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October 26, 2018

California Air Resources Board  
1001 I Street  
Sacramento, CA 95814

## **RE: Comments on Electrify America's proposed Cycle 2 ZEV Investment Plan**

ChargePoint appreciates the opportunity to provide comments on Electrify America's proposed Cycle 2 ZEV Investment Plan. As an active participant in Cycle 1 discussions and in other electric vehicle policy discussions at the California Air Resources Board, ChargePoint appreciates the Board's continued interest in advancing EV charging infrastructure.

ChargePoint is the leading electric vehicle (EV) charging network in the world, with charging solutions in every category EV drivers charge, at home, work, around town and on the road. With more than 56,000 independently owned public and semi-public charging spots and thousands of customers (businesses, cities, agencies and service providers), ChargePoint is the only charging technology company on the market that designs, develops and manufactures hardware and software solutions across every use case.

ChargePoint proposes the following actions from CARB in response to the Cycle 2 ZEV Investment Plan:

### **1. Scale back Metro/Community charging investment and move to underserved markets.**

Electrify America has proposed to spend more than half of the Cycle 2 investment on owning and operating fast charging stations in metro areas. Due to the cost and utilization of fast chargers, metro areas are a highly competitive market for deploying fast chargers. Furthermore, contracts with Transportation Network Companies represent the greatest opportunity for charging network providers to have guaranteed and predictable utilization, which is game-changing for growth of this sector. Using settlement funds to install Electrify America-branded and owned charging stations at no cost to site hosts is anti-competitive and not additional or incremental to the private and public investments currently underway in California. This funding should be reallocated to support charging station deployment in disadvantaged communities and rural areas of the state.

### **2. Require Electrify America to move on lease agreements within 3 months of installation.**

Over the past year, ChargePoint and others in the industry have experienced a land grab for key fast charger locations along highway corridors in California. According to customer data, Electrify America has been providing potential site hosts above market payments and in some cases, held sites for months without actually installing anything at that location. This action is increasing costs for everyone in the industry and leading to delays in fulfilling grant obligations to the California Energy Commission, and may cause much of the industry to struggle to use the California EV Incentive Program DCFC rebates available now in Southern California and elsewhere in the state next year. Similarly, the California Public Utilities Commission has approved funding for PG&E to support installation of fast chargers in its service territory. CARB should consider limiting credible costs from Electrify America for site host payments and leases, to only those advance payments

made within 3 months of installing a charging station. Any leasing of parking lot space before that period of time, particularly at the above market rates and at sites never developed, should be rejected as anti-competitive.

### **3. Remove single family residential charging from plan.**

Electrify America has proposed a \$10-\$12M residential charging program that includes “‘no-money-down’ residential chargers and installation, enabling buyers who cannot or choose not to pay for the Level 2 (L2) charger up front to repay the cost over time.”<sup>1</sup> Electrify America indicates it will own and operate these home charging stations for 2,500 to 3,300 homes.<sup>2</sup> A similar proposal to own and operate home charging stations made by San Diego Gas & Electric pursuant to SB 350 was recently rejected by the California Public Utilities Commission in favor of a more competitive model of providing rebates for utility customers to own their own charging stations. ChargePoint, as well as other market participants, offer home charging solutions for \$500 before subsidies. These home charging stations are readily accessible and can be purchased direct through Amazon and other online retailers. It is unclear what barrier Electrify America would be overcoming by offering to own a station in someone’s personal home, instead of providing a rebate for a station of the customer’s choice for them to own and operate. CARB should also consider the data and privacy implications of allowing Electrify America to own a station in a customer’s home. How will this data be used to support Volkswagen vehicle sales and future Electrify America investments?

### **4. Ensure Station Utilization proposal is brand neutral.**

As part of its proposal for increasing Station Utilization, Electrify America mentions that funds will be used to highlight affordability, including “including subscription plans and charging bundles provided by automotive manufacturers.”<sup>3</sup> Later in the plan, outreach to “EV customers graduating out of embedded OEM charging programs” is listed as an action to further increase utilization.<sup>4</sup> This part of the Cycle 2 proposal lacks detail and we encourage CARB to investigate to make sure that settlement funds are not being used to target specific OEM drivers, or to subsidize the use of Electrify America stations over other stations available in the market.

### **5. Evaluate use of settlement funds for membership organizations.**

Electrify America also proposes to increase station utilization by establishing partnerships through memberships or sponsorships, as suggested by submissions they received from Plug In America and others.<sup>5</sup> These memberships should be evaluated to ensure that the organizations are not using settlement funds for political purposes, such as sponsoring legislation or resolutions that are not strictly related to education and outreach.

### **6. Convene industry stakeholders as committed in 2017 Resolution.**

On July 27, 2017 the Board passed Resolution 17-23 that stated: “Staff, after consulting with stakeholders, including environmental justice groups, labor organizations, auto manufacturers and other EV charging companies, will report to the Board at least twice a year on progress towards achieving the objectives of the Consent Decree.”<sup>6</sup> ChargePoint is not aware of efforts from CARB

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<sup>1</sup> California ZEV Investment Plan: Cycle 2, page 6.

<sup>2</sup> California ZEV Investment Plan: Cycle 2, page 53.

<sup>3</sup> California ZEV Investment Plan: Cycle 2, page 9.

<sup>4</sup> California ZEV Investment Plan: Cycle 2, page 76.

<sup>5</sup> California ZEV Investment Plan: Cycle 2, page 74.

<sup>6</sup> California Air Resources Board Resolution 17-23 Volkswagen Zero Emission Vehicles Investment Plan, July 27, 2017. Available at <https://www.arb.ca.gov/board/res/2017/res17-23.pdf>.



staff to consult with EV charging companies on the Electrify America actions in Cycle 1, despite a report being submitted to the Board. ChargePoint encourages CARB to convene a stakeholder working group that meets at least twice a year to review the competitive impacts of the ZEV Investment Plan. We hope CARB will consider convening this group immediately and using the group to discuss ways to ensure the Cycle 2 investment is complimentary with public and private charging investments underway in the State.

Thank you for considering our comments. We hope that CARB will take the time to work with Electrify America to modify this plan before voting on its approval.

Sincerely,

A handwritten signature in black ink that reads "Anne Smart". The signature is written in a cursive, flowing style.

Anne Smart  
Vice President, Public Policy  
ChargePoint

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