

July 1, 2022

Clean Transportation Technologies and Solutions

www.calstart.org

Draft Scoping Plan Comments NYSERDA 17 Columbia Circle Albany, NY 12203-6399 Submitted electronically

Re: CALSTART responds to New York State Climate Action Council Draft Scoping Plan

To whom it may concern:

CALSTART is pleased to submit comments on the Climate Action Council Draft Scoping Plan. CALSTART is an internationally recognized clean transportation non-profit and technology consortium, with more than 300 members all dedicated to the growth of the clean transportation industry. Our comments, however, reflect the views of CALSTART alone and do not represent consensus across our membership.

CALSTART works at the local, state, federal, and international levels with the public and private sectors to drive innovation in clean vehicles and mobility. Our membership includes vehicle manufacturers, parts and components suppliers, infrastructure providers, public and private fleets, low carbon fuel producers, utilities and infrastructure providers, fleet service companies, investors, and more. CALSTART works to reduce transportation emissions in the US to 40 percent below 1990 levels by 2030 and to achieve federal air quality standards in all regions of the US. CALSTART has eight offices across the US and Europe, including a Northeast regional office in Brooklyn, New York.

CALSTART thanks the Climate Action Council for the exhaustive work, past and ongoing, that went into the draft plan and applauds its work to identify practical and achievable policy options. CALSTART looks forward to continuing to participate in the Scoping Plan implementation process and related elements of the Climate Leadership and Community Protection Act (CLCPA).

The CLCPA cemented New York's status as a national and global leader in aligning climate mitigation solutions with the climate justice needs of our communities. As the state now shifts focus toward the strategies to realize the CLCPA's ambitious targets, it is critical that New York dramatically decarbonize its transportation system, without sacrificing economic prosperity. The CLCPA also presents an unprecedented opportunity to direct the benefits of climate mitigation to communities that have borne



the brunt of diesel pollution while being largely excluded from the decision-making processes influencing their circumstances. CALSTART applauds the Council's efforts through the Climate Justice Working Group to apply local context in defining disadvantaged communities and to use this process for determining where Climate Act investments shall be prioritized.

As acknowledged in the Scoping Plan, transportation emissions account for 28% of New York State greenhouse gas emissions and have proven difficult to abate, with sector emissions now 16% higher than 1990 levels. To accelerate the reversal of transportation sector emissions, New York should activate a wholesale transition of on-road vehicles and off-road equipment to zero-emission systems. Despite advances in zero-emission vehicle technology for light-, medium-, and heavy-duty applications, and nation-leading incentive programs to accelerate uptake, zero-emission vehicles still constitute a negligible share of on-road vehicles in New York. The state also remains overly reliant on personal vehicles for passenger movement when transit and supportive micro-mobility would be a vastly more efficient and healthier alternative. Likewise, the state should look to transition last-mile goods movement to drastically reduce the share of deliveries done by trucks in its cities in favor of non-vehicular technologies and management strategies.

With these needs in mind, CALSTART respectfully offers these comments on select Transportation strategies explored in the Scoping Plan to reverse the trajectory of transportation sector emissions.

CALSTART applauds NY's engagement in the ZEV Task Force

CALSTART applauds New York for its active engagement in the ZEV Task Force as a Section 177 state and a signatory to the Multi-State MHD ZEV MOU. Participating in these working groups will continue to provide the state with access to knowledge sharing and best practices as it relates to transitioning to zero emission vehicles.

CALSTART applauds the adoption of the Advanced Clean Trucks
 (ACT) Rule and encourages New York to also adopt the Advanced
 Clean Fleets Rule once finalized

California's Advanced Clean Fleets rule, once finalized, will ensure that there is a market prepared to purchase the vehicles that manufacturers will be required to sell under the ACT and can help accelerate cost reductions.

New York should adopt Advanced Clean Cars II

¹ https://www.dec.ny.gov/energy/99223.html

² https://www.autosinnovate.org/resources/electric-vehicle-sales-dashboard



New York's recent adoption of the Advanced Clean Trucks regulation sent a powerful message that one of the nation's largest truck markets will be fully electrified by 2045, as indicated by the Governor last year. Looking ahead, New York must remain actively engaged in the process to adopt Advanced Clean Cars II. CALSTART strongly supports this recommendation as the regulatory means to achieve Governor Hochul's commitment to 100% zero-emission sales of light-duty vehicles by 2035.

Sustained incentives will be critical to ensuring that regulatory targets for ZEV sales and purchases are attainable

The Drive Clean Rebate and the New York Truck Voucher Incentive Program are effective channels for subsidies to reach consumers and fleets. That said, these programs will need much greater funding levels to support early market transformation through at least 2025. These programs will also need to be refined to emphasize low-to-moderate income consumers and small fleet operators. Part of this refinement must be to include secondary market purchases in these incentive programs so that used electric cars and trucks can better compete with petroleum-burning vehicles at more accessible price points.

CALSTART also supports the Council's recommendation to establish a first-loss protection product to activate private financing more effectively for zero-emission vehicle products and deployments. CALSTART proposed the implementation of this kind of product in a 2021 white paper on financing barriers and solutions for fleet electrification.³ No jurisdiction is better positioned to lead the way in deploying this concept than New York, the finance capital of the world in addition to a leader on climate.

Increased funding is required to support Medium- and Heavy-Duty Vehicle Infrastructure

Nearly as important as vehicle costs for fleets can be the infrastructure costs associated with fleet electrification. While the Public Service Commission's 2020 make-ready order established a \$15 million Medium- and Heavy-Duty Vehicle Make-Ready Pilot, this amount must be increased by at least an order of magnitude to allow utilities to share in the costs of bringing sufficient electrical service for fleet electrification to depot locations statewide. CALSTART looks forward to engaging with the Department of Public Service in its upcoming midpoint review to encourage deeper investment in fleet support through the make-ready program.

³ https://calstart.org/wp-content/uploads/2021/03/Taking-Commercial-Fleet-Electrification-to-Scale-White-Paper.pdf



Utility price signals must be aligned to support a large-scale and cost-effective buildout of ZEV infrastructure

Now that the Governor has signed \$.7836/A.8797 into law, the Public Service Commission has initiated a new proceeding (22-E-0236) to establish alternatives to traditional demand-based rates for commercial electric vehicle charging. This proceeding is an eagerly awaited opportunity for EV charging developers to build direct-current fast charging stations more economically throughout the state and for commercial fleet operators to be able more cost-effectively to electrify their facilities.

Create specific targets for mode-shift and VMT reduction

We support the inclusion of mode-shift to transit and other low-carbon mobility alternatives in addition to the pursuit of ZEV targets. We encourage the State to strengthen these recommendations with specific targets for mode shift and vehicle miles traveled (VMT) reduction it believes necessary to achieve Climate Act objectives.

Furthermore, we urge the Council to clarify that congestion mitigation strategies that stand in direct contrast to mode-shift and VMT reduction goals—such as car-focused street design that excludes active transportation, including road widening and new highway construction—should not be prioritized as a means of reducing congestion under this plan. Additionally, recommendations for State agencies and Metropolitan Planning Organizations (MPOs) to prioritize funding for alternative modes should be accompanied by examples of strategies being deployed successfully elsewhere. California's Clean Mobility Options for Disadvantaged Communities program provides precedent for block-grant disbursements for communities to implement their preferred shared and zero-emission mobility solutions.

New York should adopt a Clean Fuel Standard

Finally, we strongly support the Council's recommendation to enact a Clean Fuel Standard as a critical and direct means to effectuate desired emissions reductions from the transportation sector in the near term. A Clean Fuel Standard can unlock revenue streams that help to level the playing field for fleets operating clean fuel vehicles, particularly zero-emission vehicles. In California, credits from the Low-Carbon Fuel Standard program have generated up to \$250,000 in value for a given clean commercial vehicle over its lifetime. This will help to accelerate payback periods for these vehicles while they remain more expensive to purchase. And just as important, a CFS could raise billions in critical revenues to fund the Plan's ZEV transition and mode-shift priorities without requiring significant resources from the State budget.



CALSTART thanks the Climate Action Council for the opportunity to indicate our support of these measures and the Scoping Plan broadly. We applaud the State for thinking big in this Scoping Plan and urge the Council to carry this level of ambition forward throughout Climate Act implementation.

Sincerely,

alissadouise Binger.

Alissa Burger Regional Policy Director CALSTART