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Comment Received From: Adrian Martinez
Submitted On: 11/28/2023
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Comments on Revised Draft Funding Plan

Please find attached letter.

Additional submitted attachment is included below.



November 28, 2022

California Energy Commission
715 P Street
Sacramento, CA 95814

Re: 23-ALT-01 and Advisory Committee Meeting

Dear Lead Commissioner Monahan and Members of the Energy Commission:

On behalf of Earthjustice, we submit comments on the 2023-2024 Investment Plan Update for Clean Transportation. Overall, we are pleased to see the California Energy Commission continue with these historic investments in zero-emission transportation. If wisely spent, these could have major benefits towards our zero-emission future. The following bullets provide some additional suggestions as the Commission moves forward into implementation and finalization of this plan. The following bullets provide some comments on the Revised Draft Plan.

- **Continued Focus on Zero-Emissions Transportation is Critical** – We appreciate the continued focus of the plan on zero-emission solutions. It is critical that the Energy Commission keep up its focus on zero-emissions and a particular focus on electrification of transportation.
- **Address Great Needs at Large School Districts** – The funding plan includes significant electric school bus infrastructure funding via Proposition 98. This funding must address the fact that some large school districts like Los Angeles Unified School District (“LAUSD”) are not poised to receive their fair share of funding for electric school buses. We need the Energy Commission to address needs in a different way than is currently done – i.e. on a first come, first serve basis where school districts regardless of size are capped in investments. Clearly, there is a need to go big on electric school buses at LAUSD as one of the largest school districts in the country, in the most ozone choked area of the country, and transporting amongst the largest population of students in Disadvantaged Communities in the country. We encourage the Commission to figure out how it can help hasten the deployment of hundreds of electric buses and associated infrastructure at entities like LAUSD in the next 2-3 years. One approach that should be considered is creating a funding program aimed at supporting larger scale deployments (e.g. electrifying yards with 150+ school buses). This type of funding opportunity is different and will provide desperately needed information on how large scale deployments could happen.
- **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, there will be more than \$100 million for projects outside of light-duty. We urge the Commission to start spending these NEVI formula funds now on publicly available medium- and heavy-duty charging. NEVI could provide important near-term catalyst for truck charging projects. Waiting years to use this funding for medium- and heavy-duty projects makes no sense given the paucity of publicly available truck charging.

- **The Plan Should Limit Hydrogen Funding to Zero-Emission, Green Hydrogen and Eliminate Support for “Book and Claim” Hydrogen Projects.** As CEC staff point out, “clean hydrogen production in California is nearly non-existent.”² This unfortunate reality is masked by the fact that California has allowed “book and claim” of biomethane – often from equally polluting and unjust sources – to “offset” the increased production of fossil-methane derived hydrogen near refineries.

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.³ 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.” To meet the CEC’s requirement to dispense fuel with at least 33 percent renewable content. We urge the CEC to use the Funding Plan as a bulwark against the perverse outcome of allowing fossil hydrogen paired with “junk offsets” to “blow up the competitiveness of electrolytic green hydrogen.”⁴ We urge the CEC to use the Funding Plan as a bulwark against this perverse outcome. The CEC can do so by explicitly requiring that any funded projects rely exclusively on zero-emission, green hydrogen as defined by SB 1505.

- **Offroad Equipment** - With funding in the offroad sector, we encourage the Commission to pay special attention to addressing the myriad toxic hotspots that the freight industry has created in California. Coupling investments with agencies like the California Air Resources Board, which is implementing AB 617, could be a good strategy to providing relief to communities that are hard hit by freight pollution.
- **Port Funds** – We encourage the Commission to engage community stakeholders in ensuring funds to clean up Port equipment is used wisely. Port authorities have become experts at green public relations – even as they continue to fall behind in

¹ Revised Draft Plan, at 39.

² CEC, Public Meeting of the Advisory Committee for the Clean Transportation Program Investment Plan (Nov. 14, 2023)

<https://efiling.energy.ca.gov/GetDocument.aspx?tn=253085&DocumentContentId=88288>.

³ Revised Draft Plan, at 57.

⁴ Jeff St. John, “The Biomethane Boondoggle that Could Derail Clean Hydrogen” (Sept. 11, 2023) <https://www.canarymedia.com/articles/hydrogen/the-biomethane-boondoggle-that-could-derail-clean-hydrogen>.

advancing zero-emissions in many parts of port operations. We need the Commission to work with community advocates to push port authorities to advance clean up in harder sectors like shipping, commercial harborcraft, and locomotives. It is important that the Commission not solely rely on community outreach from port authorities in developing programs to use port related funds.

- **Electric Refuse Trucks** - We encourage programs to electrify refuse trucks through this investment plan. The Commission should develop a companion program to the California Air Resources Board's effort to increase the number of zero-emission refuse trucks in California.⁵ Investments in refuse trucks will allow the Commission to bring electric vehicles to virtually every neighborhood in California, which could also advance equity in investments. Finally, these are good investments as they can be targeted towards public agencies like sanitation departments, which is a direct investment in California government.

We appreciate your consideration of these comments, and we look forward to working with the Commission on program implementation.

Sincerely,

Adrian Martinez
Deputy Managing Attorney

⁵ CARB, Proposed 2022-2023 Transportation Investment Plan, at p. 23, *available at* https://ww2.arb.ca.gov/sites/default/files/2022-10/proposed_fy2022_23_funding_plan_final.pdf.