-chargepoin+

ChargePoint, Inc. 254 East Hacienda Avenue | Campbell, CA 95008 USA +1.408.841.4500 or US toll-free +1.877.370.3802

April 10, 2017

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

RE: Volkswagen ZEV Investment Plan

Dear Chair Nichols:

Thank you for the opportunity to provide comments on the Volkswagen Zero Emission Vehicle Investment Plan ("ZIP").

ChargePoint is the world's largest and most open EV charging network with more than 33,900 Level 2 EV and DC fast charging spots, including 18,863 public and private ports in California as of April 2017. ChargePoint's network includes more than 6,500 charging station owners, including major employers, municipalities, universities, utilities, real estate developers, and parking garage facility owners and operators that provide EV charging and related services to EV drivers. ChargePoint's real-time network information, including the availability of charging locations throughout the nation, is available through the ChargePoint mobile app, online, and via the navigation systems in top-selling EVs. Every three seconds, a driver connects to a ChargePoint station and by initiating over 23 million charging sessions, ChargePoint drivers have saved over 22.8 million gallons of gasoline and driven more than 545 million gas free miles.

ChargePoint appreciates the effort undertaken by the Air Resources Board in negotiating an extraordinary \$800 million investment in California EV infrastructure and education. If the ZIP is modified pursuant to CARB's guidance, this investment has the potential to increase charging infrastructure in areas across the state of greatest need and accelerate EV adoption pursuant to the Governor's goal of 1.5 million ZEVs by 2025.

ZIP. Under the Consent Decree, California has the authority to seek modifications, in whole or in part. The Consent Decree explicitly states in Appendix C, Section 3.3.3:

California ZEV Investment Plan Review and Determination. CARB shall review each California ZEV Investment Plan. <u>CARB may, in its discretion, approve or disapprove each California ZEV Investment Plan, in whole or in part.</u> CARB shall notify Settling Defendants of its approval or disapproval in writing and, if not approved in whole, of which parts were approved. Settling Defendants may begin implementing any approved portions immediately. If CARB disapproves the California ZEV Investment Plan, in whole

-chargepoin+:

or in part, CARB and Settling Defendants shall meet and confer within 10 days of Settling Defendants' receipt of CARB's disapproval. Settling Defendants may resubmit a new version of the disapproved portions of the California ZEV Investment Plan, in whole or in part, to CARB, for CARB's approval, within 10 days of receiving CARB's disapproval.

ChargePoint encourages CARB to exercise this authority to direct VW's investment plan to help communities of greatest need and support long term growth of the EV charging industry.

RECOMMENDED MODIFICATIONS

1. Require at least 35% of the \$200 million ZIP to be committed to Disadvantaged Communities.

In its <u>guidance</u> to VW, CARB recommended that at least 35 percent of funds be invested directly in disadvantaged and low-income communities in alignment with SB 1275, SB 535, AB 1550, and SB 350. VW has instead proposed making "Community Charging" investments in San Francisco, San Jose, Los Angeles, Sacramento, and San Diego. The only commitment to disadvantaged communities in the ZIP is to place high speed charging stations along highways that pass alongside those communities.

VW states that 25% of these highway stations will fall in areas which score in the bottom quartile of the CalEnviroScreen. This means that VW is committing just 25% of the \$75 million highway charging project to disadvantaged communities, which equals \$18.75 million or less than 10% (9.375%) of VW's overall \$200 million ZIP.

CARB must require at least 35% of VW's plan, including Community Charging and Public Education, to be committed to disadvantaged communities. Given that these communities were most negatively impacted by VW's deceit on diesel emissions, CARB should ensure that these communities benefit the most from this investment.

2. Invest community charging in Disadvantaged Communities.

VW's proposed investment in Disadvantaged Communities is limited to high speed charging stations at highway exits rather than community charging stations at workplaces, multifamily housing, and retail stores. Instead of simply encouraging quick stops by EV drivers traveling along these highways, VW should support EV adoption in underserved communities by investing in charging where low and moderate income drivers live, work, and shop.

CARB should therefore require a portion of the Community Charging proposal to be dedicated toward Disadvantaged Communities as part of the overall commitment of at least 35% of this ZIP being made to these areas of greatest need.

-chargepoin+.

3. Promote competition and customer choice in charging equipment, network services, and business models.

VW's plan fails to provide details on its business model, including ownership of these charging stations, the procurement process by either Electrify America or site hosts, sales efforts, site selection, and how in fact VW intends to make Electrify America profitable within 10 years. CARB should require VW to disclose additional details to ensure that this investment proposal aligns with CARB's guidance which stated: "Investments should not interfere with or undermine established and emerging businesses in the market place."

In addition, CARB advised in its guidance that the proposed investment be "complementary and additional" to other investments. This will help to prevent private investment from being crowded out and instead could promote funding towards areas that are currently underserved. To ensure that this funding reduces overlaps and minimizes anti-competitiveness in the market, CARB should require VW to invest as much as possible in underserved communities that lack private capital.

4. Commit to further oversight by CARB.

This investment is pursuant to a Consent Decree due to VW defrauding consumers and violating clean air regulations. CARB must not forget where this funding is coming from and make sure to provide oversight, reported publicly to the extent possible, throughout the planning and implementation of the ZIP. CARB should use all legal authority at its disposal in the Consent Decree to ensure funds are spent in a way that promote ZEV adoption in all communities, promotes and protects competition in the EV charging industry, and overall is consistent with CARB's guidance and California state law.

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,

Anne Smart

Vice President, Public Policy

annexmant

ChargePoint