Electric Vehicle Charging Association
INNOVATION FOR CLEAN MOBILITY

August 8, 2022

California Air Resources Board
1001 I Street
Sacramento, CA 95814

Re: Electric Vehicle Charging Association comments on Potential Changes to the Low Carbon Fuel Standard

To Whom It May Concern:

The Electric Vehicle Charging Association (EVCA) is a not-for-profit trade organization of 19 leading EV charging industry member companies and two zero-emission autonomous fleet operators. EVCA's mission is to advance the goal of a clean transportation system in which the market forces of innovation, competition, and consumer choice drive the expeditious and efficient adoption of EVs and deployment of EV charging infrastructure.

We thank the California Air Resources Board (CARB) for hosting the July 7th Public Workshop to discuss the potential changes to the Low Carbon Fuel Standard (LCFS) and providing the opportunity for comment. EVCA suggests the following changes to the LCFS program, which will help speed up transportation electrification in the State:

Implement stronger 2030 and post-2030 CI targets.

CARB should strengthen and increase the CI reduction targets to 30% reduction below the 2010 baseline by 2030 and align its long-term goals with the state's overall climate goals. A target of 30% by 2030 will also support the credit market and send a positive signal to clean fuel and infrastructure investors.

Phase out fossil-based credits.

California's leadership has made explicit goals for shifting to zero emission vehicles. To align with these clear directional signals, CARB should limit and phase out credit generation for petroleum projects as soon as possible. CARB should ensure that zero emissions fueling infrastructure is able to recoup the capital investment costs, which is currently at risk given LCFS markets.

Provide extra LCFS credits for charging systems paired with battery energy storage systems.

In the December 7, 2021 public workshop, CARB indicated, "Staff is also considering allowing entities to generate credit for installing electricity storage and shift the discharge of solar electricity generation from low-carbon intensity hours in the morning and afternoon to high-

carbon intensity hours that coincide with peak demand in the evening." We support consideration of the staff's suggestion in the rulemaking.

Re-classify multifamily charging as 'non-residential'.

Multifamily housing has traditionally been more difficult than other sectors (commercial, single family, etc.) in terms of installing charging. The sector is typically more cost constrained and more acutely faces the principal-agent problem, where property developers incur direct costs but have been more reluctant to see the benefits of installing charging. Installing sufficient charging at multifamily locations however will be critical to transitioning this driver base to electric and meeting the State's long-term climate and ZEV goals. Re-classifying multifamily charging under the non-residential section of the LCFS is a simple and effective way to create a significant new incentive for multifamily and apartment property developers and owners to install charging for residents. By incentivizing installations at multifamily locations, ARB would help close a persistent gap in access to at-home charging, as noted in a recent report by McKinsey and Company.[1]

Financing models that have emerged around non-residential charging under the LCFS can then be deployed in the multifamily sector which will accelerate deployments. We understand that credits from multifamily charging do contribute to the Clean Fuels Reward EV rebate under the program; however, we feel that opening up crediting to multifamily charging operators will do more to electrify this driver base by helping to finance infrastructure deployments at these locations so more drivers have the confidence to transition to an EV.

Leverage LCFS credits to accelerate EVSE deployment for fleets, making it available to Medium- and Heavy-Duty (MHD) fleet charging infrastructure.

The LCFS's infrastructure crediting provisions have been extremely effective at financing public fast charging aimed at light-duty vehicles in the State. Extending this provision to allow infrastructure crediting for public and shared public/private medium- and heavy-duty charging (MHD) will transition the MHD vehicle segment towards ZEV faster. There are no pure public MHD charging locations, and few are likely to emerge due to MHD fleet business dynamics. For a MHD infrastructure crediting pathway to see the type of success the LD FCI pathway has seen, CARB must consider the MHD use case and qualify public/private sites. We encourage CARB to work with industry experts and stakeholders on the details.

Evaluate the potential benefits of allowing simultaneous participation in Low CI Pathway and Smart Charging Pathway.

In March 2019, CARB added two charging pathways to allow incremental credit generation - supplying electricity from low carbon sources ("Low CI Pathway") and charging at certain times of the day ("Smart Charging Pathway"). These additional pathways aided in further accelerating transportation decarbonization and sent a positive signal to the market about the value in

[1] *Building the electric-vehicle charging infrastructure America needs,* McKinsey and Company, April 2022, https://www.mckinsey.com/industries/public-and-social-sector/our-insights/building-the-electric-vehicle-charging-infrastructure-america-needs

electrification. However, as currently managed, CARB only allows eligibility for one of the two charging pathways for LCFS participants. This is regardless of whether an LCFS participant can meet the requirements of both pathways simultaneously.

EVCA encourages CARB staff to evaluate the potential benefits of allowing simultaneous participation in both pathways. Allowing participants to combine the above-mentioned charging pathways could increase the program's overall efficacy, while simultaneously yielding grid management benefits to the entire electric power system.

To avoid potential double counting of incremental credits and ensure that such coupling provides additionality to the grid, CARB could stipulate that participation in the Low CI Pathway must be fulfilled through utilization of Renewable Energy Credits (RECs) from non-curtailed fuelstock. Such an approach could encourage greater use of the smart charging pathway, addressing mid-day curtailment of solar energy, while also incentivizing higher market demand for zero-CI or negative-CI fuelstock and their associated RECs.

Expand Renewable Fuel Standard (RFS) Program

CARB should work with the U.S. Environmental Protection Agency's Renewable Fuel Standard (RFS) program staff to expand RFS program eligibility to include electric vehicle chargers. Certain fuel platforms are eligible to participate in both RFS and LCFS (e.g., ethanol, Renewable Diesel, etc.), which creates a larger aggregate incentive for these fuel types. CARB should work with the EPA RFS program to make EV chargers an eligible infrastructure to ensure a level playing field for incentives for EV charging infrastructure and platforms.

Please do not hesitate to contact us if you have any questions. Thank you for your consideration.

Sincerely,

Reed Addis
Governmental Affairs
Electric Vehicle Charging Association