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EVgo Comments in Response to Joint Workshop on EVC RAA

Additional submitted attachment is included below.



April 15, 2024

California Energy Commission 715 P Street Sacramento, CA 95814

Re: Docket No. 23-EVI-01 – Comments In Response to Joint Workshop on Concepts for the Solicitation under California's Electric Vehicle Charger Reliability and Accessibility Accelerator

EVgo appreciates the opportunity to submit comments on the California Energy Commission's (CEC) and Caltrans' joint workshop on California's Electric Vehicle Charger Reliability and Accessibility Accelerator (EVC RAA). As one of the nation's largest public fast charging providers, EVgo recognizes that a reliable, widespread electric vehicle (EV) charging network is crucial for mass scale EV adoption needed to help achieve California's equity, energy, decarbonization, and air quality goals. EVC RAA has significant potential to bolster California's charging network with upgraded, state of the art, reliable equipment that enhances drivers' charging experience, and it is imperative to streamline program implementation to meet California's overarching EV goals. EVgo commends the CEC and Caltrans for their leadership on this important issue and respectfully provides the following recommendations to enhance the success of EVC RAA:

- 1. Allow for up to 80% state funding of eligible project costs and assess cost-effectiveness of project applications with a points-based scoring rubric to improve cost efficiency;
- 2. Consider requiring a utility verification form and initial utility assessment in lieu of a preliminary site design to assess project readiness and reduce financial burden for applicants;
- 3. Avoid using past utilization data to rank applications for funding and instead rely on other metrics in a comprehensive scoring rubric to evaluate applications;

1. Allow for up to 80% state funding of eligible project costs and assess cost-effectiveness of project applications with a points-based scoring rubric to improve cost efficiency

EVgo recognizes the CEC's intent to stretch program funding further by considering a requirement for a 50% match for eligible EVC RAA projects as indicated during the March 27, 2024 workshop. In a joint October 2023 workshop, CEC and Caltrans stated that applicants must provide a minimum 20% match for eligible projects.¹ EVgo recommends that the agencies maintain the 20% match requirement (which would allow up to 80% of eligible project costs to be covered by EVC RAA) to align with Federal Highway Administration (FHWA) guidance.

This solicitation is unique compared to other CEC programs as it supports the upgrade of legacy equipment that may have otherwise been retired. When applicants like EVgo responded to Caltrans' request for eligible projects to support the agency's application for EVC RAA funding by November 3rd, they considered the proposed 80% match share requirements at that time.² EVgo made efforts to

¹ <u>https://efiling.energy.ca.gov/GetDocument.aspx?tn=252671&DocumentContentId=87752</u>

² See footnote 1.

determine the most viable projects for EVC RAA under these assumptions, and changing the proposed match share requirements could affect the feasibility of upgrading chargers at certain sites.³

To align with FHWA guidance and with the material presented during the joint agency EVC RAA workshop in October 2023, EVgo encourages the agencies to establish program requirements that allow for up to 80% state funding of eligible project costs (with a 20% match requirement) while allowing for and favorably ranking applicants that propose more cost-competitive applications on a dollar-per-kilowatt (\$/kW) basis with a points-based scoring rubric. Evaluating projects on a \$/kW basis reasonably encourages high-power DCFC while encouraging efficient use of program funding in line with the CEC's and Caltrans' goals. In other words, a \$/kW metric prioritizes projects of comparable size that will deliver greater charging capability for the same or lower cost than similar projects with lower capacity.

In its EV charging incentive program, the Bay Area Air Quality Management District (BAAQMD) evaluates applications based on \$/kW cost-effectiveness, which prioritized applicants that requested less funding per kW of capacity.⁴ Pursuing this approach will allow applicants to request the funding needed to complete a proposed project while allowing for the potential to support a broader scope of upgrades than originally contemplated in Caltrans' EVC RAA application.

2. Consider requiring a utility verification form and initial utility assessment in lieu of a preliminary site design to assess project readiness and reduce financial burden for applicants

For applications that feature replacement projects, CEC and Caltrans propose requiring the submission of preliminary site designs. However, EVgo recommends that the agencies instead require a utility verification form and initial utility assessment for several reasons. First, it is not clear at this time whether site design costs will be considered reimbursable expenses. The CEC and Caltrans stated in their October 2023 workshop that "[o]nly project work initiated after the project award has been made is eligible for reimbursement."⁵ In comparison, these costs are eligible in CEC's and Caltrans' first National Electric Vehicle Infrastructure (NEVI) program solicitation⁶ and in CALeVIP 2.0, where reimbursable expenses can be incurred prior to project award at the applicant's own risk.⁷ Second, preliminary site designs are a material expense for applicants, with design work costing up to tens of thousands of dollars per site.

Instead of requiring applicants to pursue costly site designs that may not be considered reimbursable expenses, EVgo encourages CEC and Caltrans to instead consider requiring a utility verification form and

³ It is important to note that not all EVC RAA-eligible sites may be well-suited for this funding opportunity. Site host lease agreements, grid constraints, and other factors can limit a site's ability to be upgraded to meet NEVI minimum standards.

 ⁴ Light Duty Electric Vehicle Infrastructure 2021 Funding Opportunity, California VW Mitigation Trust (July2021).
Available at https://www.californiavwtrust.org/wp-content/uploads/CAVW-Trust-QA-72021.pdf.
⁵ See footnote 1.

⁶ https://www.energy.ca.gov/sites/default/files/2023-12/00_GFO-23-

⁶⁰¹_Att_00_Application_Manual_Addendum_01_ada.docx

⁷ <u>https://calevip.org/sites/default/files/docs/golden-state-priority-project-north-south/gspp2-implementation-manual.pdf</u>

initial utility assessment. The utility verification form and preliminary site assessment will provide CEC and Caltrans with a sufficient level of granularity to determine project feasibility while alleviating the cost burden for applicants that may weigh down the economics of these potential upgrades and render them infeasible.

3. Avoid using past utilization data to rank applications for funding and instead rely on other metrics in a comprehensive scoring rubric to evaluate applications

In their presentation, CEC and Caltrans proposed requiring the inclusion of historical utilization data to evaluate project applications. EVgo encourages CEC and Caltrans to instead emphasize other criteria, including project readiness, cost-effectiveness, and other readily comparable metrics, to determine awards. Past utilization data from EV chargers – particularly ones that have been low-performing or offline for a period of time – are likely not a reliable indicator of future performance as the EV market continues to grow at an accelerated pace. Instead, EVgo encourages CEC and Caltrans to consider providing applicants with an opportunity demonstrate how the proposed project helps meet an unmet charging need by showing the availability of existing nearby charging infrastructure, improves access to EV charging for drivers that do not have reliable access to home charging, and features nearby amenities that enhance the charging experience. EVgo also asserts that focusing on applicants' ability to complete the proposed project and meet FHWA standards will ultimately support EVC RAA goals and ensure more efficient program implementation. It is critical that successful applicants complete proposed projects within the timelines established by FHWA.

Conclusion

EVgo appreciates CEC's and Caltrans' thoughtful approach to EVC RAA implementation. We look forward to being a resource on program design and encourage the agencies to swiftly finalize their requirements in a manner that supports the development of a more robust, reliable, and convenient charging network in California.

Respectfully submitted this 15th Day of April,

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