DOCKETED	
Docket Number:	22-EVI-03
Project Title:	National Electric Vehicle Infrastructure Deployment Plan Development, 2022-26 for CEC and Caltrans
TN #:	243791
Document Title:	Volvo Group North America Comments - Volvo Group's Comments on NEVI Plan for California
Description:	N/A
Filer:	System
Organization:	Volvo Group North America
Submitter Role:	Public Agency
Submission Date:	6/28/2022 8:39:44 PM
Docketed Date:	6/28/2022

Comment Received From: Volvo Group North America Submitted On: 6/28/2022 Docket Number: 22-EVI-03

Volvo Group's Comments on NEVI Plan for California

Additional submitted attachment is included below.

2022-06-28

Barby Valentine

Zero Emission Vehicle Hub Manager Director's Office of Sustainability

California Department of Transportation

Mark Wenzel Office Manager Light-Duty Electric Vehicle Infrastructure and Analysis Office

California Energy Commission

<u>Re: Docket No. 22-EVI-03 - National Electric Vehicle Infrastructure Deployment Plan</u> <u>Development, 2022-26 for CEC and Caltrans</u>

Dear All,

Volvo Group North America (Volvo Group) would like to thank the California Department of Transportation (Caltrans) and California Energy Commission (CEC) for the opportunity to support and provide comments on the National Electric Vehicle Infrastructure (NEVI) Plan for California. Following the review of California's draft Deployment Plan, CALSTART would like to recommend that greater consideration be given to the inclusion of medium- and heavy-duty (MHD) zero-emission vehicle (ZEV) infrastructure needs, including investments, given California's policies to accelerate MHD ZEV deployments to achieve its climate goals.

About the Volvo Group

Volvo Group drives prosperity through transport and infrastructure solutions, offering trucks, buses, construction equipment, power solutions for marine and industrial applications, financing and services that increase our customers' uptime and productivity. Founded in 1927, the Volvo Group is committed to shaping the future landscape of sustainable transport and infrastructure solutions. The Volvo Group is headquartered in Gothenburg, Sweden, employs almost 100,000 people and serves customers in more than 190 markets. North America is a major market for the Volvo

Group, employs more than 17,000 people, and operates 10 manufacturing and remanufacturing facilities in seven U.S. states, as well as three plants in Canada and one in Mexico.

In California, the Volvo Group and its dealers employ more than 1,000 people with locations in Costa Mesa, Mountain View, Corona, Hayward, Fontana, Stockton, Fresno and La Mirada. Volvo Group is in the process of training and certifying dealers to sell and service its electric products. Currently three dealers in California have been certified with more expected to be added soon.

Volvo Group's Electromobility Solutions

The Volvo Group has spent years developing complete solutions for electromobility, and today, in North America, we are selling the Volvo VNR Electric¹ and Mack LR Electric² for regional distribution and refuse applications. Both heavy-duty (Class 8) models are assembled exclusively in the U.S. for this market. While battery-electric vehicles are a suitable solution for city distribution, city buses, regional haulage and similar applications, hydrogen fuel cells (to power the electric driveline) will be a good option for heavy transport and demanding long-haul applications. With this in mind, the Volvo Group has formed a joint-venture (called cellcentric³) with Daimler Truck AG to drive the development of fuel cell technology for heavy-duty vehicle applications and is planning large scale production of fuel cell electric trucks in the second half of this decade.

Within the Volvo LIGHTS⁴ project in California, we have successfully demonstrated deploying Class 8 electric trucks in real-world applications. To date (starting from early 2020), more than 20 Class 8 electric trucks have aggregated well over several hundred thousand miles in different regional applications. Volvo is the first major truck OEM to sell battery electric Class 8 trucks to customers. Based on this experience, and our ongoing ZEV product development efforts, our biggest concerns about the Class 8 truck market are not related to technology viability, but rather conditions beyond our control that are critical to ensure a favorable market environment.

Overall Comments

• California is a global leader in combating the climate crisis and has a number of policies (e.g., Advanced Clean Truck rule) to achieve 100% zero-emission in the state. However, such policies cannot succeed without accompanying

¹ <u>https://www.volvotrucks.us/trucks/vnr-electric/</u>

² https://www.macktrucks.com/trucks/lr-series/lr-electric/

³ https://www.cellcentric.net/en/about-us/

⁴ https://www.lightsproject.com

infrastructure needed for charging an unprecedented number of MHD ZEVs in the state.

- California's NEVI deployment plan is yet another opportunity for the state to demonstrate leadership in the ZEV space (and specifically, foster and accelerate the transition to MHD ZEVs). The plan assumes that other state programs are sufficient for funding the infrastructure needed to support the anticipated MHD ZEV deployments. However, this assumption implies that state funding will be able to support MHD ZEV infrastructure projects on an ongoing basis. Additionally, California's NEVI deployment plan may be used as a model by other states, and it creates a perception that only light-duty ZEV charging infrastructure should be prioritized.
- Charging MHD ZEVs (e.g., a Class 8 battery-electric truck) is very different from charging light-duty (LD) ZEVs (e.g., passenger vehicles, urban delivery vans, etc.). MHD vehicles operate with unique charging schedules and rates, require high power chargers, and need more space. Charging sites for MHD ZEVs may be compatible with LD ZEVs, but the LD public charging networks and business models will not work for MHD ZEVs.
- Keeping in mind the outsized impact of the goods movement industry on air • pollution and carbon emissions, investments in MHD ZEV charging infrastructure will have major environmental justice implications and impact air quality and public health for decades to come. Therefore, ideal sites may not be located on or near existing alternative fuel corridors (AFC), but within geographical regions (e.g., port communities, warehousing neighborhoods) that are impacted by a disproportionate pollution burden as a result of goods movement.
- Delays in infrastructure projects will undermine the adoption of MHD ZEVs. A formal structure and process needs to be created wherein local agencies and utilities are accountable to ensure timely completion of infrastructure projects. Furthermore, the infrastructure projects must enforce existing laws for streamling (AB 1236^{5}) and expediting (AB 970^{6}) permitting, and other guidelines⁷ as developed by the Governor's Office of Business and Economic Development (GO-Biz).

⁶ https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220AB970

⁵ https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill id=201520160AB1236

The Volvo Group appreciates Caltrans and CEC's efforts on this front, and we stand ready to work with you and other state agencies, and the rest of the industry to transition to ZE freight solutions in the Golden State.

Kind regards,

K. Cantur

Aravind Kailas, Ph.D. Advanced Technology Policy Director Volvo Group North America T. 1 714 277 8172 aravind.kailas@volvo.com