment Plan

Dear Lead Commissioner Monahan and Members of the Commissioner:

On behalf of the Disadvantaged Communities Advisory Group (DACAG), we submit these comments on the Clean Transportation Investment Plan. As you are well aware, the DACAG has been extensively engaged in prior iterations of this plan for many years. We appreciate the CEC staff listening to us and seeking to incorporate our comments. This current investment plan provides an extraordinary opportunity not only to advance zero-emissions transportation, but also to do so in a way that benefits disadvantaged communities. We provide the following suggestions to the Commission as it finalizes the report and implements it.

- Continued focus on zero-emissions – The DACAG has consistently promoted the need to focus as much investments, if not all, on programs to advance zero-emissions transportation. We appreciate the continued focus of this plan and prior plans to shift towards this focus. The shift to zero-emissions in all forms of vehicles is critical to protecting the health of all Californians, but particularly critical to protect the health of disadvantaged communities. We appreciate the continued focus on this, and we look forward to seeing more and more projects roll out to provide infrastructure for vehicles large and small to electrify.

- Use National Electric Vehicle Formula Funds on Medium and Heavy-Duty Charging – The Revised Draft Plan notes the following, "[t]he [NEVI] deployment plan focuses on investments in light-duty vehicle charging infrastructure and will consider projects that can also accommodate medium- and heavy-duty charging infrastructure."[1] With $384 million in NEVI formula funds, our estimate is there will be more than $100 million for projects beyond light-duty charging projects. We urge the Commission to start spending these NEVI formula funds now on publicly available medium- and heavy-duty charging. There is such a need in this space, and NEVI can provide important near-term catalyst for projects. Waiting until all the light-duty projects are funding to move to funding medium- and heavy-duty projects makes no sense given the paucity of publicly available charging.

[1] Revised Draft Plan, at 39.

• Hydrogen Investment and Program Adaptive Management – The DACAG recommends conducting equity, economic, and carbon lifecycle analysis on hydrogen transportation investments as they are designed and after they are implemented, to ensure lowest pollution profiles, relative affordability (vs. electrification solutions), and optimized use of hydrogen (for example, in areas where electrified transportation is not feasible and/or less affordable than hydrogen). The DACAG further recommends exclusive use of green hydrogen (defined as hydrogen produced with electrolysis using clean, non-combustion energy sources for production processes) across all investments and programs. We appreciate the Revised Draft Plan recognizing the prevalence of "book and claim" for methane related to Hydrogen production in the Low Carbon Fuel Standard program.[2] We encourage the Commission to show leadership and not allow gimmicks like "book and claim" that make fossil fuel derived Hydrogen appear green. This plan should not invest in projects that rely on "book and claim."

• Ensure Equitable Distribution of Charging – We are appreciative of the significant work the Commission has put in to advance equity in charging infrastructure, particularly for light-duty vehicles. We suggest the plan be consistent with the findings of the AB 2127 report, which identified a continued need to ensure equitable infrastructure deployments. This will mean continued focus on charging and other zero-emissions investments for the benefit of disadvantaged communities. We also suggest the funding continue to go to prioritize infrastructure in places that have lagged in charging deployment (e.g. multi-unit dwellings).

• Resources for Cities, Counties and Agencies – We remain concerned that cities, counties, agencies, and tribal governments throughout California have staff that are stretched too thin to achieve this necessary zero-emissions vision. We recommend exploring how these funds can help overcome these capacity barriers. We believe a good guiding post would be to focus resources on these capacity issues in cities, counties, and agencies to benefit communities identified through the AB 617 process. These types of investments could hasten the deployment of zero-emission vehicles by helping to alleviate delays in the process of permitting and planning for zero-emissions. We recommend making sure public dollars do not just go to entities that can afford to hire expensive consulting firms to put together their applications. In addition, these capacity enhancing resources should be allocated to overcome barriers across vehicles sectors from light-duty to heavy-duty.

• Provide Significant Investments to Public Agencies – While we recognize private entities will necessarily receive significant funding under this program, the Commission should promote boosting investment for public agencies. School districts and other municipal entities are prime entities to move to zero-emissions. And, many of these agencies can provide discreet and concrete benefits to disadvantaged communities.

[2] Revised Draft Plan, at 57.

• Offroad Equipment – We continue to remain concerned that offroad equipment (ie locomotives, cargo equipment, etc) is imposing immense harm on disadvantaged communities through high levels of pollution. In addition, these sectors remain well behind other sectors in advancing zero-emissions solutions. To the extent permitted by law, we recommend the Commission identify how to use these funds and coordinate with other agencies to push forward zero-emission solutions in the offroad sector with a particular focus on large facilities impacting disadvantaged communities (e.g. railyards). Also, we encourage the Commission to use funding for Ports to push our seaports to advance zero-emissions in a broad range of equipment (e.g. commercial harborcraft, cargo-handling equipment, locomotives, and shipping). We appreciate that there will be funding if future years for "emerging opportunities,"[3] but we encourage a focus on electrification in these sectors in this year funding allocation if possible.

• Define Benefits More Effectively – We remain concerned that some of the projects to invest in "clean" fuel deployments may not be providing benefits to disadvantaged communities. We suggest the Commission incorporate the content of the DACAG's equity framework to inform the definition of benefits in a way that will mean emissions reductions because many fuel projects actually do not reduce emissions in the communities where the fuel is produced.

• Workforce Training and Development – We encourage staff to consider greater support for workplace development and training specifically for workers and job seekers in disadvantaged communities, including standards for investments and an evaluation process for those investments to track the number and quality of jobs created. In addition, we encourage staff to seek opportunities to address job quality and job access to clean energy sector jobs with living wages, within those communities.

• Work with DACAG on Program Design – We encourage the Commission to continue to work with DACAG as it implements programs to ensure more equity. We are pleased to see the Commission Staff will be releasing its pilot version of the benefits framework by the end of 2023.[4]

Many of these comments were raised in past iterations of the investment plan, and we continue to remain concerned that these issues be addressed. We appreciate your consideration of these comments, and we look forward to continued work with the Commission on this vital program.

Sincerely,
The Disadvantaged Communities Advisory Group

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[3] Revised Draft Investment Plan, at 63.
[4] Revised Draft Investment Plan, at 25.