

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:

This letter is intended to summarize SemaConnect's support of the widely-held industry perspective in favor of the Electrify America program. SemaConnect supports the Electrify America's California Zero Emission Vehicle Investment Plan and strongly urges CARB to approve it as soon as possible.

As context, here is an overview of SemaConnect. We are a leading developer, manufacturer and provider of plug-in ZEV infrastructure including commercial-grade L2 charging systems and comprehensive network services. At present, SemaConnect is in the top two of smart networked EV charging system manufacturers in the North American market. We have offices in San Francisco, Los Angeles, San Diego, Seattle, Denver, Orlando, Atlanta, Boston and our headquarters are in Washington DC. SemaConnect's plug-in ZEV infrastructure is deployed in a wide range of applications that include multifamily, workplace and public charging.

As you know, SemaConnect 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.

The EV charging industry including SemaConnect is strongly in favor of approving the Electrify America program in an expeditious manner. An overview of key factors driving our perspective is as follows:

Grow EV Adoption – At this early stage of the EV industry, there still exists a “chicken & egg” problem with regard to vehicles and charging infrastructure. The ratio of vehicles to commercial infrastructure (i.e. multifamily, workplace and public) continues to be much higher than needed to grow mass market adoption of electric vehicles. The Electrify America plan will help close this gap.

Grow EV Infrastructure – At present, the typical commercial property customer for EV infrastructure is a Class A real estate location. The Electrify America program will help enable

main stream multifamily, workplace and public property customers to install EV infrastructure in greater numbers.

Enables Competition – The Electrify America program is designed to enable robust competition among both EV manufacturers and EV charging solution providers. The program includes industry standard DC Fast Charging connectors (i.e. CHAdeMO and CCS) and Level 2 connectors (i.e. J1772), as well as a firm requirement for the industry “device-to-network” interoperability protocol (i.e. OCPP).

California Job Growth – The \$800 million being spent is not enough to meet all the needs but is a substantial down payment that will encourage further investment and set the State on course for generating thousands of new jobs. The Electrify America investment alone is estimated to support up to 8,500 jobs over the 10 year course of the investment. With regard to SemaConnect specifically, we plan to support job growth in California through both expanding SemaConnect California office locations as well as partnering with California based installation contractors for EV infrastructure.

SemaConnect is also in favor of the additional program details provided in EA’s supplement document.

Low and Moderate Income Residents – CARB’s request and Legislature interest 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 a private company operating in the sector, we certainly understand that there needs to be a business case for all investments, but we were pleased to see the Supplement recognize that there is a business case for a substantial investment in those communities and we are committed to help work with EA to find opportunities to invest in low and moderate income communities.

Fresno – 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.

Sacramento – We support Electrify America’s investment in Sacramento and the CARB priority communities there as part of Electrify America’s Green City Initiative.

Priority CARB Communities – SemaConnect is committed to execute projects in CARB priority communities, including locally based installation contractors in performing EV infrastructure projects.

Expeditious Plan Approval – SemaConnect’s position as well as the view of the broader EV charging industry is to approve the Electrify America’s program in a short timeframe. The total time to install both L2 and DC Fast Charging infrastructure from start to fully operational status is typically multiple months to quarters. As a result, to support the upcoming launch of new EV

models and accelerate EV adoption it is important to initiate the Electrify America program in the very near future.

SemaConnect appreciates the leadership role CARB serves in the growth of the emerging electric vehicle industry. In this role, we encourage expeditious approval of the Electrify America CA ZEV investment plan. We firmly believe it is in the best interest of California's environment and economy, as well as businesses and people in disadvantaged communities across the state.

Sincerely,



Mahi Reddy
CEO
SemaConnect, 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

Frank Meza
Chief Executive Officer
BTC Power Inc.

Mike Anderson
Chief Executive Officer
Efacec USA, Inc.

Dave Schembri
Chief Executive Officer
EVgo

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

Mahi Reddy
Chief Executive Officer
SemaConnect

Kristof Vereenooghe
Chief Executive Officer
EV-Box