



BAY AREA  
AIR QUALITY  
MANAGEMENT  
DISTRICT



METROPOLITAN  
TRANSPORTATION  
COMMISSION

July 14, 2017

Mary D. Nichols, Chairperson  
California Air Resources Board  
1001 "I" Street  
Sacramento, CA 95814

Re: MTC-BAAQMD Comments on Volkswagen Supplement to ZEV Investment Plan

Dear Chairperson Nichols:

The Metropolitan Transportation Commission (MTC) and the Bay Area Air Quality Management District (BAAQMD) jointly offer the following comments on the Volkswagen (VW) Supplement to the Zero Emission Vehicle (ZEV) Investment Plan Cycle 1 (Supplement).

We appreciate the additional information that VW has provided through the Supplement, and support many of the actions VW is proposing to address public concerns regarding their original ZEV Investment Plan (Plan), dated March 8, 2017, such as the clarification that "metro areas" include multiple cities in each metro area, rather than just the individual central cities named in the Plan, and further clarification on the gap analysis.

The Supplement also addresses some of the comments we submitted in response to the original Plan. Specifically, we support basing the identification of investments in disadvantaged, low-income, underserved, and disproportionately impacted communities on the definitions of such communities established under SB 535 and AB 1550.

However, the Supplement confirms that VW's approach to implementing the Plan is quite different than we had understood it to be. We understood the invitation to submit project proposals to mean that VW would include selected proposals in the Plan, and would collaborate with the proposers to implement the projects within their communities. Instead, it appears that VW used the proposals to inform its Plan, but has no intention to partner with the agencies that submitted the proposals.

We think that approach represents a missed opportunity to leverage the expertise of local and regional agencies that have both extensive experience and active ongoing efforts in funding and implementing regional infrastructure plans and mobility solutions. VW's approach also risks potential duplication of effort, and does not maximize the impact of VW's ZEV investments.

***We therefore reiterate our recommendation for VW to partner with local and regional agencies to implement the Plan, and to coordinate ZEV investments with efforts already underway in California.***

VW's go-it-alone approach is also a missed opportunity to leverage local and regional funding to supplement VW's investments. For example, as part of the joint proposal submitted by the San Joaquin Valley Air Pollution Control District, South Coast Air Quality Management District, and the BAAQMD, each of the air districts had set aside \$5 million in funding (\$15 million total) to supplement and complement the ZEV Investment Plan. However, as of this date, VW has not been responsive to the air districts' multiple requests to set up discussions regarding this proposal. Therefore those funds will be reallocated to other local projects, which may inadvertently compete with or duplicate VW's efforts.

Another comment that we submitted regarding the initial Plan that the Supplement fails to address is our request for further information on where the 350+ community chargers will be located. The lack of clarity regarding the location of chargers makes it difficult to coordinate funding and implementation of local and regional charging infrastructure plans with VW's efforts, and to assess the impact of VW's investments. Additionally, the Plan fails to describe what efforts will be taken to ensure that VW's investments do not duplicate the current deployment projects being sponsored by utilities in response to the California Public Utility Commission's Transportation Electrification Activities Pursuant to Senate Bill 350, which, in Pacific Gas and Electric territory alone, seeks to deploy more 7,500 chargers at workplaces and multi-unit dwellings.

We also reiterate our initial comments regarding the need to prioritize investments in medium- and heavy-duty zero-emission vehicles, including, especially, public transit vehicles. Given the substantial share of GHGs and criteria pollutants emitted by heavy-duty trucks and buses, and CARB's keen interest in potential large-scale conversion of fleets to zero emission, future investment cycles should make investments in zero-emission medium- and heavy-duty vehicles a high priority.

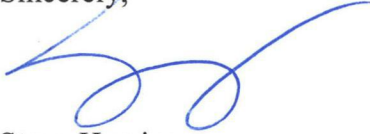
Finally, our initial comments also requested more information on Sacramento's successful Green City Initiative proposal. While VW did include additional information on the selection process in the Supplement, additional information on how a Green City Initiative differs from charging infrastructure investments will inform other cities, and help them develop stronger Green City proposals for future cycles. Cities in the Bay Area look forward to competing in future rounds.

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MTC and BAAQMD look forward to continuing to work with CARB and VW to implement this critical and unique investment opportunity. If you have questions about our comments please contact Glen Tepke at MTC ([gtepke@mtc.ca.gov](mailto:gtepke@mtc.ca.gov) or (415) 778-6781) or Karen Schkolnick at BAAQMD ([kschkolnick@baaqmd.gov](mailto:kschkolnick@baaqmd.gov) or (415) 749-5070).

Sincerely,



Steve Heminger  
Executive Director  
Metropolitan Transportation Commission



Jack P. Broadbent  
Executive Officer/Air Pollution Control Officer  
Bay Area Air Quality Management District

CC: Richard Corey, Executive Officer, California Air Resources Board

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