

May 10, 2024

Honorable Chair Liane Randolph and Honorable Board Members
Low Carbon Fuel Standard Program
California Air Resources Board
1001 I St., Sacramento, CA 95814

Sent via email to LCFSworkshop@arb.ca.gov

Re: April 10th California Low Carbon Fuel Standard (LCFS) Workshop

Chair Randolph and Members of the Board:

EVgo appreciates the opportunity to comment on the California Air Resources Board's (CARB) workshop on the Low Carbon Fuel Standard (LCFS) held on April 10, 2024. Headquartered in Los Angeles, EVgo is one of the nation's largest public fast charging providers for electric vehicles (EVs) with a mission to expedite the mass adoption of EVs by creating a convenient, reliable, and affordable EV charging network that delivers fast charging to all drivers.

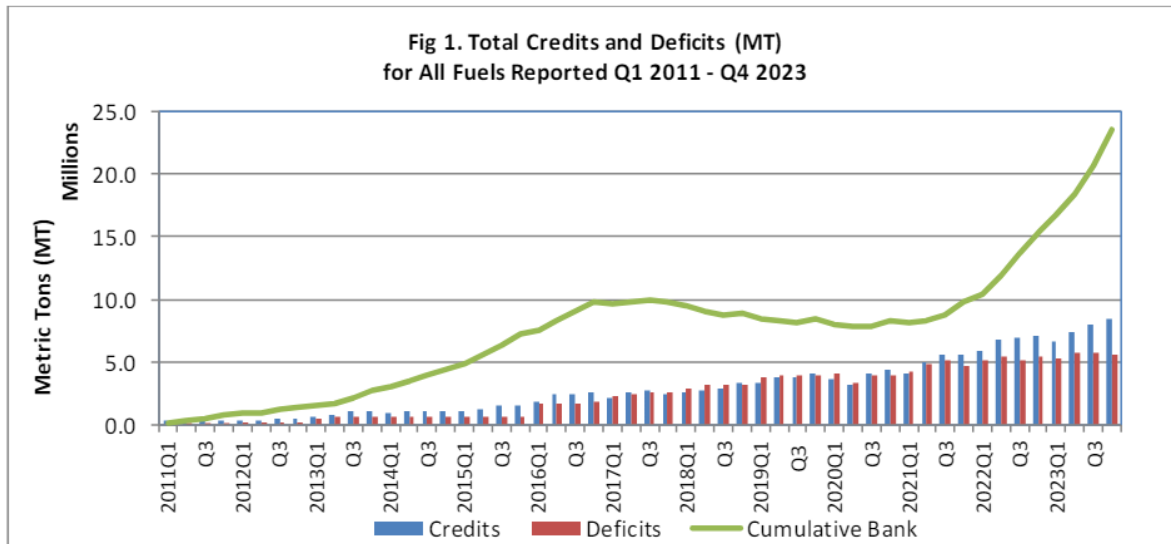
The LCFS is one of California's most effective decarbonization tools. It supports critical investments in EV charging infrastructure needed to meet Advanced Clean Cars (ACC) II and other CARB zero-emission vehicle (ZEV) regulations. Unlike other California policies that incentivize EV charger deployment through one-time capex support, the LCFS provides critical ongoing support for EV charger operations, including maintenance, in a manner that enhances the EV charging experience for all drivers. EVgo appreciates all the effort CARB has made to improve the LCFS to-date, and it is imperative that CARB further strengthen the LCFS in this rulemaking to further accelerate ZEV adoption.

EVgo's comments are summarized as follows:

1. Adopt at least a 9% carbon intensity (CI) step down in 2025 to accelerate investment in ZEV infrastructure;
2. Allow the Auto Adjustment Mechanism (AAM) to be triggered in 2026 with an effective date of 2027 to strengthen guardrails on the LCFS; and
3. Permit EV charging network providers that have received California Type Evaluation Program (CTEP) certification from the CDFA Division of Measurement Standards to be eligible for less intensive verification requirements as defined in §95481 of the regulation

1. Adopt at least a 9% Carbon Intensity (CI) step down in 2025 to accelerate investment in ZEV infrastructure

During the April 10th workshop, CARB Staff presented new modeling scenarios that increased the stringency of the 2025 CI stepdown from 5% to 7-9%. EVgo appreciates Staff’s exploration of a deeper 2025 CI step down and supports at least a 9% step down to further bolster private investment in ZEV infrastructure needed to meet California’s climate and energy policy goals. Many commenters on the Initial Statement of Reasons (ISOR), including CalETC and the Electric Vehicle Charging Association (EVCA)¹, AJW², Bridge to Renewables (BTR) and General Motors (GM)³, Tesla⁴, and ICF⁵ support and recognize the need for increased CI stringency to address the continued imbalance in the LCFS credit market. As seen in Figure 1 below, CARB’s most recent quarterly data summary for Q4 2023 illustrates that the LCFS credit bank continues to grow at an accelerated pace, with a cumulative bank that has exceeded 23 million credits.⁶ Increasing the stringency of near-term CI targets is vital for correcting program overperformance and providing greater stability to the credit bank to ensure that the program functions as intended: to encourage the growth of low carbon fuels. EVgo encourages CARB to update the proposed LCFS regulation to include a 9% step down in 2025 and drive further progress on transportation decarbonization.



¹ <https://www.arb.ca.gov/lists/com-attach/6859-lcfs2024-VDEAcFAyWGoKIQV.m.pdf>

² <https://www.arb.ca.gov/lists/com-attach/6795-lcfs2024-BTdVZwAxBGUDNwk5.pdf>

³ <https://www.arb.ca.gov/lists/com-attach/6935-lcfs2024-UTIBZlQnWGkGX1c0.pdf>

⁴ <https://www.arb.ca.gov/lists/com-attach/7042-lcfs2024-AjBdb1VkvjclP1Rk.pdf>

⁵ <https://www.arb.ca.gov/lists/com-attach/7078-lcfs2024-VDVcNfLyVGsLdFQu.pdf>

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<https://ww2.arb.ca.gov/sites/default/files/classic/fuels/lcfs/dashboard/quarterlysummary/Q4%202023%20Data%20Summary.pdf>

2. Allow the Auto Adjustment Mechanism (AAM) to be triggered in 2026 with an effective date of 2027 to strengthen guardrails on the LCFS

In response to CARB staff's request for feedback on modifications to the AAM, EVgo maintains that CARB can further support the ambition of California's decarbonization goals by allowing the AAM to be triggered in 2026 with a potential earliest effective date in 2027 as opposed to the currently proposed 2027 trigger year and effective date in 2028. As mentioned in AJW's comments on the Initial Statement of Reasons (ISOR), the AAM is intended to respond to market overperformance in a timely fashion.⁷ Under a scenario where the credit bank continues to grow unabated despite a more robust 2025 CI step down, it is critical that the AAM responds to near-term market conditions and raises the ambition of the LCFS accordingly to spur continued investment in ZEV infrastructure.

EVgo also agrees with AJW's recommendation to revise the average quarterly deficit ratio trigger from 3.0 to 2.0, as this ratio allows the AAM to respond more readily to market overperformance and encourages deeper transportation decarbonization necessary to meet state climate policy goals.⁸ ISOR comments from parties including CalETC and EVCA⁹, BTR and GM¹⁰, Tesla¹¹, and ICF¹² also echo the need to accelerate the implementation of the AAM and modify the average quarterly deficit trigger ratio. A 9% CI step down in 2025 and a strengthened AAM serve as important complements to recalibrate the LCFS and EVgo encourages CARB to take these near-term steps to enhance the program's performance.

3. Permit EV charging network providers that have received California Type Evaluation Program (CTEP) certification from the CDFA Division of Measurement Standards to be eligible for less intensive verification requirements as defined in §95481 of the regulation

EVgo supports timely, accurate reporting of dispensed fuel in the LCFS. To support more efficient LCFS compliance procedures, EVgo recommends that charging network providers with EV chargers that are CTEP-certified by CDFA be eligible for less intensive verification requirements. CDFA's Division of Measurement Standards is the lead state government body associated with testing and validating the accuracy of EV chargers and already has regulations in place to support accurate measurement of electric fuels. Specifically, DMS adopted regulations in January 2020 that require commercially available EV chargers to meet stringent accuracy standards – as well as other consumer protection requirements in the CTEP – which

⁷ <https://www.arb.ca.gov/lists/com-attach/6795-lcfs2024-BTdVZwAxBGUDNwk5.pdf>

⁸ *Id.*

⁹ <https://www.arb.ca.gov/lists/com-attach/6859-lcfs2024-VDEAcFAyWGoKIQVm.pdf>

¹⁰ <https://www.arb.ca.gov/lists/com-attach/6935-lcfs2024-UTIBZlQnWGkGX1c0.pdf>

¹¹ <https://www.arb.ca.gov/lists/com-attach/7042-lcfs2024-AjBdb1VkvjclP1Rk.pdf>

¹² <https://www.arb.ca.gov/lists/com-attach/7022-lcfs2024-UWMAMlVkuTAKPQk9.pdf>

conform to the National Institute of Standards and Technology Handbook 44 technical standards for charging equipment.¹³ These requirements, which include a +/- 5% maintenance tolerance for DC electricity as vehicle fuel, are aligned with CARB's proposed §95491.2(a)(1)(B) which would require all meters to achieve accuracy levels of +/- 5%.¹⁴ Furthermore, county weights & measures officials are responsible for enforcing compliance with these regulations by testing EV chargers in the field; if a charger is not performing within the accuracy tolerances prescribed by DMS regulation, counties can require a charger to enter maintenance until the charger's accuracy tolerance is corrected.¹⁵ Finally, EV charging providers already support continued implementation and enforcement of weights & measures regulations by paying annual device registration fees to counties where the devices are in operation.¹⁶

CARB's proposed verification requirements for non-residential EV charging duplicate existing CDFA EV charging accuracy regulations and would materially raise the cost of program participation for EV charging providers at a time when charger deployment must scale rapidly to meet state goals. Similarly, EV charging providers have already gone through great lengths to meet the accuracy requirements mandated by CDFA. Comments from stakeholders including CalETC and EVCA¹⁷, Sacramento Municipal Utility District¹⁸, BMW Group of North America¹⁹, ChargePoint²⁰, and Tesla²¹ reinforce the need to reconsider proposed verification requirements considering CDFA's existing regulatory authority and the costs imposed by site visit requirements across thousands of charging locations. At a minimum, EVgo encourages CARB to permit EV charging network providers that have received California Type Evaluation Program (CTEP) certification from the CDFA Division of Measurement Standards to be eligible for less intensive verification requirements as defined in §95481 of the regulation.²²

Conclusion

EVgo appreciates CARB's leadership in refining the LCFS in a manner consistent with California's nation-leading decarbonization goals. A robust LCFS underpins the success of the state's near-term ZEV targets, and strengthening the program will amplify the widespread benefits such as

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[https://govt.westlaw.com/calregs/Document/IA5650EF3543B11ECAE2D000D3A7C4BC3?viewType=FullText&originationContext=documenttoc&transitionType=CategoryPageItem&contextData=\(sc.Default\)](https://govt.westlaw.com/calregs/Document/IA5650EF3543B11ECAE2D000D3A7C4BC3?viewType=FullText&originationContext=documenttoc&transitionType=CategoryPageItem&contextData=(sc.Default))

¹⁴

[https://govt.westlaw.com/calregs/Document/IA5650EF3543B11ECAE2D000D3A7C4BC3?viewType=FullText&originationContext=documenttoc&transitionType=CategoryPageItem&contextData=\(sc.Default\)](https://govt.westlaw.com/calregs/Document/IA5650EF3543B11ECAE2D000D3A7C4BC3?viewType=FullText&originationContext=documenttoc&transitionType=CategoryPageItem&contextData=(sc.Default))

¹⁵ https://www.cdfa.ca.gov/dms/docs/publications/2023/2023_Combined_BPC.pdf

¹⁶ *Id.*

¹⁷ <https://www.arb.ca.gov/lists/com-attach/6859-lcfs2024-VDEAcFAyWGoKIQVm.pdf>

¹⁸ <https://www.arb.ca.gov/lists/com-attach/6970-lcfs2024-AXJROgRwBTIKU1Ix.pdf>

¹⁹ <https://www.arb.ca.gov/lists/com-attach/6966-lcfs2024-AGJSOQZwU25QNwFe.pdf>

²⁰ <https://www.arb.ca.gov/lists/com-attach/6899-lcfs2024-VzQHaQFhV3YKawJn.pdf>

²¹ <https://www.arb.ca.gov/lists/com-attach/7042-lcfs2024-AjBdb1VkVjclP1Rk.pdf>

²² https://ww2.arb.ca.gov/sites/default/files/barcu/regact/2024/lcfs2024/lcfs_appa1.pdf

cleaner air that transportation electrification provides to all Californians. EVgo looks forward to coordinating with CARB and other stakeholders to complete the LCFS rulemaking process with program changes taking effect in January 2025.

Respectfully submitted this 10th Day of May,

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