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Comment Received From: Marissa Wu

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The Greenlining Institute Comments on 24-25 CTP Updated Draft

Additional submitted attachment is included below.



October 22, 2024

California Energy Commission 715 P Street Sacramento, CA 95814

Submitted electronically

Re: Docket 24-ALT-01 (2024-2025 Investment Plan Update for the Clean Transportation Program)

Introduction and Summary of Recommendations

The Greenlining Institute ("Greenlining"), works toward a future where communities of color can build wealth, live in healthy places filled with economic opportunity, and are ready to meet the challenges posed by climate change. We greatly appreciate the opportunity to submit comments to the California Energy Commission (CEC) to guide the development of the 2024-2025 investment plan.

We appreciate CEC staff's hard work updating the draft investment plan. We support CEC's investments into battery electric vehicles and have continued concerns with CEC's proposed hydrogen investments. We make the following recommendations, as summarized:

- 1. Funding needs to address extant equity gaps by targeting investments in disadvantaged communities and prioritizing medium- and heavy-duty electrification.
- 2. Workforce development strategy should be coordinated across agencies and with labor and community partners, as well as informed by definitive data analysis on clean energy and clean transportation workforce gaps.
- 3. Labor standards should be incorporated into program requirements.
- 4. Hydrogen funding should be restricted to only medium- and heavy-duty (MDHD) infrastructure and remain separated out as a category for data tracking purposes.
- 5. Undersubscribed hydrogen funds and canceled hydrogen projects should be reallocated into battery electric infrastructure.
- Hydrogen funding should be restricted to only green hydrogen projects that follow Environmental Justice (EJ)-centered equity principles.
- 7. The "gas station model" for charging requires more consideration of potential community impacts, and if implemented, should include community benefits.
- 8. Support for Proposed Target Solicitations.
- 9. Future CTP drafts should proactively build in procedurally sufficient timelines for public comment.



Below, please see elaborations on these recommendations:

Targeting Investments to Address Persistent Equity Gaps

We appreciate the CEC's continued spotlight on the importance of increasing equity in California's clean transportation transition. This remains a top priority, especially in light of recent studies demonstrating that there is still much work to be done to achieve an equitable green transition. Although California has been successful in reducing overall PM2.5 transportation emissions, relative pollution exposure inequities persisted or even worsened across AB 617 and SB 535 communities and for people of color.¹ Furthermore, while California has invested nearly \$2B in clean vehicle incentives since 2010, only 15% of funds have reached disadvantaged communities (DACs) where electric vehicle (EV) adoption continues to lag behind.²

While we appreciate that 63% of CTP funds have been directed towards projects in DACs and low-income communities, environmental equity for these communities has not improved accordingly. In particular, the benefits of light-duty charging investments for DACs are limited by the lower adoption rates of EVs in these communities. Consequently, as we have heard from some community partners, investments into public transit infrastructure and electrifying medium- and heavy-duty trucking would actually more directly benefit DACs and address the disproportionate pollution burdens. As such, we recommend **returning \$2M** from the battery electric light-duty charging infrastructure allocation to the battery electric MDHD charging infrastructure allocation, reverting the funding shift that was made between the first and second staff drafts.

Data-Informed, Coordinated, and Pro-Worker Workforce Development Strategy

We would like to understand the reasoning behind the \$1M decrease in this latest update. As highlighted in our previous comments³, in order to be able to make an informed decision about how much CTP funding to invest in workforce development and on what, the state first needs to have a solid understanding of the workforce gap that must be filled to meet public charger needs. Alarmingly, we are hearing conflicting information from different stakeholders as to how large this gap is and even whether or not it exists. We understand that CEC is planning to

¹ Libby H. Koolik et al., "PM2.5 exposure disparities persist despite strict vehicle emissions controls in California," Science Advances (September 2024)

² Rachel Connolly et al., "<u>An Analysis of California Electric Vehicle Incentive Distribution and Vehicle Registration</u>
Rates Since 2015," UCLA Luskin Center for Innovation (June 2024)

³ Marissa Wu - Greenlining - Comments on CTP ZEV Workforce Training and Development Strategy (July 2024)



conduct an analysis on this question, which we suggest **urgently prioritizing** in order to inform current and future funding allocations from the get-go.

In this tight budget year, we also suggest **continuing to coordinate workforce development investments across agencies with CARB and with community and labor partners** to ensure that no duplicative efforts are brought forward. Wherever possible, utilizing existing union pathways for training and certification can conserve state resources.

Finally, **labor standards should be incorporated into program funding requirements** to ensure that new clean transportation jobs being created are also high-quality, high road jobs.⁴ California has the opportunity now to shape the trajectory of the green economy and encourage a just transition by instating living wages and benefits requirements into program funding requirements, as well as a **funding clawback enforcement mechanism** if a grantee is found violating labor law. See UC Berkeley Labor Center's Workforce Standards Toolkit⁵ for more information.

Hydrogen funding should be restricted to only medium- and heavy-duty infrastructure and remain separated out as a category for data tracking purposes.

Please see group letter comments submitted to this docket.6

<u>Undersubscribed hydrogen funds and canceled hydrogen projects should be reallocated into battery electric infrastructure.</u>

Please see group letter comments submitted to this docket.⁷

Hydrogen funding should be restricted to only green hydrogen projects that follow Environmental Justice (EJ)-centered equity principles.

Please see group letter comments submitted to this docket.8

Further Considerations on the "gas station model" for charging

⁴ Carol Zabin, "Putting California on the High Road: A Jobs and Climate Action Plan for 2030", UC Berkeley Labor Center (June 2020)

⁵ Factsheet: Workforce Standards for an Equitable Economy, UC Berkeley Labor Center (March 2024)

⁶ 19 Organizations on Hydrogen Concerns in 24-25 CTP Updated Draft

⁷ See footnote 6

⁸ See footnote 6



We understand the potential advantages of a "gas station model" for charging using predominantly direct current fast charging (DCFC), as proposed by CEC, include a fast and familiar experience for drivers, as well as a lower count for the number of chargers needed. However, we would like to see more consideration and stakeholder feedback on this proposal before it is implemented anywhere.

One concern we have is that DCFC is significantly more expensive than L1 and L2 charging for drivers, which would pose accessibility issues for low income community members. This could be mitigated posteriorly through needs-based financial support; however, being able to create a broadly accessible system proactively is preferred to creating an inequitable system and then filling in gaps afterwards. Widespread DCFC implementation may also be costlier for the state, as some locations may require power grid upgrades before fast charging can be installed.

Depending on where these electric "gas stations" are placed, they may also inadvertently funnel traffic through formerly-redlined communities. While EVs no longer produce tailpipe emissions like gas-powered vehicles, studies have shown that concentrations of secondary aerosols may increase with higher EV adoption and lead to increased mortality rates, based on particular geographies and atmospheric conditions. This should be taken into account when considering the "gas station model" to ensure that their site placements do not negatively impact the surrounding communities and exacerbate inequities. Additionally, increased traffic can increase road maintenance needs as well as traffic safety issues. CEC should look to local community engagement to further consider these secondary impacts and proactively mitigate them if the "gas station model" is implemented.

Finally, if the "gas station model" receives further consideration, CEC should also proactively consider opportunities to implement community benefits. This could include labor standards on station construction, charger installation and maintenance, local and targeted hire requirements, as well as additional economic development opportunities that allow revenue generated from chargers to help fund local community priorities.

Support for Proposed Targeted Solicitations

We are pleased to see CEC's proposed targeted solicitations, especially those focused on Multifamily charging, Rural charging, Urban charging, and Technical Assistance. These targeted solicitations will help continue addressing the persistent equity gaps we see in charging access, and we support CEC's investments here.

More broadly, in order to streamline state charging investments and align clean transportation efforts, we recommend that CEC coordinate with CARB in rolling out charging infrastructure investments and vehicle incentives.

⁹ <u>University of Houston Study Shows Electric Vehicles Can Have Positive Impact on Air Quality and Public Health in Some Cities, Not All, University of Houston (June 2024)</u>



Procedural Comments on Public Feedback Timelines

We appreciate CEC's extension of the public comment period to October 22. The original October 15 deadline for public comment only allowed for 8 business days (factoring in Indigenous People's Day on October 14) for comment, which is insufficient for advocates and community members alike. In contrast, however, OAL guidance, which CARB and CPUC both follow, requires 45 days for written comments on proposed regulations. We encourage CEC to adopt OAL guidance going forward for public comment deadlines.

We appreciate the opportunity to comment on the CEC's proposed investment plan and show support for the proposed battery electric investments overall, but continue to have strong concerns with CEC's proposed hydrogen investments.

We look forward to continuing to track progress on this effort. Please do not hesitate to reach out to me (marissa.wu@greenlining.org) with any questions or to schedule time to discuss our recommendations further.

Best regards,

Marissa Wu

Transportation Equity Program Manager

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¹⁰ About the Regular Rulemaking Process, Office of Administrative Law