



February 20, 2024

California Air Resources Board (CARB)
1001 I Street
Sacramento, CA 95814

RE: MN8 Comments on Proposed Low Carbon Fuel Standard Amendments

Dear CARB staff and board,

MN8 Energy LLC (MN8) appreciates CARB's ongoing effort to update the Low Carbon Fuel Standard (LCFS) regulation. MN8 is largely supportive of the Proposed Regulation Order (The Order) and appreciates the opportunity to offer these comments.

MN8 develops, owns, and operates renewable energy generation facilities, battery energy storage systems (BESS) and electric vehicle (EV) charging stations. Today, we provide clean, affordable energy to over 200 world-class enterprise customers, with an operating fleet of over 850 energy projects and approximately 3 gigawatts (GW) of solar photovoltaic (PV) and BESS capacity spread across 28 US states. We are also partnering with various customers, such as OEMs and fleet operators, to develop EV charging solutions with the goal of delivering a reliable and high-quality experience to EV drivers that will enable widespread EV adoption.

Strengthening the LCFS Carbon Intensity Targets

MN8 supports CARB's proposed amendments to increase California's LCFS carbon intensity (CI) benchmarks. California has not updated its LCFS annual CI benchmarks since 2018 and the state has made significant progress in technology development and Zero-Emission Vehicle (ZEV) infrastructure deployment since the last update. MN8 appreciates CARB staff's (Staff) in-depth analysis and engagement with stakeholders to determine appropriate benchmark updates. We agree with Staff's assessment that a reduction in the CI of transportation fuel of at least 30% by 2030 and 90% by 2045 is both achievable and necessary to meet the state's goal in transportation decarbonization and beyond. Increasing the stringency of the LCFS CI targets and implementing an automatic acceleration mechanism will provide the market with a strong incentive to make long-term investments in low carbon transportation infrastructure.

Proposed Amendments to the LCFS ZEV Infrastructure Crediting Program for Light-Duty Fast Charging Infrastructure (LD-FCI)

MN8 recommends that CARB delay implementing a requirement that stations be built in low-income (LIC) or disadvantaged communities (DAC), or at least ten miles away from the nearest fast charger, to be eligible for the LD-FCI pathway. There remain substantial



additional infrastructure needs across the LD charging space – the state needs 39,000 public DCFCs by 2030, and 85,000 by 2035, and had installed around 10,000 as of the end of 2023 and just over 1,000 over the course of 2023¹. This means that the average rate of public DCFC buildout needs to achieve approximately four times the rate realized in 2023 over the period spanning 2024-2030 to meet the state’s goals; this will require a rapid acceleration of deployments. These infrastructure needs include but are not limited to LICs and DACs. FCI can serve an important role in achieving the rapid and widespread public DCFC infrastructure deployment needed by the state. CARB should therefore delay implementation of any locational constraints around LD-FCI eligibility until a later rulemaking, if and when it finds that the state is clearly on pace to meet its immense DCFC deployment needs.

MN8 also cautions against the proposed amendment to limit the maximum number of eligible chargers in the LD-FCI program to four per site. Limiting the number of eligible chargers at a participating site could discourage the build-out of larger charging hubs that will be needed in certain locations to provide a more accessible and reliable service to drivers. As EV adoption rises, public charging stations must have adequate charging capabilities to support current and future demand, which will require sites far larger than four charging ports in high-traffic locations.

Support of a new FCI program for medium- and heavy-duty EVs

MN8 supports CARB’s proposed amendments to expand the ZEV Infrastructure Fueling Pathways for Medium- and Heavy-Duty (MHD) vehicles. Expanding LCFS ZEV credit generation to the MHD vehicle sector will complement existing policies in California including the Advanced Clean Truck (ACT) and Advanced Clean Fleet (ACF) rules to support a rapid transition to ZEVs in the MHD sector. MN8 appreciates CARB’s willingness to consider stakeholder feedback in proposing that credits can be generated through both public and private ZEV refueling infrastructure, since both of these categories will be critical in enabling a rapid transition in the MHD space. Given the substantial capital costs of installing MHD ZEV refueling infrastructure, the state’s objectives to achieve rapid fleet turnover from internal combustion engine vehicles to ZEVs, and because MHD ZEV adoption is only just beginning, it is important that FCI applies to all business models and use cases for MHD infrastructure.

MN8 opposes the proposed amendments to limit MHD FCI to sites located within one mile of a Federal Highway Administration Alternative Fuel Corridor (AFC) or on or adjacent to a property where medium- and heavy-duty vehicles are parked overnight, or which have received capital funding from a state or federal competitive grant program that included location evaluation as a criteria.”² Various charging solutions are likely to be necessary to serve the MHD space that would not be covered by this rule – for

¹ Davis, Adam, Tiffany Hoang, Thanh Lopez, Jeffrey Lu, Taylor Nguyen, Bob Nolty, Larry Rillera, Dustin Schell, Micah Wofford. 2023. *Assembly Bill 2127 Second Electric Vehicle Charging Infrastructure Assessment: Assessing Charging Needs to Support Zero-Emission Vehicles in 2030 and 2035*. California Energy Commission. Publication Number: CEC-600-2024-003

² Proposed Low Carbon Fuel Standard Amendments, Appendix A-1: Proposed Regulation Order (Proposed Sections for Amendments), Section 95486.3(b)(1). Medium- and Heavy-Duty Fast Charging Infrastructure Pathway Eligibility



example, off-site charging opportunities at cross docks and warehouse facilities where trucks do not park overnight but would benefit from “convenience charging” opportunities as they wait for their cargo to be loaded and/or unloaded, or public and private charging depots located near demand centers (e.g., warehouse clusters) but are not necessarily on or adjacent to premises where MHD vehicles park overnight. Excluding these sorts of infrastructure from FCI would remove an important incentive for the industry to build out critical charging infrastructure.

Thank you again for your leadership in implementing the LCFS in California. MN8 appreciates the opportunity to provide feedback on this important program.

Regards,

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

Brian Kee
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