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**RE: Volkswagen’s Zero Emission Vehicle Investment Commitment**

Dear Mr. Williams:

On behalf of The Los Angeles Chapter of the National Electrical Contractors Association (NECA) which represents over 400 electrical contracting companies who employ over 6,000 electricians throughout Los Angeles and Ventura Counties, we appreciate this opportunity to comment on Volkswagen’s Zero Emission Vehicle Investment Commitment. As these investments flow into California, it is essential they leverage existing programs and policies, lift up working families and address environmental injustices. Transparency and oversight, alignment with existing policies and job quality standards are the best ways to ensure projects benefit communities, funds are equitably distributed and work is safely and correctly performed. Without proper safeguards, California runs the risk of funds and projects being mismanaged, placing workers in harm and missing an opportunity to create meaningful benefits for the public and the environment. It is in this spirit we strongly support the following elements are incorporated into California’s summary of guidance to VW as it develops its first draft California ZEV Investment Plan:

**1. Ensure ZEV Investments Create Middle-Class Careers and Skilled Training Opportunities for Californians**

Establishing criteria for ZEV investment funds to create good, middle-class jobs is consistent with existing state policy. SB 350 The Clean Energy and Pollution Reduction Act calls on “widespread transportation electrification to create high-quality jobs for Californians, where technologically feasible.” Also, CARB has determined VW’s investment should demonstrate corporate social responsibility. Requiring firms who are performing ZEV Infrastructure work to meet a baseline standard for worker training, pay and benefits will help prevent a “race to the bottom” and weed out unscrupulous contractors who may take advantage of employees and the public.

Additionally, including targeted goals to recruit, train and hire residents from disadvantaged communities and veterans to perform ZEV infrastructure work will create access to career paths and economic benefits for residents who need it most. At minimum, we recommend a targeted hiring goal of 35% of the overall workforce be residents from disadvantaged communities, low-income households or veterans.

**RECOMMENDATION:** Establish Responsible Contractor Criteria for firms engaged in infrastructure construction, operation and maintenance. Eligible firms must pay prevailing wages; provide state-certified apprenticeship training; provide full family healthcare coverage as part of the employee benefit package and provide retirement security through a pension retirement contribution. Firms must demonstrate how they will successfully recruit, train and hire a minimum of 35% of their overall workforce from disadvantaged communities, low-income

households or veterans, including how they will collect and report data in a transparent way with a focus on job quality, quantity and access.

## **2. Require Skilled, Qualified Electrical Personnel to Install, Operate and Maintain ZEV Infrastructure**

As CARB noted in the December 2<sup>nd</sup> workshop, ZEV Infrastructure funds must be spent efficiently and effectively. To successfully achieve this, ZEV infrastructure must be properly and safely installed, operated and maintained by qualified electrical personnel. The Electric Vehicle Infrastructure Training Program (EVITP) is an EV industry-wide collaborative where partner organizations contribute to, and develop, curriculum to train and certify electricians. EVITP teaches industry best practices in electric vehicle infrastructure installation, commissioning and maintenance. It is quickly becoming an industry standard, having been recognized by the U.S. Department of Energy's Clean Cities program, and required by the California Public Utilities Commission for utility EV programs recently approved using ratepayer funds. EVITP is taught at California Utility training facilities, community colleges, and industry training centers.

**RECOMMENDATION:** Leverage existing network of state-certified joint labor management electrical apprenticeship facilities. Require EVITP approved contractors and EVITP certified electricians to install, operate and maintain all ZEV infrastructure as California utilities have been required to do by the California Public Utilities Commission.

## **3. Realize Tangible, Measurable Benefits in Disadvantaged Communities**

In California, those who breathe the dirtiest air are disproportionately low-income communities of color. Low-income and disadvantaged communities in California are hit hardest by vehicle pollution because they are more likely to be located near busy roads, freeways, goods movement corridors, and ports. We support the investment goal CARB shared at the December 2<sup>nd</sup> workshop to ensure funds are invested in and directly benefit disadvantaged communities. This is consistent with existing laws requiring California to increase access to clean transportation options in low-income and disadvantaged communities.

SB 1275 states that California must "increase access for disadvantaged, low-income, and moderate-income communities and consumers to zero-emission and near-zero-emission vehicles, and to increase the placement of those vehicles in those communities and with those consumers to enhance the air quality, lower greenhouse gases, and promote overall benefits for those communities and consumers."

Under SB 350, California finds:

- "(B) Widespread transportation electrification is needed to achieve the goals of the Charge Ahead California Initiative (Chapter 8.5 (commencing with Section 44258) of Part 5 of Division 26 of the Health and Safety Code)."
- "(C) Widespread transportation electrification requires increased access for disadvantaged communities, low- and moderate-income communities, and other consumers of zero-emission and near-zero-emission vehicles, and increased use of those vehicles in those communities and by other consumers to enhance air quality, lower greenhouse gases emissions, and promote overall benefits to those communities and other consumers."

SB 535 has been updated by AB 1550 and requires that 25% of the Greenhouse Gas Reduction Fund (GGRF) be invested in disadvantaged communities with an additional 10% benefiting low-

income communities and households, for a total of 35% going to disadvantaged and low-income communities.

ZEV Infrastructure projects can create economic benefits by providing entry into high-quality career paths for residents from disadvantaged communities, low-income households and veterans. If properly structure, these funds can support hiring practices that enable these opportunities (*see Item 1 above*). In terms of vehicle access for disadvantaged communities, secondary market ZEVs can play an important role and complement other programs.

**RECOMMENDATION:** Dedicate a minimum of 25% of the ZEV Investment Commitment be invested in disadvantaged communities and at least 10% benefit low-income communities, in keeping with AB 1550 and SB 1275. Develop a plan with measurable milestones to expand access to secondary market ZEVs in disadvantaged communities.

#### 4. Support Heavy and Medium-Duty ZEV infrastructure

Heavy- and medium-duty vehicles are one of the largest sources of harmful air pollution in California. Air pollution shortens lives, increases diseases and as noted in the 2016 report, "Delivering Opportunity: How Electric Buses and Trucks Can Create Jobs and Improve Public Health," ... "studies have linked air pollution to adverse effects on almost every organ system in the body." Electrifying heavy and medium-duty vehicles like transit buses, school buses, delivery trucks and equipment at Ports has long been recognized as a valuable opportunity to address climate change, reduce air pollution and create healthier communities. Electrifying this sector is consistent with existing statewide policy and initiatives and should be further boosted by ZEV Infrastructure investments.

**RECOMMENDATION:** Earmark revenue to expand heavy and medium-duty ZEV infrastructure, particularly for vehicles impacting disadvantaged communities, including transit buses.

#### 5. Ensure Strict Transparency, Oversight and Accountability of ZEV Infrastructure Investments

The VW settlement was born out of corporate deception. Now, billions of dollars are at stake and intended to right a wrong and benefit the public. Safeguards are absolutely necessary to ensure this happens.

**RECOMMENDATION:** We recommend CARB use all legal and regulatory authority at its disposal, and any other relevant avenues, to forcefully oversee the ZEV Investment Commitment to ensure funds serve the public interest, create high-quality jobs, are spent equitably and as consistent with state law including SB 1275, SB 350 and AB 1550. Require routine reporting and disclosure of ZEV infrastructure projects and funds that is easily accessible through a public web site. Create a VW hotline for members of the public with questions about the settlement or seeking information.

Sincerely,



**James M. Willson**  
Executive Director – LA NECA