

DOCKETED

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**Walmart Comments - Walmart California Ports-Focused RFI
Response**

Additional submitted attachment is included below.

Request for Information:

The CEC is accepting public comments under this RFI to inform project ideas and considerations for the Zero-Emission Medium- and Heavy-Duty Drayage Infrastructure Program application with the intent of reflecting stakeholder needs and priorities. The guidelines for the [Corridor Program](#) are available online.⁹ Responses to this RFI **will be publicly available**.

This RFI seeks feedback on the following questions. (You need only to answer questions applicable to you or your organization.)

1. Please disclose your business type and vehicle class, if applicable. Are you a driver, fleet operator, truck stop operator, charging and/or hydrogen fueling provider, installer, manufacturer, utility, public agency, or other? Are you part of a small, veteran-owned, woman-owned, or minority-owned business?

Walmart operates more than 10,500 stores and numerous eCommerce websites in 19 countries. We employ 2.1 million associates around the world — nearly 1.6 million in the U.S. alone. Over our 17-year history of embedding sustainability in how we do business, Walmart has harnessed the efficient operation of our best-in-class fleet to reduce our emissions footprint. Through innovating various operational practices, we previously reported that Walmart improved fuel efficiency by 11%, avoided 87,000 MTCO_{2e} and saved \$140 million in costs.¹ In 2020, we announced a goal to achieve zero emissions across our operations by 2040. This means shifting our nearly 10,000 vehicle, on-road transportation fleet composed of yard trucks, day cabs, cargo vans and long-haul tractors, to zero-emissions technology. To meet the unique challenge, Walmart is supportive of charging and fueling infrastructure that can meet the operational needs of the heavy-duty over-the-road commercial fleet industry.

Walmart is large, big box retailer. We own and operate a private heavy-duty Over-the-Road Class 8 fleet, and also contract with third-party logistics companies to supplement our private fleet. Walmart has targeted 2040 to transition our own fleet of vehicles to zero emissions and encourage our third-party logistics partners to also transition their vehicles to zero emissions.

2. The purpose of this RFI is to help inform the CEC's application to the Federal Highway Administration (FHWA) for federal funding. If awarded, the CEC will release a competitive grant funding solicitation to provide funding to end recipients who would develop and construct the zero-emission MDHD infrastructure. **Would you consider applying for CFI grant funding for site development if the CEC is awarded funding?**

Walmart has established a goal of transitioning our trucking fleet to zero emissions while continuing to deliver everyday low prices to our customers to help them save money and live better. In pursuit of that mission, we leave no stone unturned; if the California Energy Commission presented a partnership model that we concluded would help Walmart meet its goal of achieving zero emissions and help our customers save money and live better, we would explore participation.

¹ <https://corporate.walmart.com/content/dam/corporate/documents/purpose/environmental-social-and-governance-report-archive/walmart-2019-esg-report.pdf>

3. Do you already operate or plan to use zero-emission MDHD vehicles in the next five years? Please use a 1-5 rating scale where 1= least likely and 5= most likely. Please add additional information regarding your (planned) use of zero-emission MDHD vehicles as desired.

Yes. 5=most likely. Walmart has targeted zero emissions across global operations by 2040. This includes the Heavy-Duty Over-the-Road Class 8 vehicles in our private fleet.

6. What distance should separate stations to support zero-emission drayage truck activities around California ports? Provide a description of a typical route or use case considered when making this recommendation. Describe the vehicle class and vocation if it differs from the information provided in question 1.

The distance between heavy duty charging stations will be dependent on several factors, including:

- Daily port volume (# of BEVs entering and exiting the port per day)
- Average distance travelled from port to destination
- Number of daily trips per BEV
- Route incline
- Traffic conditions
- Highway miles vs city miles along a route
- Weather conditions that may impact battery range, including temperature, precipitation, and wind

For the Ports of Long Beach and Los Angeles to the eastern end of the Inland Empire, for example, a one-way trip can be up to 80 miles. Given the high number of variables and factors identified along this route, it is recommended that charging stations be:

- highly clustered in and around the port itself
- highly clustered in and around destinations that have a high density of distribution centers and/or HD truck domiciles

While additional stations 10-20 miles apart along major Alternative Fuel Corridors (AFCs) between the ports and destinations would allow for opportunity/emergency charging, they are not as critical as the depot and destination charging to the operation of an electric heavy-duty fleet.

We recognize that finding suitable/affordable real estate for charging stations is a potential barrier to heavy-duty fleet electrification goals, and we recommend that CEC work closely with existing warehouse owners/operators to ensure that the existing facilities on private parcels, which already serve as destinations for heavy-duty trucks on a daily basis, will be able to host charging stations that are open to authorized commercial motor vehicle operators from more than one company.

We believe that placing truck charging infrastructure at existing warehouses that are already serving as truck destinations could result in unique benefits, including enabling electric trucks to refuel without additional stops or mileage, thereby facilitating lower trucking costs in the South Coast basin.

As more specific sites are identified, it will be important for CEC to maintain ongoing dialogue from fleet operators and charging as a service providers so that feasible and sustainable business models are developed with CFI funding. Such models, such as allowing for anchor tenants, will be crucial for the success of heavy-duty fleet electrification and the long-term viability of the industry.

To this end, it is recommended that CEC interpret the definition of 'publicly accessible' as to include sites that are open to authorized commercial motor vehicle operators from more than one company—consistent with Paragraph (2) under the Highway Infrastructure Program heading in Title VIII of division J of the Bipartisan Infrastructure Law. Strategic consideration for commercial motor vehicle operators is essential to ensure they can plan effectively (and with reasonable certainty); this is the only way commercial fleet operators can successfully transition to ZE technology without an insurmountable disruption to business as usual.

7. If possible, provide any general cost estimates for MDHD charging and/or hydrogen fueling stations you have designed, built, or have experience with, including charger power levels and number of stations installed. Please provide a range of public cost-share as a percentage of the total project cost necessary to support more public charging stations to serve zero-emission trucks along drayage corridors. For example, should the publicly funded cost share be 50% CEC/federal and 50% private/other?

Unable to share. The requested costs constitute business sensitive information.

8. Use the maps in the "**Corridor Segments**" section to identify areas where you expect to need zero-emission truck infrastructure in the next three years (2024-2027). These Corridors have been selected to align with the [National Zero-Emission Freight Corridor Strategy](#), the California Transportation Commission's [SB 671 Clean Freight Assessment](#) and to complement California, Washington and Oregon's [Tri-state application](#).

The following areas have been identified as requiring electric chargers with a minimum of 350 kW and capable of utilizing megawatt charging levels in the future.

Stockton Corridor

- Areas with a high density of distribution centers within the greater Sacramento area
- Hub serving the intersection of Hwy 174 and I-80 near Colfax, CA (within 5 miles of AFC)
- Hub serving the intersections of Hwys 89 & 267 and I-80 near Truckee, CA (within 5 miles of AFC)
- *Depending on exact site location, additional sites may be needed to meet demand and/or a required max-50 mile distance between sites. Additional locations could include sites near Roseville, Newcastle, Auburn, and Yuba Pass (within 5 miles of AFC).
- Areas with a high density of distribution centers within the greater Stockton area

Ports of Los Angeles and Long Beach Corridor

- Areas with a high density of distribution centers near South Gate, CA
- Areas with a high density of distribution centers near Ontario, CA
- Areas with a high density of distribution centers near Jurupa Valley, CA
- Areas with a high density of distribution centers near Eastvale, CA
- Areas with a high density of distribution centers near Chino, CA
- Areas with a high density of distribution centers near Riverside, CA
- Areas with a high density of distribution centers near Colton, CA
- Areas with a high density of distribution centers near Perris, CA
- Areas with a high density of distribution centers near Fontana, CA
- Areas with a high density of distribution centers near Gardena, CA

In addition to Corridor Segments associated with the California Ports focus, Walmart is also in support of the Tri-state I-5 application. Sites located in the following areas along the corridor should be considered:

- Red Bluff, CA
- Shafter, CA
- Sumner, WA

c. Identify any corridor segments you think should be considered that have not been included and how they align with the [National Zero-Emission Freight Corridor Strategy](#).

As noted above, depot and destination charging infrastructure are far more critical to cost effective goods movement via electric trucks than enroute charging; as such, we encourage the CEC to define and consider charging corridors wholistically, inclusive of the charging infrastructure opportunities on private property at the primary points of origin and destination for the goods being moved. Destinations for goods, in particular, often serve as the destination for goods coming from multiple points of origin via multiple different corridors, and charging infrastructure at these destinations often serves the needs of multiple corridors at once.

In addition to I-5, it is recommended that CEC also advance the electrification of the heavily trafficked commercial corridor SR-99 between Turlock and Grapevine. SR-99 is included in the National Zero-Emission Freight Corridor Strategy in Phases 1-3.

The key destinations for goods transported along SR-99 also often serve as destinations for goods transported along I-5; a wholistic consideration of corridors that includes goods movement destinations represents a path forward where infrastructure investments are able to serve the charging needs of vehicles travelling along both of these critically important Central Valley Goods movement corridors.