



Economic Development

Sustainability

April 7, 2017

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

RE: Comment Letter from the City of San Diego on Volkswagen's California ZEV Investment Plan:
Cycle 1

Dear Ms. Nichols,

The City of San Diego is pleased to submit comments on Volkswagen's California ZEV Investment Plan: Cycle 1. The City of San Diego partnered with the Port of San Diego, the San Diego International Airport, the University of California San Diego, and the San Diego Association of Governments to develop and submit a proposal for projects related to zero emission vehicle (ZEV) adoption, education, and infrastructure to Volkswagen in January 2017.

The City of San Diego is committed to reducing greenhouse gas emissions from vehicles as demonstrated in the City's Climate Action Plan. The Plan set ambitious goals for renewable energy and alternative or electric fuels, demonstrated most recently by the installation of 68 ZEV charging ports in 15 new locations. With the second largest population in the State of California and 55% of citywide emission from the transportation sector, there is an enormous potential for cost effective programs to be implemented successfully and improve the quality of life for residents and visitors to San Diego.

Though the City is diligently working towards meeting the goals of its Climate Action Plan, which was developed in part to assist the State of California reach its goals set forth in AB32, proportionally little State funding has been accessible to support these goals in San Diego. The City encourages CARB to take opportunities such as the Volkswagen investments to close this funding gap and ensure all cities in California are afforded the opportunity to see improvements in environmental quality and economic prosperity through climate change-related projects.

The City of San Diego appreciates CARB's consideration of our comments and we look forward to your responses. If you have any questions, please contact Cody Hooven at (619) 236-6563 or chooven@sandiego.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read "Cody Hooven", with a long horizontal line extending to the right.

Cody Hooven
Chief Sustainability Officer
City of San Diego

Attachments:

Attachment A: City of San Diego Comments on Volkswagen's California ZEV Investment Plan: Cycle 1

Attachment A

City of San Diego Comments on Volkswagen's California ZEV Investment Plan: Cycle 1

Section 2.1 Overview

Volkswagen's planning process could benefit from increased transparency and participation from local and regional agencies to determine infrastructure projects, educational programs, and the Green City designation to maximize effective utilization of these funds. This significant investment risks being poorly spent without proper input from local agencies and organizations who have been working with their communities for several years on planning for this infrastructure.

Section 2.2 Investment Types and Descriptions

Section 2.2.1 Infrastructure

Volkswagen lists the following as the methodology for determining the infrastructure component of the plan: "For both components, the following three factors were used to determine the required investment: (a) locations with the highest ZEV demand; (b) the gap between the existing charging infrastructure supply and projected demand at each location; and (c) the charger count and type needed to meet the excess charging demand at each location." This is a list of criteria that Volkswagen considered when developing this portion of the plan. The methodology should include the steps Volkswagen took to determine where and what infrastructure would be constructed. Volkswagen goes on to state that various reports were used to develop this plan, but does not state specifically what reports were utilized. Volkswagen and achievement of their requirements would be best served by working with local and regional agencies, including the City of San Diego for the San Diego region, in order to ensure success and achievement of their goals and requirements.

Volkswagen states that external vendors will be awarded contracts for periodic maintenance of the infrastructure for a period of 10 years. It is unclear if Volkswagen will maintain ownership of the infrastructure and what will happen beyond 10 years. We encourage Volkswagen to work with the City of San Diego to ensure maximum local and regional economic benefits result from this alignment of business and climate action investment.

Section 2.2.2 Green City

The City of San Diego would like to see additional transparency regarding the selection of the Green City. The reasoning for selection of Sacramento as the likely Green City was not apparent and seemingly was determined prior to review of all proposals. The city selection methodology demonstrated in Figure 9 is not described in sufficient detail (e.g., how did Volkswagen determine any of the defined logic such as mobility demand or societal impact?) We encourage CARB and Volkswagen to ensure the opportunity to be a Green City, especially if a second one is chosen, is fair and transparent and based on data, readiness, and need.

References

We encourage Volkswagen to cite clearly throughout the Investment Plan where their references are utilized throughout to allow the reader to understand what documentation Volkswagen used for their

decisions. The relevance of citations that are in the document do not always seem to be relevant to the section in which they are found. For example, "City size selection criteria was first applied in order to develop a shortlist of California cities [Auto Bild]." The reference associated with Auto Bild in the reference section does not have anything to do with California, or city sizes in regards to any city.

Conclusion

The City of San Diego is pleased to see these investments proposed to be made in California, and in the San Diego region. However, we are concerned that these significant investments will not have the intended impact in the San Diego region if communication and collaboration with the City of San Diego and its project partners is not established. Due to San Diego's experience in developing ZEV infrastructure we are aware of the level of detail needed to successfully implement the concepts Volkswagen has identified in this plan. The City of San Diego urges CARB to request Volkswagen provide a robust and transparent plan that would allow stakeholders to be a part of the decision-making process. Additionally, the City of San Diego requests that Volkswagen begin reaching out to the local entities affected by these projects before making any significant investments.

Investment opportunities like the VW Electrify America Investment Plan are unique opportunities to further advance San Diego and all of California in ZEV leadership. A strong connection to and partnership with local communities, businesses, and city planning is critical to success.