

June 23, 2019

Mary D. Nichols, Chair

California Air Resources Board

1011 I Street, P.O. Box 2415

Sacramento, CA 95814

Re: Docket EVSE201 - Electric Vehicle Supply Equipment Standards

Dear Chair Nichols:

Peninsula Clean Energy Authority (PCE), San Mateo County’s locally governed, not-for-profit electricity provider, writes to express support for the Board’s goal to increase driver access to Electric Vehicle Service Equipment (EVSE) and allow a more consistent and transparent electric vehicle (EV) charging experience. We agree that the lack of consistency can lead to user confusion and believe improving open access and transparency are important to advancing EV adoption to achieve state and local goals.

Because PCE’s mission is to assist the county and its cities in aggressive decarbonization, PCE has ambitious transportation electrification goals, and has EV-related programs funded by over $20 million set for deployment over the next three years. These programs are designed to accelerate the deployment of EVs and EV infrastructure. Current PCE programs include new vehicle incentives, low-income used vehicle incentives, property owner technical assistance, facilitating building code enhancements, new technology pilots, workforce development, carsharing pilot, and a major EV infrastructure incentive program under development.

PCE is committed to increasing access to EV charging stations and supporting local agencies and private retailers to do the same. Public agencies in particular play a critical role in widespread deployment of charging infrastructure to our residents, businesses, and visitors. To date, public agencies have filled the gap left by private markets, ensuring community access to EV charging, with a legacy focus on Level 2 (L2) EVSE. Our goal is to ensure public agencies can continue serving as key partners in expanding EVSE in a manner that is equitable accessible to all.

In light of our shared goals, we respectfully raise the following issues for the Board’s consideration based on our participation in the EVSE Standards Rulemaking webinar on April 2, 2019, the public workshop on November 7, 2018 and review of the proposed Initial Statement of Reasons, Regulation Order, and other attachments.

The summary of PCE’s recommendations are as follows:

1. We strongly recommend grandfathering current charging stations to allow rules to be applied only at such time as the stations are upgraded with new equipment.
2. We strongly encourage flexibility in standards in order to avoid the risk of technology obsolescence and consideration of forthcoming technologies in the rulemaking.
3. We strongly encourage CARB’s coordinate with the Center for Sustainable Energy (CSE) and the California Energy Commission to support state investment in the CALeVIP program and encourage ongoing collaboration to align the CALeVIP program and proposed regulations.

Each of these recommendations are necessary to ensure that infrastructure already deployed can continue to serve EV customers. Without the changes discussed herein, millions of dollars in stranded assets will be created to the detriment of all parties supporting California’s transition to a clean transportation fleet.

1. **We strongly recommend grandfathering current charging stations to allow rules to be applied only at such time as the stations are upgraded with new equipment.**

It appears that ARB staff is relying on inaccurate data in determining that the costs of upgrading existing EVSE will be minimal. For example, page C-34 of the associated Standardized Regulatory Impact Assessment (SRIA) of the proposal states that “local government agencies own 29 publicly available networked Level 2 EVSEs” based on early municipal participants in the Low Carbon Fuel Standard (LCFS) program. However, there are far more public chargers available than what is shown the LCFS program. According to the Alternative Fuels Data Center, there are an estimated 1100 L2 ports and 175 DCFC ports in San Mateo County – of which, a minimum of 20% of stations are owned by public agencies. The estimated cost of retrofitting all L2 stations in San Mateo to meet the proposed standards is $5,000 per station, totaling $5,500,000. Thus, the cost of upgrading stations already being utilized by EV owners in our community would be a significant expense.

Upgrading current charging stations, even on an extended timeline, would cause significant financial hardship to public agencies and others who have served as key early owners and operators of EV charging infrastructure as many of the stations operate at a loss or extremely marginal operating revenue. None operate with any meaningful payback to address installation or major upgrade. Requiring EVSE owners to upgrade existing EVSE charging infrastructure, with such marginal economics, will likely result in the unintended consequence of *extensive removal of charging infrastructure all together.* These stations are already providing a benefit to the public and PCE sees no benefit to jeopardizing their availability when less drastic measures can be taken that will preserve these stations.

In summary, a retrofit requirement will be counter-productive to the goals of the proposed standard. It would have removed existing infrastructure before the end of its useful life and unintentionally disincentivize or delay early adopters from installing chargers to avoid disproportionate compliance costs. Grandfathering current stations is a critical revision to ensure public agencies are able to have an ongoing role in providing public L2 charging in their communities.

We urge the Board to avoid creating an unfunded mandate on public agencies and early adopters of EVSE charging infrastructure. Such a mandate will NOT increase the number of EVSE charges available to the public and could have the opposite effect.

1. **We strongly encourage flexibility in regulations to avoid the risk of technology obsolescence and encourage deeper consideration of forthcoming technologies in the rulemaking.**

Requirements to support specific payment methods and reporting on such methods are likely to results in burdensome maintenance costs, as well as potential service and reporting gaps. Mobile payments (payment with mobile phones) are undergoing tremendous growth with an estimated 20% of the population currently using it and rising[[1]](#footnote-1). Credit cards themselves are now being equipped with RFID which can be expected to make card readers obsolete. Card readers are subject to significant operator error, fraud, and mechanical failure resulting in significant maintenance costs.

In addition, new payment methods will soon become available for many owners of new EVs. The CCS protocol ISO 15118, or more commonly referred to as “Plug & Charge”, is a VGI communication protocol enabling charging stations and vehicles to securely process payments for charging sessions using unique vehicle identifying numbers (VINs) and individual customer payment data (credit cards) tied to that VIN. This communication protocol or a version thereof is already operational or is planned to be operational in all Tesla vehicles and charging stations, Electrify America charging stations, Polestar (Volvo), Daimler vehicles, and the world’s largest automaker’s vehicles and subsidiary brands, VW. The California Energy Commission (CEC) has indicated a desire to make ISO 15118 a standard requirement for all CEC funded stations in the future via the CALeVIP program.

Finally, wireless communications technologies such as NFC, RFID, Bluetooth, and WIFI are varied and rapidly evolving. Explicit rules defined around specific protocols may be subject to rapid obsolescence and stranded assets.

A potential approach could be for the rules to require support for wireless protocols expected to be universally adopted by financial institutions. In addition, reporting rules should allow flexibility of the range of current and future protocols.

1. **We strongly encourage CARB’s coordination with the Center for Sustainable Energy (CSE) and the California Energy Commission to support state investment in the CALeVIP program and encourage ongoing collaboration to align the CALeVIP program and proposed regulations.**

CALeVIP is an important incentive launching across the state, helping to accelerate public charging at places where property owners are not typically motivated to initiate installations of their own accord. As proposed, the requirement poses a disincentive to participate in the CALeVIP rebate program. For example, the current list of eligible CALeVIP charging infrastructure does not comply with the proposed standards. More specifically, none of the eligible L2 EVSE has point of sale (credit card) capabilities. More CALeVIP offerings will soon launch in other regions including potential CCA led programs in 2020 and 2021. By imposing new regulations that do not grandfather or exempt infrastructure currently incentivized by another state agency, the regulations will constrain the benefit of the CALeVIP program and further limit our ability to collectively meet the State’s aggressive goals for expansion of public EV charging.

1. **We look forward to continued collaboration with CARB on the monitoring and reporting aspects of the regulation.**

Public agencies identified a number of initial concerns about the onerous reporting requirements in the May 2019 proposal. We appreciate CARB’s proposed revisions to simplify data collection and reporting requirements for annual reporting. Local governments and other public agencies often use more than one networking company and receive data in different formats. A coordinated approach to streamline reporting processes is necessary and must engage public agencies, network providers, and CARB staff. Notably, the resources local government and other public agency resources dedicate to reporting, whether staff time or funds for technical support, is public money that is diverted away from installing new EVSE in our communities.

As previously stated, many public agencies have funded existing EVSE infrastructure through grant funding. These funding sources already establish quarterly and annual reporting templates that must be completed by local government staff. In their current form, the reporting requirements may discourage or penalize public agencies from serving as public charging operators. We have limited budgets and CARB staff has not identified funds to support this activity. We will continue to monitor and evaluate the impact of reporting on our EV programs and encourage CARB staff to collaborate with public agencies to simplify the reporting requirements.

CARB’s leadership to expand access to EVSE is exemplary, and PCE commends the important role CARB is playing to support and amplify EV adoption. We support the intent of the proposed standard and respectfully request the noted revisions to ensure a fair and reasonable approach to realize the State goals; otherwise, the requirements as written will pose undue burdens to the wide range of stakeholders necessary to actually deploy and operate EVSE. We believe this balance is critical to attain our shared vision of a zero-emission mobility future.

Thank you for your consideration and the opportunity for input.

Sincerely,

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Rafael K. Reyes

Director of Energy Programs

1. <https://www.emarketer.com/content/the-mobile-payments-series-the-us> [↑](#footnote-ref-1)