April 7, 2017

Mary Nichols, Chair
California Air Resources Board
1001 I Street
Sacramento, CA 95814

Subject: Comments on California ZEV Investment Plan: Cycle 1

Dear Chair Nichols:

Monterey-Salinas Transit (MST) staff participated in the public workshop ARB hosted in December and has reviewed the California ZEV Investment Plan: Cycle 1 published on March 8, 2017. MST appreciates this opportunity to comment on the plan.

Agency Background

MST was created by California law AB 644 and formed July 1, 2010. Current members of the district are the cities of Carmel, Del Rey Oaks, Gonzales, Greenfield, King City, Marina, Monterey, Pacific Grove, Salinas, Sand City, Seaside, Soledad and the County of Monterey. The MST board of directors appoints the agency's general manager/CEO. MST has a staff of nearly 250 employees, which includes operations, maintenance and facilities, and administration. MST serves a 295-square mile area of Monterey County, Santa Cruz County, Santa Clara County and San Luis Obispo County.

Comments on Investment Plan

MST is the sole public transportation provider in Monterey County, which includes disadvantaged communities as defined by California SB535. Many residents in those disadvantaged communities are transit-dependent and do not have access to private automobiles. For this reason, it is imperative that the ZEV Investment Plan include public transit, since this may be the only way these disadvantaged populations can access ZEVs. As an equitable means to reach all California consumers, public transit should be included in each of the four categories the Investment Plan is required to address. MST submitted this comment to ARB in December and is disappointed to learn that the Investment Plan published last month does not include public transit.

The Investment Plan proposes to focus capital investments on large metropolitan areas and dismisses rural and small urban areas which make up a largely untapped market for ZEVs. The proposed highway network of charging infrastructure may be located in or near disadvantaged communities in rural

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and small urbanized areas, but it is not clear how the long-distance infrastructure will benefit these DACs when it is clearly intended for long commutes between the large metropolitan areas. The locations along the State and U.S. highways listed in Table 4 of the Investment Plan will likely be at freeway commercial uses (e.g. gas stations, fast food zones, travel centers, rest stops, etc.) that are not conducive to local residents charging their personal ZEVs or easily accessible to public transit vehicles. The omission of rural and small urbanized areas is a flaw in the proposed Investment Plan.

A striking amount of funds is proposed for Volkswagen Group of America to oversee their own program. Eight percent ($16 million of the $200 million) of Cycle 1 funds are proposed for expenses associated with operating the Electrify American program. This operational cost is very high. Over the 30-month period of Cycle 1, this equates to over half a million dollars per month to oversee a program which appears to be largely capital costs. At least half of the $16 million should be re-programmed to tangible projects that benefit California.

Again, MST is disappointed that public transit was excluded from the Investment Plan but appreciates the opportunity to assist ARB in this important endeavor. For additional information, please contact me (831) 264-5001.

Sincerely,

Carl G. Sedoryk
General Manager/CEO