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July 14, 2017

Honorable Mary Nichols
Chair, California Air Resources Board
1001 I Street
Sacramento, CA 95814

RE: Volkswagen ZEV Investment Plan Supplement

Dear Chair Nichols:

ChargePoint appreciates the opportunity to provide these comments on Volkswagen's "*Supplement to the California ZEV Investment Plan*" submitted to CARB on June 29, 2017.

ChargePoint is the largest electric vehicle (EV) charging network in the world, with charging solutions for every charging need and all the places EV drivers go: at home, work, around town and on the road. With more than 38,000 independently owned charging spots and more than 7,000 customers (including workplaces, cities, retailers, apartments, hospitals and fleets), ChargePoint is the only charging technology company on the market that designs, develops and manufactures hardware and software solutions across every category. Leading EV hardware makers, automakers and other partners rely on the ChargePoint network to make charging station details available in mobile apps, online and in navigation systems for popular EVs. ChargePoint drivers have completed more than 26 million charging sessions, saving upwards of 25.6 million gallons of gasoline and driving more than 613 million gas-free miles.

On May 24, 2017, CARB requested¹ that Electrify America provide additional information on its first 30-month ZEV Investment Plan. ChargePoint commends CARB staff for using its authority under the Consent Decree to require VW to respond to stakeholder concerns and questions raised in previous public comment periods prior to approving VW's proposal. This action underscores CARB's continued commitment to ensuring that this vital investment in California's clean transportation infrastructure is aligned with the Governor's goal of 1.5 million ZEVs by 2025, and other state goals to reduce greenhouse gas emissions.

In addition to CARB's request for the Supplement, Governor Brown signed SB 92² into law on June 27, 2017, providing several specific criteria related to Appendix C of the Consent Decree, including:

(b) (1) The state board shall strive to ensure that investments made pursuant to Appendix C of the 2.0L partial consent decree are aligned with the state's priorities and provide for public transparency before approval.

(c) (1) On and after the effective date of this section, the state board, in approving each of the investment plans proposed by Volkswagen, shall strive to ensure, to the maximum extent allowable under the 2.0L partial consent decree, both of the following:

¹ CARB Letter to Electrify America, May 24, 2017. https://www.arb.ca.gov/msprog/vw_info/vsi/vw-zevinvest/documents/zip_supplement_request_052417.pdf

² SB 92 (Committee on Budget and Fiscal Review): Public Resources.
https://leginfo.ca.gov/faces/billNavClient.xhtml?bill_id=201720180SB92

(A) At least 35 percent of funds for the investment plan benefit low-income or disadvantaged communities disproportionately affected by air pollution.

(B) The periodic submission of progress reports to the state board on the implementation of the investment plan from Volkswagen or its subsidiary.

(2) The state board shall approve each investment plan at a public hearing.

ChargePoint is pleased to see that the Governor and Legislature understand the importance of aligning this investment with existing state policy to maximize benefits to disadvantaged communities. We believe that VW's Supplement provides a positive step towards the intent behind CARB's Letter and SB 92, however there are still key areas of further modification that should be required of VW before CARB approves the ZEV Investment Plan, pursuant to the authority given to CARB in the Consent Decree.

RECOMMENDATIONS

1. Require more details on how VW “anticipates” to spend 35% of the \$200 million ZIP in Disadvantaged Communities.

The Supplement states that VW:

“...anticipates (but does not guarantee) that more than 35 percent of the ZEV Investments proposed in the Cycle 1 CA ZEV Investment Plan will be in census tracts that CARB specified as low-income or disadvantaged in April 2017.”

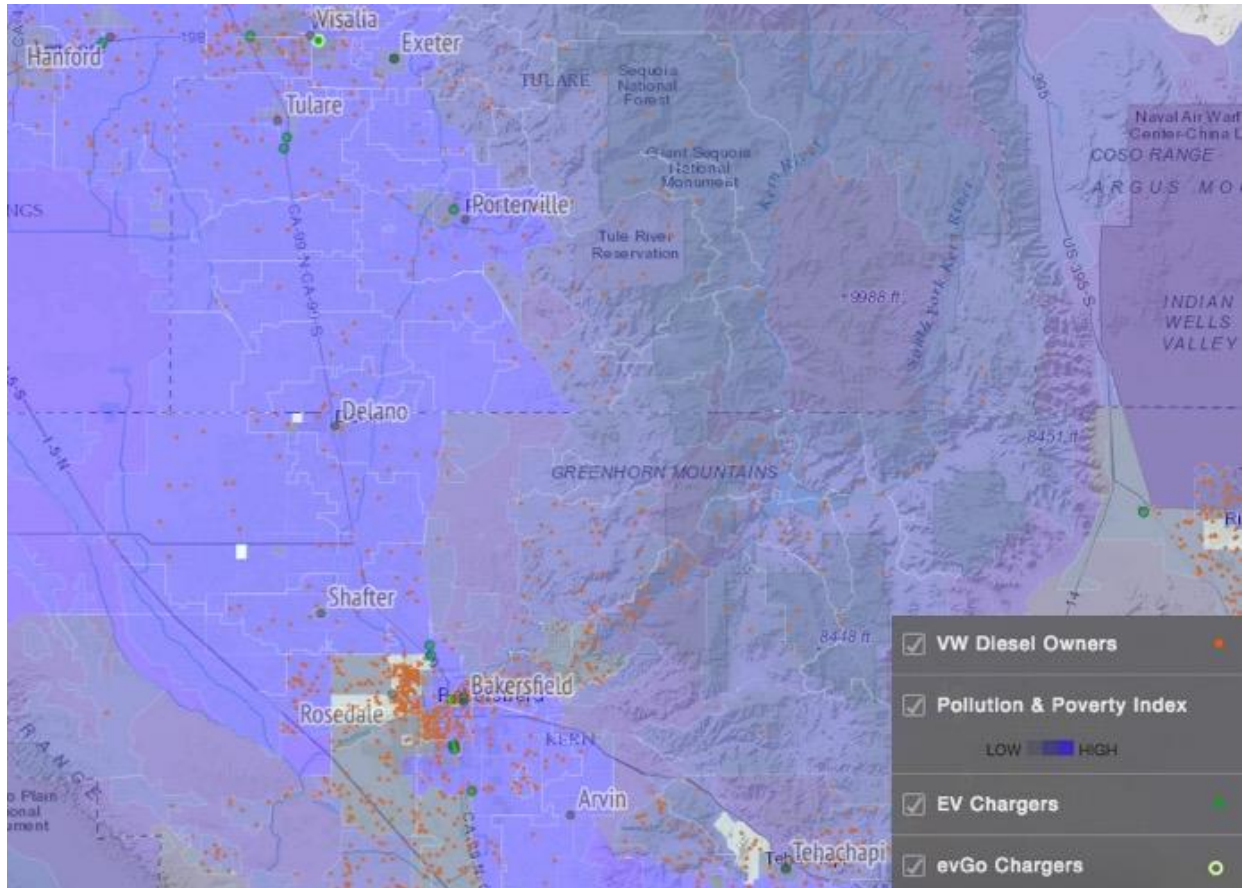
This statement lacks clarity and commitment as to how Electrify America will in fact meet the minimum threshold of 35% that was established both in CARB's own guidance as well as codified in state law through SB 92.

Given that the Supplement states that VW cannot “guarantee” that they will meet the 35% threshold, ChargePoint strongly recommends that CARB establish a process or mechanism to ensure, to the maximum extent possible, that this investment is being deployed in the specific disadvantaged communities most in need of this infrastructure. The Supplement does state that VW:

“...has prioritized 1,500+ census tracts for community charging investments, and more than 35 percent of these census tracts are identified by CARB as disadvantaged or low-income communities.”

The Supplement does not provide any specific details on where within the state these 1,500 census tracts are located, and how these tracts correlate with communities that need this infrastructure most, as well as those that have been most impacted by diesel emissions from VW vehicles. A mapping tool developed by Kevala³ provides useful insight as to the specific areas of the state that would most benefit from this investment. An example below shows how the Bakersfield region of the Central Valley has been disproportionately affected by diesel emissions and lacks significant existing EV charging infrastructure:

³ “Non-Compliant VW Diesels in California”, Kevala, accessed July 14, 2017. <https://www.keva.la/vw/>



Additionally, the maps attached as Appendix A, specifically identify where existing EV charging infrastructure is already deployed throughout the state along with where the VW diesel vehicles were located, provide a strong reference point to where in California this investment should be targeted. It is clear that San Francisco, San Jose, and Los Angeles have both a high number of VW diesel vehicles as well as several census tracts that include disadvantaged communities, however those metro areas also have the highest proportion of existing EV infrastructure. Areas that are clearly underserved from the standpoint of EV infrastructure deployment include the San Joaquin Valley and broader Central Valley communities, as well as several eastern Southern California communities, such as San Bernardino, Victorville, Riverside and Temecula.

ChargePoint recommends that CARB direct VW to specifically identify the 1,500 census tracts through a public and transparent process, and align the census tracts in disadvantaged communities in areas of the state that have not already received significant private capital or other investment in EV infrastructure. This should include ensuring that these are publicly accessible stations located directly within the disadvantaged communities. As stated in our previous comments⁴, the DC fast charging stations located along highway corridors are best suited for quick stops by EV drivers traveling along highways, and not likely to be the primary charging site for residents within the local community. For this reason, ChargePoint would recommend that CARB not include any of the highway high speed charging sites as part of the minimum 35% investment.

⁴ "ChargePoint Comments on ZEV Investment Plan", Anne Smart, April 10, 2017. /<https://www.arb.ca.gov/lists/com-attach/97-vwzevinvestplan-ws-AWIHaVMzAiMLalQx.pdf>

2. Increase the total investment dollars in the Fresno metro area and other disadvantaged communities.

ChargePoint supports the addition of the Fresno metro area to the initial 30-month investment that was identified in the Supplement. As already stated above, Fresno is a part of the Central Valley region that has been most impacted by the diesel emissions from VW's vehicles, and can significantly benefit from investment in EV charging infrastructure within the community.

While VW has stated that they will add the Fresno metro area as a sixth target for community charging in the first cycle, they did not increase the overall budget for the community charging portion of their investment. ChargePoint strongly believes that community charging will have the most meaningful impact in terms of serving disadvantaged communities, and therefore we recommend that CARB instruct VW to shift funding from the \$75 million highway network to cover the shortfall in community charging with the addition of the Fresno metro area.

3. Ensure that these investments are “complementary and additional” per CARB’s Guidance.

In the February 2017 Guidance document to VW, CARB explicitly stated that this investment:

“...should be complementary and additional to investments already being made by government and the private sector in California. As the intention of the settlement is to make impactful investment that accelerates and supports the ZEV market, it is important that these investments are not duplicative or take the place of either government funding programs or investments made by others.”

Furthermore, in CARB’s May 24, 2017 Letter, they requested specific details to be included in the Supplement that addressed:

“The detail on the proposed planning partnership should include, among other things, a summary of discussions to date, goals and desired outcomes going forward, how Electrify America’s projects will account for existing programs, and how planned infrastructure will complement rather than duplicate other infrastructure investments.”

The Supplement provides very little detail on exactly how, from a geographic and market segment perspective, VW’s investment will not duplicate existing investments. In regards to utility investment, the Supplement states “...utilities will invest primarily in the workplace and multi-unit dwelling use cases, and they will not build DC fast charging stations”. This is not wholly accurate as the most recent SB 350 filings from the Investor Owned Utilities (IOUs) do include plans to invest ratepayer dollars in DC fast charging stations.

Additionally, in terms of coordination with other state agencies such as the CEC, the Supplement states “For near future planned investments, Electrify America plans to secure this information from regular information exchanges with the CEC and other government agencies to segregate charging infrastructure investments for more complementary results”. The CARB Guidance and subsequent Letter requirements around complementary and additional spending was specific to the first 30-month cycle, not just future plans.

The Supplement also does not include any detail on if and/or how VW is coordinating with existing private EV charging network providers in order to ensure that their investments are incremental to existing and planned private capital investment in EV charging infrastructure.



CARB should not accept these explanations as satisfactory enough in order to approve the ZEV Investment Plan, as they in do not ensure in any way that VW's investments do not duplicate existing and planned EV charging infrastructure deployment.

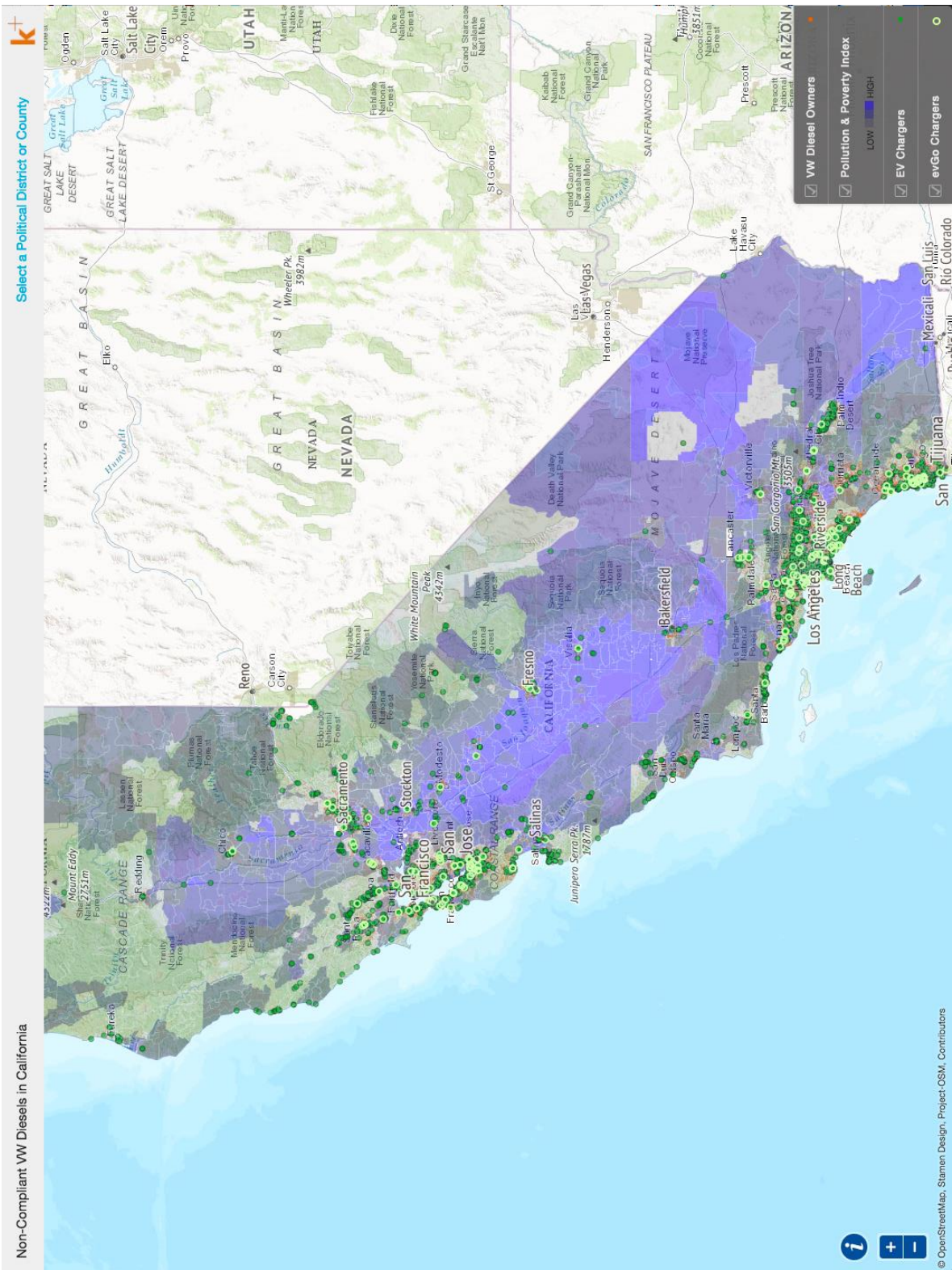
Thank you again for considering our comments. If you have any questions, please contact me at anne.smart@chargepoint.com or 408-858-5076.

Sincerely,

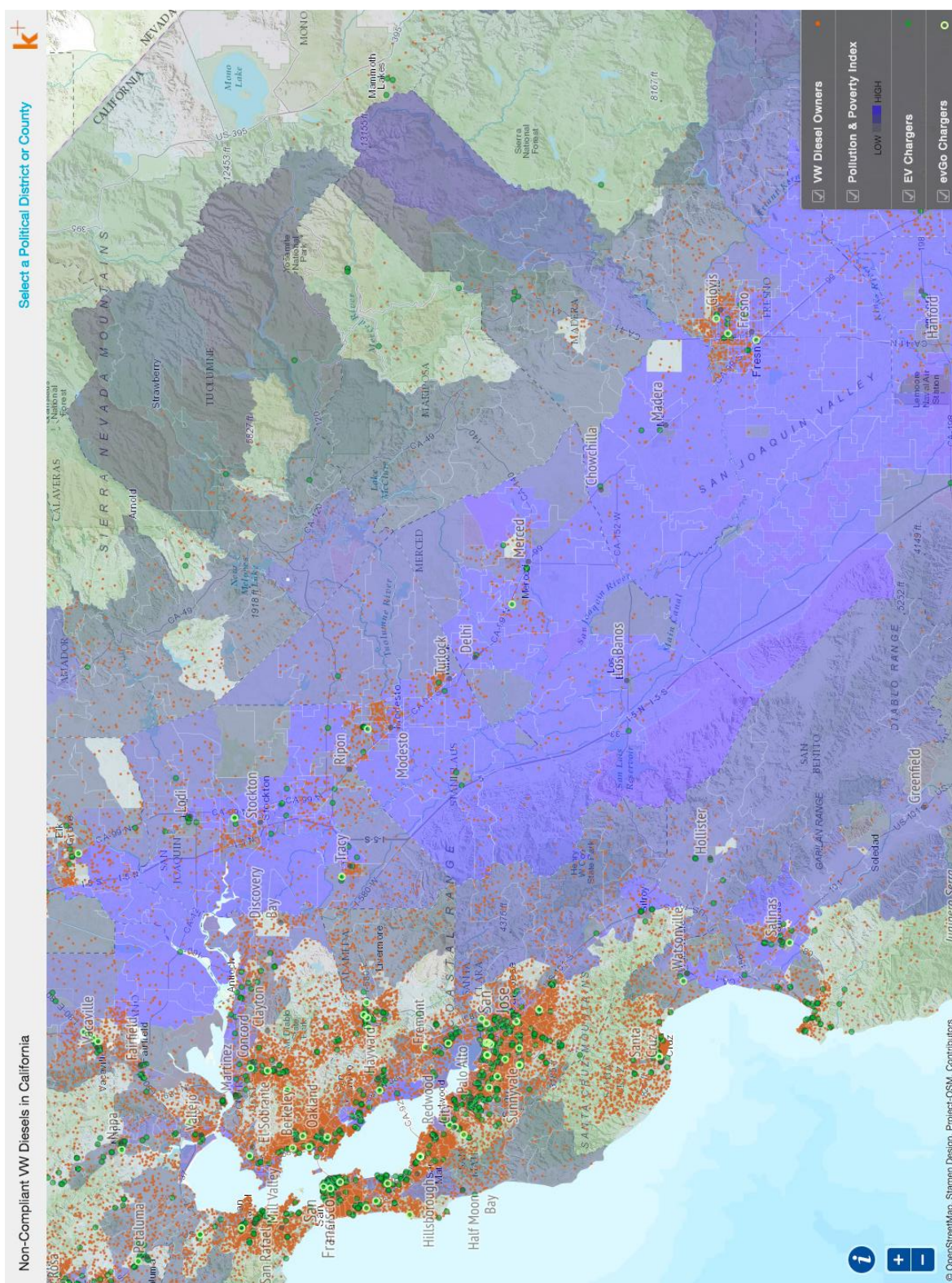
A handwritten signature in black ink that reads "Anne Smart". The signature is written in a cursive, flowing style.

Anne Smart
Vice President, Public Policy
ChargePoint

APPENDIX A - Statewide



APPENDIX A – Central Valley



APPENDIX A – Southern California

