

June 7, 2024

Adam Saul, CFS Rule Lead Department of Ecology State of Washington P.O. Box 47600 Olympia, WA 98504-7600

SUBJECT: Clean Fuel Standard Informal Comment Period #2, May 08, 2024

Dear Mr. Saul and CFS and Climate Pollution Reduction Program Staff,

CALSTART appreciates the opportunity to provide informal comments on the Clean Fuel Standard (CFS) rulemaking. The CFS has the potential to significantly reduce greenhouse gas emissions by decreasing carbon in the state's fuel pool and accelerating the deployment of zero-emission fuels and alternatives to petroleum fuel. The undersigned include a subset of CALSTART members that develop single and multi-fleet EV charging hubs that provide third-party owned charging-as-a-service (CaaS) to medium and heavy duty (MHD) EV fleet owners. This CaaS business model will play a critical role in the transition of the transportation sector and provide important equity benefits by serving smaller sized fleets that may not have their own on-site charging or are unable to install charging due to limitations outside of their control (i.e. They rent their depot/parking space, and the property owner does not wish to invest in the needed infrastructure).

CALSTART and our Origins

CALSTART, headquartered in California, is a globally renowned 501(c)3 nonprofit organization dedicated to the advancement of zero-emission vehicle and infrastructure technology. With a global member consortium of more than 300 technology, government, industry, and community partners, CALSTART has worked for 30+ years to accelerate the commercialization and deployment of advanced technologies and solutions. Through policy development, incentive program administration, and first-of-its-kind deployment partnerships, CALSTART has designed and managed programs that drive the market for clean transportation technologies needed to achieve critical greenhouse gas and criteria pollutant emission reduction goals.

Comments on Clean Fuel Standard Informal Comment Period #2

CALSTART strongly supports the proposal to provide capacity credit opportunities for mediumand heavy-duty (MHD) infrastructure sites. As you develop the specific requirements, we would like to provide some initial feedback and recommendations:

• Maintain flexibility when determining location requirements given grid capacity constraints.

The Joint Office of Energy and Transportation released the National Zero-Emission Freight Corridor Strategy¹, which lays out a plan to prioritize and sequence the deployment of zeroemission medium- and heavy-duty infrastructure in and around key freight hubs and along freight corridors. The strategy recognizes the need to build out infrastructure near highways, but also the need to buildout in key freight hubs. Additionally, RMI recently released an analysis² on drayage truck charging needs, which recommended the strategic dispersal of charging locations further away from ports in order to alleviate port congestion and manage grid constraints as energization costs and timelines remain a barrier for rapid infrastructure buildout. RMI argues, "If stakeholders continue to prioritize installing chargers in these [high concentration] areas, power demand will put considerable pressure on local grids, which will likely not be able to reliably support trucks' growing charging needs, creating grid bottlenecks... Stakeholders can help relieve the strain on the grid by distributing chargers over a larger area and further away from ports, in places where there is already trucking activity."

When determining location requirements, we urge you to consider these factors and ensure some level of flexibility beyond what the California Air Resources Board (CARB) has recently proposed in its amendments to the Low Carbon Fuel Standard, as we believe they are too restrictive potentially undermining the infrastructure needed to support rapid zero-emission truck uptake. Market forces will help to ensure strategic infrastructure deployments are well aligned with the National Zero-Emission Freight Corridor Strategy and grid constraints so that infrastructure is built out at the pace and scale needed to meet climate goals.

• Maintain flexibility when considering site-specific caps

In order to enable the scale necessary to meet state goals and to encourage cost reductions that come with upfront investments and larger projects, we encourage you to maintain flexibility in your site-specific requirements. This will ensure that developers can meet market needs and that the program creates a diversity of sites and applicants without limiting the business case for charging hubs. However, if there is a strong desire to set site-specific caps, we recommend a limit based on the combined capacity of chargers rather than an FSE cap. For example, CARB's Low Carbon Fuel Standard proposes a 10MW limit.

Conclusion

The CFS has tremendous potential to be an effective driver of carbon reductions in fuel while also incentivizing and promoting investments in zero-emission infrastructure necessary to support the transformation of the transportation sector. You have the opportunity to apply learnings from other programs including California's and make further refinements that strengthen support for the transition to a zero-emission transportation future. Thank you for your time and consideration. Please feel free to reach out if you have any comments or questions.

Nicole Hutchinson State Policy Director Jamie Hall Director, Policy

¹ Joint Office of Energy and Transportation, "National Freight Corridor Strategy." <u>National Zero-Emission Freight Corridor</u> <u>Strategy (driveelectric.gov)</u>

² RMI, "The Case for Placing Drayage Truck Chargers Away from Ports." <u>The Case for Placing Drayage Truck Chargers</u> <u>Away from Ports - RMI</u>

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