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Filer:	Bonnie Datta
Organization:	Veloce Energy & Siemens
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April 14, 2023

California Energy Commission Re: Docket No. 19-TRAN-02 715 P Street Sacramento, CA 95814

Re: Comments on Concepts for a Potential Solicitation for Medium- and Heavy- Duty Vehicle Charging Infrastructure Projects on Designated Corridors

Veloce Energy and Siemens (the "Joint Technology Providers") file these comments on the "Staff Workshop on Concepts for a Potential Solicitation for Medium- and Heavy- Duty Vehicle Charging and Hydrogen Refueling Infrastructure Projects on Designated Corridors" ("Workshop") that California Energy Commission ("Commission") staff presented on March 28, 2023.

Veloce Energy (Veloce) is a California-based provider of EV charging solutions, committed to accelerating the electrification of transportation through technology and business model innovation. Veloce's solution supports modular and flexible charging infrastructure, with the intent to accelerate deployment, drive cost efficiencies, and provide resiliency.

Siemens has deployed charging stations across every state in the U.S. Siemens has made investments of more than \$250 million in the U.S. EV market in the past 6 months, including expansion of our Pomona, California (IBEW Local 1710) manufacturing site, which helps provide the electrical infrastructure technologies that support EV charging systems and other critical electrical infrastructure. Siemens also has a new manufacturing facility coming online later this year and is introducing a new Buy American-compliant AC charger this fall. These actions will help Siemens meet its commitment to build 1 million EV chargers for the U.S. over the next four years.

The Joint Technology Providers, while supporting the Commission's solicitation overall, submit the following comments to ensure that the final solicitation incorporates technologies and revisions in the award amount so that there is a competitive, cost efficient, and grid-supporting deployment of charging infrastructure.

1. Eligible Equipment

<u>Electric Vehicle</u>: The Commission needs to be consistent in its approach on equipment, and technologies in its grants and incentive programs. It should also align with the federal guidelines such as the NEVI Program.

Therefore, the EnergIIZE eligible equipment list is inappropriate and should not be used as a reference for this solicitation given its exception as well as short-sightedness vis-à-vis ensuring that any incentives provided for deployment of charging infrastructure should include technologies that enable that infrastructure to be grid-supporting. This is especially key in the MDHD segment given its needs for higher-powered charging.

The NEVI program supports Distributed Energy Resources (DERs) such as battery energy storage systems (BESS) under project costs signaling the criticality of their role in in the deployment of charging infrastructure, especially given the need for power resiliency and reliability to ensure charging accessibility.

In addition, DERs whether they be microgrids, BESS, or on-site solar/wind co-sited with BESS, drive cost efficiencies and faster time to deploy **by reducing or eliminating unnecessary utility distribution system upgrades and service interconnection inefficiencies.** Again, given the likely site locations, DERs could play a vital role as substitutes for utility service size constraints, thereby reducing utility-side project costs. For example, if a charging site needs 600kW of capacity to support the total connected load, and the service connection to that site can support only 300kW of load, the remaining 300kW can be provided through BESS and/or a combination of BESS with on-site generation such as solar.

DERs also increase reliability by having power available during utility outages.

It is imperative that the Commission does not repeat the equipment eligibility limitation in the EnergIIZE program and ensures that energy storage and other Advanced Load Management (ALM) technologies are included in the eligible equipment list for this MDHD solicitation. We bring to the Commission's attention that this will be in alignment with recent proposed solicitations such as FAST.

2. Applicant Requirements

In the interest of ensuring that this requirement ensures a level playing field, we support that this requirement be open to **all technology providers** involved in the provision of **charging infrastructure broadly defined.** In addition, diverse business models involved in provision of charging services, such as Charging as a Service operators (CaaS), should be encouraged, and the process should not be restricted to applications that include a traditional Service Provider (EVSP).

3. Project Requirements

Given that the expertise needed for the electrification of MDHD and provision of Hydrogen refueling are disparate, which translates to disparate service providers, we strongly recommend

that the Commission award the solicitation in an "either/or" technology approach versus requiring applicants to combine the two fueling technologies.

4. Funding

The Joint Technology Providers are strong proponents of public funding being awarded via a competitive process, and our recommendations to ensure a fair process are as per below:

- a. Given that the initial solicitation is for \$20 million, the maximum award of \$20 million would lead to a single winner for this solicitation. A single organization, on its own or in consortiums receiving 100% of this grant is concerning given its inherent anti-competitiveness. Our recommendation is that no applicant be awarded more than \$5 million (the proposed minimum), and the Commission should consider increasing the percentage of match funding to improve its ability to attract private funding to supplement public funds.
- b. The solicitation should be neutral in its approach on applications that intend to upgrade existing sites versus developing new sites. The Commission should ensure that any existing site that applies is not a recipient of prior public funding, because the previous funding would be subsidizing the application this approach will broaden the pool of applicants versus providing additional public funding to recipients who already received public funding.

5. Application Evaluation and Scoring

To encourage new business models and deployment of DERs to prioritize project cost efficiencies, we recommend that the *scoring criteria* developed should assign higher scores to technology innovation that show cost efficiencies in both capital expenditure and operating costs. For example, increased grid-support and resiliency through the availability of BESS at a site should result in a higher score.

6. Minimum technical standards

The Commission's should adhere to the final rules for projects funded by the NEVI Formula Program.

The Joint Technology Providers appreciates the opportunity to submit these comments.

BONNIE DATTA Advisor, Policy & Partnerships **Veloce Energy**

CHRIS KING SVP – eMobility Strategic Partnerships **Siemens**