

January 7, 2021

California Air Resources Board
1001 I Street
Sacramento, CA 95814

RE: EVgo Comments on CARB's December Low Carbon Fuel Standard Public Workshop

Dear Board Members and Staff:

EVgo commends the California Air Resources Board (CARB) for its continued leadership in supporting California's climate and zero emission goals through thoughtful, public policy, including the Low Carbon Fuel Standard (LCFS). LCFS is pivotal to reducing greenhouse gas (GHG) emissions and delivering cleaner air benefits to all Californians.

With more than 800 fast charging locations and 1,000 Level 2 chargers, EVgo's owned and operated charging network serves over 68 metropolitan areas across 35 states and more than 310,000 customer accounts. Headquartered in Los Angeles, EVgo's fast charging network includes over 330 fast charging locations in California. EVgo is powered by 100% renewable energy.

EVgo thanks CARB for public workshop on potential future changes to LCFS in 2022 and beyond. With the transportation sector being the leading source of emissions in the state, comprising 40%, LCFS helps support the state's goals for transportation electrification, including the Governor's executive order requiring sales of all new passenger vehicles to be zero-emission vehicles (ZEV) by 2035 and decarbonization of medium- and heavy-duty vehicles.¹²

As CARB discusses new amendments to LCFS, EVgo respectfully suggests the following as it relates to LCFS and the ZEV Infrastructure Crediting Pathway for DC Fast Charging Infrastructure (FCI). EVgo looks forward to supporting CARB and California in pursuit of a fully electrified transportation sector and welcomes itself as a resource should any questions arise.

Best,



Adam Mohabbat
Manager, Market Development
adam.mohabbat@evgo.com

¹ California's 2017 Climate Change Scoping Plan, California Air Resources Board,
https://ww2.arb.ca.gov/sites/default/files/classic/cc/scopingplan/scoping_plan_2017.pdf

² Executive Order N-79-20, <https://www.gov.ca.gov/wp-content/uploads/2020/09/9.23.20-EO-N-79-20-Climate.pdf>

1. EVgo supports CARB staff's proposal to increase stringency of targets pre-2030 to both smooth the ramp up to more aggressive post-2030 targets and help improve credit prices.

As California looks to move to 100% ZEV sales by 2035, the state will need to greatly scale its current efforts in supporting the deployment of ZEV infrastructure to achieve ubiquitous adoption. LCFS has been a transformative policy tool for accelerating transportation electrification and will continue to be a critical tool in achieving these goals. EVgo supports increasing the stringency of pre-2030 targets and setting post-2030 targets to align with these goals and help improve credit prices, which will foster more buildout of infrastructure.

2. While engaging in its Scoping Plan Update, CARB should implement a two-step process for LCFS updates that allow for changes in 2022, while holding major program changes for after adoption of the Scoping Plan.

During the workshop, staff stated that they intend to align all LCFS updates with CARB's Scoping Plan Update. As it stands, the final scoping plan will be considered by the Board in late 2022. Given that any given rulemaking process can take 12-24 months following Board's approval, any updates to the LCFS process – regardless of size or impact – will happen in 2024 at the earliest.

Given the variance of complexities of LCFS updates, EVgo recommends, in alignment with comments by stakeholders made at the workshop, that staff adopt a two-step approach to LCFS updates, whereby less controversial updates, like FCI extension and administrative updates listed in section five below, are implemented in 2022, and more contested updates, such as stricter stringency targets and third-party verification, are implemented in 2024 following the Scoping Plan Update.

3. Continue the ZEV Infrastructure Crediting pathway beyond 2025 to align LCFS goals with state climate goals. This aligns well with CA ZEV goals and planning, namely AB 2127, but also the Governor's executive order on ZEV's which uses a 2035 date.

LCFS plays a pivotal role in decarbonizing the transportation sector. Under LCFS, the ZEV Infrastructure Crediting pathway, which includes a pathway for DC Fast Charging Infrastructure (FCI), has been a strong market catalyst for charging infrastructure in California and has helped create an equitable charging network coverage across the state by spurring development in less utilized areas. As of November 2021, CARB has credited more than 1,300 DC fast chargers across more than 250 sites.³ However, for context, the CEC's recently released AB 2127 report suggests that California will need 37,500 fast chargers to support nearly 8 million ZEVs by 2030, and the state currently has a projected gap of nearly 28,000 fast chargers.⁴

The program is currently slated to sunset in 2025, which pits the program end date dangerously close to the current timeline presented for CARB for the next round of LCFS updates following the Board's Scoping Plan Update. This poses a hazardous market signal for the ZEV industry and comes at a critical point for California to convey further regulatory certainty towards investments in ZEVs and ZEV infrastructure, as

³ LCFS ZEV Infrastructure Crediting, California Air Resources Board, <https://ww2.arb.ca.gov/resources/documents/lcfs-zev-infrastructure-crediting>

⁴ Assembly Bill 2127 Electric Vehicle Charging Infrastructure Assessment - Analyzing Charging Needs to Support Zero-Emission Vehicles in 2030 (Commission Final Report), California Energy Commission, July 2021.

evidenced the Governor's executive order N-79-20, requiring ZEV-only sales by 2035.⁵ EVgo recommends that the Air Resources board extend the ZEV Infrastructure Crediting pathway beyond 2025 and align it with the Governor's executive order.

4. Decrease the burden of third-party verification for Quarterly Fuel Transaction Reports of metered charging infrastructure data by keeping costs low through sampling methodology.

CARB staff is considering requiring third party verification for quarterly reports from various electric reporting entities, including EV charging transaction types. Requiring third party verification increases the costs of participating in the program, and with credit prices already having fallen in 2021, there is strong concern around adding additional costs, which may jeopardize the economic viability projects the credits are intended to support in line with state goals.

While EVgo does not recommend implementing this third-party verification at this time, in the case staff pursues verification further, EVgo suggests that staff makes the process as easy as possible to minimize additional administrative costs will undermine the value of the program. For example, CARB could establish a sampling methodology in which the verifier asks the reporting entity for source data from a handful of randomly selected EV charging sites to verify the submitted transactions. EVgo would further recommend that discussion only take place following the adoption of the Scoping Plan Update in late 2022

5. Update the FCI pathway application process to streamline applications and reflect the on the ground realities of charging infrastructure development.

As staff considers program updates and charging infrastructure rapidly expands in the state, EVgo extends the following recommendations to the application and reporting processes, both of which can be accomplished through updates to the Guidance Documents, instead of a more formal rulemaking:

- A. Allow market participants to submit multiple sites in a single application:** The current application process for FCI requires applicants to apply for each site as a separate application. Submitting each site individually is a lengthy administrative task, adding to soft costs, and will become more onerous as companies scale their investments in the state. EVgo proposes to streamline the application process to enable submitting multiple sites together.
- B. Update the requirement for site applications for FCI to be submitted within a quarter *after* the site has gone online:** As it stands, utility interconnection timelines can be complex and unpredictably lengthy delayed due to various factors like long response times to requests, slow construction scheduling, or lead time for utility equipment (e.g. transformers). Thus, the requirement for FCI participants to submit site applications a quarter before the site has gone online is impractical, as the EV service provider (EVSP) must await this last step from the utility—step that is out of its control— before it may begin the administrative process to enroll in FCI and collect credits. Allowing applicants to wait for the site has gone online aligns the application process with DC fast charging development timelines as well as clearing up the application queue for staff review.

⁵ Executive Order N-79-20, <https://www.gov.ca.gov/wp-content/uploads/2020/09/9.23.20-EO-N-79-20-Climate.pdf>

- C. Remove the submission of charger level geocoordinates at time of FCI application submission, per CARB's proposal in the October 2020 LCFS workshop:** Providing charger level geocoordinates is very onerous for applicants to provide not only for LCFS but especially for FCI, given it is required at least one quarter in advance of the site going operational. More broadly, EVgo encourages the charger level geocoordinates requirement to be removed for LCFS, as the extreme precision required is challenging to achieve, and will likely require applicants to purchase surveying tools as they scale. If geocoordinates *must* be included, EVgo recommends they be at the station level rather than the charger level.
- D. Remove the requirement to add FSE IDs to the FCI Correspondence threads:** In the current process, applicants submit FCI applications a quarter in advance of the site going operational. Once the site is operational and is registered as an FSE, applicants must copy the FSE IDs issued from the "Facility-FSE" tab of the LRT and paste them on the same thread where the FCI application was submitted on the "Correspondence" tab. This is an onerous and likely redundant task that applicants must do each quarter to start generating FCI credits.

EVgo proposes CARB staff develop an internal mechanism to better connect the LCFS and FCI programs, so when a new FSE ID is issued, the LRT can recognize if it is in the FCI program or not. One possible method could be matching the charger level geocoordinates from the approved FSEs to the approved FCI list, as the charger level geocoordinates are required to be the same in both submissions.