

December 16, 2016

Mr. Mark Williams,
Mailstop 3E
Air Resources Board
P.O. Box 2815
Sacramento, California 95812

Subject: Comments Regarding California's Guidance for the Zero Emission Vehicle Investment Plan

On behalf of the Sacramento region, we are writing to commend the Air Resources Board (ARB) for its role in securing the zero emission vehicle (ZEV) Investment Commitment for California. This funding provides a critical opportunity to deliver transformational changes in California's transportation system. If done right, the investment has potential to catalyze pivotal achievements towards the state's clean energy and transportation goals while delivering real improvements for disadvantaged communities and working neighborhoods.

Recognizing this unparalleled opportunity, we provide four recommendations to the ARB as it prepares guidance for the ZEV Investment Commitment:

- 1. Use appropriate metrics to identify key markets for implementation.** In addition to criteria for disadvantaged communities established by state legislation in Senate Bill 535 (California Global Warming Solutions Act of 2006) and updated by Assembly Bill (AB) 1550 in 2016, the ARB should also consider other metrics for priority markets, such as federal Promise Zones. Promise Zone communities are federally-designated areas challenged by poverty, unemployment, and other factors such as high mortality rates and violent crime. Promise Zones have also been evaluated through a competitive selection process, with selected communities offering capable partnerships between the federal government and local leaders. These partnerships are mobilized and equipped for public-private initiatives. Sacramento is one of four Promise Zone communities in California. The Promise Zone designation demonstrates not only socioeconomic vulnerability, but also the strength of existing partner commitments.
- 2. Prioritize the role of existing efforts for evaluating high-priority investments.** ARB should include guidance for evaluation of communities that are ready for transformational investment. Expenditures can offer bigger impacts where there is an existing synergy between regulatory- and market-readiness. California has several plug-in electric vehicle collaboratives, with many regions such as Sacramento actively investing in ZEV infrastructure and marketing. The status of local policies and standards can also help determine readiness for investment. The adoption EV-readiness plans and enabling codes are fundamental

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Davis
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Elk Grove
Folsom
Galt
Isleton
Live Oak
Lincoln
Loomis
Marysville
Placer County
Placerville
Rancho Cordova
Rocklin
Roseville
Sacramento
Sacramento County
Sutter County
West Sacramento
Wheatland
Winters
Woodland
Yolo County
Yuba City
Yuba County

indicators of local capacity. Together, such initiatives serve as a toolkit for streamlining and predictability – critical factors that will be necessary to guide investments and deliver results. Expertise for deployment and evaluation are also relevant, with an important role for universities to play in the ZEV investment. For example, the University of California Davis is not only one of the world’s leading research institutions for electric vehicles, but also serves as a lead university for the National Center for Sustainable Transportation consortium.

3. **Provide clear guidance to build on demonstrated leadership in electrification.** To maximize outcomes, we encourage the ARB to recommend that the investment leverage early electrification leadership in California. Prioritizing proven leadership can allow for rapid scalability and high-visibility wins. The ARB should identify and encourage investment in areas that have demonstrated the ability to both innovate and spread successful innovations throughout the state. Such an approach ensures that funding benefits from existing political and social capital, targeting areas with the proven capacity to disseminate new approaches and successes to other regions. Within the Sacramento region, several efforts exemplify the type of foundational leadership that we believe is necessary to support transformational change:

- 3.1. Since beginning its EV program in 1989, the Sacramento Municipal Utility District (SMUD) has secured more than \$30 million in competitive grants for EVs and EV infrastructure with the City and other partners. Recently recognized as the 2016 Alliance to Save Energy Star for Transportation Efficiency, SMUD offers a commitment of approximately \$3.1 million annually for customer-facing light duty EV programs through 2020.

- 3.2. The Sacramento Metropolitan Air Quality Management District offers programs and funding to leverage for electrification. With a \$1.4 million ARB grant, the Air District is implementing an electric car share program to construct charging stations in disadvantaged communities throughout the region. The Air District is also implementing the ARB-funded Enhanced Fleet Modernization Program, and will be expending an anticipated \$3.3 million to foster alternative fuels including plug-in hybrid and battery EVs.

- 3.3. In December 2013, the Sacramento Area Council of Governments (SACOG) adopted the region’s first plug-in EV readiness and infrastructure plan, TakeCharge, followed by ongoing investment in regional electrification planning. SACOG offers a long history of innovative partnerships and collaboration, using one of the nation’s most robust transportation modeling and measuring tools in the country, SACSIM. Such tools offer an advanced opportunity for analyzing the relationship between electrification and land use decisions. SACOG has also served as a leader securing grants for EV infrastructure, funding construction of three DC fast chargers to date. Working together with Sacramento County and other partners, SACOG also continues to expand community-wide EV education and streamlining. Work is underway to update guidance for plug-in EV readiness, pursuant to AB 1236 (Electric Vehicle Charging Stations).

3.4. Regional Transit (RT) operates a bus fleet running on 100% compressed natural gas, with initial trials beginning as early as 1993. RT has plans underway to pilot the region's first battery-powered electric buses, and continues to implement new efforts to spur transit ridership.

3.5. The City of Sacramento was hailed in 2015 as the #1 Green Fleet in North America, with 50% alternative fuels and ongoing investments in electrification. The City has constructed more than 40 EV chargers at public facilities. The City has also succeeded in attaining competitive funding for ambitious projects, securing more than \$400 million in federal, state, and local awards for the multi-modal Downtown Railyards project. With this funding, the City is constructing critical public infrastructure to support a mixed-use, transit-oriented community at the nation's 7th busiest Amtrak station, the Sacramento Valley Station. The station is a designated Transit Priority Area in the 2016 Metropolitan Transportation Plan/Sustainable Communities Strategy, serving regional light rail, transit, and Amtrak routes, in addition to future high speed rail. Situated at the confluence of key national routes on the US Department of Transportation's national electric vehicle charging corridor, Sacramento Valley Station is a central location to support electrification and clean, multi-modal trip chaining. With one DC fast charger already operational and two electric car share chargers under construction, the site is an exemplary location for quick wins in electrification.

3.6. Early government leadership in our region has fostered market readiness. We believe that this market readiness is a key ingredient for ZEV investment success. Collectively, we are working with our partners to support an estimated 2,600 EVs countywide and to encourage growing EV demand.

4. **Actionable partnerships should be an important guiding principle for the ZEV investment.** The role of partnerships to deliver outcomes should not be underestimated. Our collective experience demonstrates that creative solutions require a capable team with vision, experience, and proven real-world results. As outlined in the examples above, successes in the Sacramento region show that strong partnerships have been vital both for realizing and disseminating ambitious achievements. Efforts such as the Sacramento Region Blueprint further demonstrate the region's capability to not just to tackle big issues, but also the commitment to serve as a resource for sharing new solutions. For example, SACOG has long served as a leader to broadly leverage regional planning successes across the Central Valley, providing capacity and technical assistance to other metropolitan planning organizations and leadership groups.

The Sacramento region looks forward to the opportunity for consideration to support the ZEV investment. We offer strong public-private partnerships, electrification expertise, and an emerging culture of innovation. Together, we are equipped to move forward to the next generation of innovation in green and intelligent transportation systems.

We are ready and committed to support with delivery of transformational programs that catalyze a new era in transportation.

Sincerely,

A handwritten signature in black ink, appearing to read "Mike McKeever". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Mike McKeever
Chief Executive Officer