July 14, 2017

Mary D. Nichols California Air Resources Board (CARB) 1001 I Street Sacramento, CA 95814

Re: Support for Rapid Consideration and Quick Approval of the Cycle 1 CA ZEV Investment Plan

Dear Chair Nichols:

Efacec USA, Inc., a manufacturer of EV Charging equipment who has been involved in the U.S. EVSE industry since 2011, fully supports Electrify America's California Zero Emission Vehicle Investment Plan and strongly urges CARB to approve it as soon as possible.

With a presence in 65 countries around the world and approx. 2,700 employees, Efacec is the largest Portuguese company involved in the field of energy and electricity. Efacec began producing equipment for EV charging in early 2009 at our Power Electronics Business Unit and then supported Nissan's rollout of the LEAF in 2010 with DC Chargers at all of their events in Europe. With over 1,800 DC Fast Chargers around the world, and approx. 220 of these in the USA since 2011, Efacec USA has furnished chargers to retail property owners, utility companies, municipalities, EV Charger Network providers, auto manufacturers, cities, and also private owners.

As you know, Efacec USA, Inc. has previously registered our support for expeditious implementation of Electrify America's CA ZEV investment plan as part of a letter to you from several California EV charging services companies (see appendix). In response to your May 24th letter requesting clarification Electrify America has supplemented its investment plan. We would like to take this opportunity to comment further on the plan as supplemented and reinforce our strong belief that these investments are critical to California meeting its EV deployment goals and will bring needed investment to communities across the state. We hope you will allow the process to move forward quickly.

Efacec continues to support the EA plan and its supplement and believes that EV infrastructure is likely to be the biggest barrier to California reaching its goal of 1.5 million ZEVs on the road by 2025. Thus, helping the state reduce its dependence on foreign oil, and helping consumers save money at the pump, while dramatically reducing smog and greenhouse gas emissions that endanger the health and welfare of Californians. In addition, the \$800 million being spent in California over the next 10 years is not enough to meet all the needs for future EVs, but is a substantial down payment which will encourage further



investment and set the State on course for generating thousands of new jobs. The EV America investment alone is estimated to support up to 8,500 jobs over the 10 year course of the investment.

Efacec USA supports the recent supplement from Electrify America for the following reasons:

- CARB's request, as well as Legislature interest, has helped focus Electrify America's efforts in its supplement to make investments that supply a much needed benefit to all Californians, including low and moderate income residents, and those who live in disadvantaged communities. As private companies operating in the sector, we certainly understand that there needs to be a business case for all investments, and we were pleased to see the Supplement recognize that there is a business case for a substantial investment in those communities. We are committed to working with EA to find opportunities in which to invest in low and moderate income communities.
- We are pleased Electrify America added the Fresno metro area as a focus for community charging investments, developed an education and outreach proposal targeted at the unique barriers to ZEV use in low-income and disadvantaged communities, and presented a new strategy to explore the use of more affordable pre-owned ZEVs.
- We also support Electrify America's investment in Sacramento and the CARB priority communities there as part of Electrify America's Green City Initiative.

Efacec USA supports an expeditious approval of the Supplement, otherwise there could be serious consequences resulting from a delayed approval or request from CARB for another revision or supplement, such as:

- CA is already in danger of falling behind because EPA has approved EA's investment plan several months ago and EA is already deploying EV charging infrastructure in other states (DC, MD, VA) while other countries are also making substantial investments and pushing policies intended to lure EV producers to prioritize their markets.
- OEMs have to prioritize for their biggest markets. Market leaders have been in California to date because the state has been so aggressively in front with policy and investments, but other states, and countries, are making EV deployment a priority. Investment in supporting charging infrastructure will be a key factor in consumer adoption and rapidly expanding markets. California should not risk falling behind.

Efacec supports expeditious approval of the Electrify America ZEV plan for California, as supplemented, because we firmly believe it is in the best interest of California environment and economy, our business, and people in disadvantaged communities across the state.

Sincerely. le Anduser

Mike Anderson CEO Efacec USA, Inc.



## APPENDIX



April 11, 2017

Mary D. Nichols California Air Resources Board (CARB) 1001 I Street Sacramento, CA 95814

Dear Chair Nichols,

The Volkswagen (VW) settlement decree represents a unique opportunity to accelerate the electric vehicle (EV) market in California. Expanding this market will create jobs and new economic opportunity, help California achieve its climate mitigation goals, and protect the health of disadvantaged communities who face the worst effects of tailpipe pollution. We urge CARB and the other parties to implement the requirements of the existing settlement as soon as possible.

This letter is signed by companies representing the full breadth of the EV charging industry, including EV Supply Equipment (EVSE) manufacturers, installers, technology providers, and users. We are concerned that the full perspective of the EV charging industry has not been well communicated to policy makers and other stakeholders so far on this issue. Our companies are committed to competition and understand how the California ZEV Investment Plan, as it is currently written, will be beneficial to the public and the industry.

As you know, Appendix C of the settlement decree establishes the California ZEV Investment Plan, which requires VW to invest \$800 million in California over the next ten years. We applaud CARB for securing this requirement as part of the settlement agreement. Along with the rest of the settlement, we believe that Appendix C is an effective mechanism to hold VW accountable for its actions, while also achieving important public benefits.

In particular, we believe the provisions of the existing settlement have the following benefits:



• Enables California's Transportation Policy Goals: Many of California's landmark transportation policies (tailpipe emissions standards, the ZEV mandate, and the LCFS) require or benefit from expanded deployment of EVs and other ZEVs. That need is reflected in California's current target to put 1.5 million ZEVs on the road by 2025. The VW settlement will help enable all of these policies by expanding access to public charging to reduce range anxiety at a critical point when many mass-market EVs are starting to enter the market. By enabling California's transportation policy framework, the settlement will help deliver broader consumer and public health benefits for all California residents.

• **Requires Broad Geographic Deployment**: The settlement requires VW to make investments across a variety of cities, metro areas, and types of locations, such as workplace, multi-family, and other public locations. This will ensure maximum access for existing and future EV drivers, including high speed charging on highways and public chargers in workplaces, multi-family dwellings, and community settings, such as grocery stores and shopping malls.

• Expands Access to Public Charging Infrastructure: VW has stated its commitment to installing public DC-fast charging and Level II charging as part of the ZEV Investment Commitment. Range-anxiety is still a major adoption barrier for consumers and expanding public charging infrastructure is a critical step to addressing this concern. Further, the settlement specifically prohibits eligible investments at or adjacent to VW dealerships.

• **Supports Disadvantaged and Low-Income Communities**: In addition to requiring a broad geographic and site distribution (e.g. multi-unit housing) of charging infrastructure, the settlement directs VW to make investments that will benefit disadvantaged communities in two ways. First, it encourages EV charging infrastructure for heavy-duty trucks, freight transport and transit, which are a major source of diesel air pollution that disproportionately affects disadvantaged communities. Second, it encourages wider access to EVs by directing investments at programs that increase public access to ZEVs through car-sharing, ride-hailing services and other mechanisms to allow low-income customers to acquire a ZEV.

• **Creates Jobs**: The California ZEV Investment Plan will result in exponential expansion of electric vehicle infrastructure well beyond the existing approved deployments. This will create good-paying jobs throughout California in construction, electric utilities, system installation, system operations, and maintenance.

• Ensures Appropriate State Oversight of VW's Investment Plans: Under the terms of the settlement decree, CARB must review VW's 30-month investment plans. It then has the discretion to approve or disapprove specific elements of the plan to ensure compliance with the requirements of the settlement decree. This ensures that the State will have an appropriate oversight role while still providing the market certainty and efficiency necessary for market participants to support these investments.

• **Requires Technology-Neutral, Non-Proprietary Standards**: The settlement requires VW to install EV charging infrastructure that supports multiple, non-proprietary connectors, open



network communication protocols, and charging protocols that anticipate the evolving field of EV charging. As an example, VW has stated that it will support all broadly accepted standards for Level II and DC-fast charging. This includes supporting CHAdeMO DC-fast charging connectors, even though VW does not plan to support CHAdeMO in its own vehicles.

• **Preserves Fair Competition**: VW has stated that it will work with multiple, qualified vendors to achieve the requirements of the California ZEV Investment Plan and it will make those decisions based on competitive processes.

California has always been a global leader in moving the automotive market towards a cleaner, more efficient future. The VW settlement represents another unique moment for California to push forward and jumpstart broad adoption of EVs and other ZEVs. We are concerned that some have raised objections and proposed delays to implementing the settlement. We firmly believe that our state, our industry, and our planet, cannot afford any unnecessary delay and we urge you to move forward as quickly as possible under the existing terms of Appendix C and require VW to fulfill its obligations under the current California ZEV Investment Plan.

Brett Hauser Chief Executive Officer Greenlots

Dave Schembri Chief Executive Officer EVgo

Mahi Reddy Chief Executive Officer SemaConnect Frank Meza Chief Executive Officer BTC Power Inc. Mike Anderson Chief Executive Officer Efacec USA, Inc.

Kenneth Karklin Vice President and General Manager Efficient Energy Systems, Aerovironment Inc.

Kristof Vereenooghe Chief Executive Officer EV-Box