



Re: Electrify America Comments on Implementation of the Climate Action Council Scoping Plan

To Whom it May Concern:

Electrify America appreciates the opportunity to submit comments regarding the implementation of the Scoping Plan for the State of New York. Our comments are directed towards emission reduction strategies for the transportation sector, and specifically in support of a Clean Fuel Standard (CFS) for New York State.

Electrify America operates the nation's largest open network of DC fast chargers for electric vehicles, with over 3,300 chargers nationwide. In New York State, we own and operate 84 chargers across 21 locations, and are working to expand further.

New York State has established ambitious goals for the transition to Zero Emission Vehicles (ZEVs). The Scoping Plan aims at almost 100% ZEV sales for light-duty vehicles by 2030. The Council estimates that around 3 million zero-emission, light-duty vehicles need to be on the road by 2030 to meet State goals. In order to serve the electric vehicles that must be in operation to meet these targets, New York State will require additional, significant investment in DC fast charging infrastructure.

Among the priorities of the Plan is the removal of the barriers to ZEV charging and fueling infrastructure. Indeed, New York State is one of the most difficult markets in which to sustainably operate DC fast charging, due to high utility demand charges that cause high operational costs and challenging station economics. These costs impose a barrier in particular to expanding to rural, disadvantaged, and underserved communities across the State.

New York is not the only state where cost challenges limit the growth of DC fast charging. But perhaps the single most impactful policy that helps to offset high operational costs in other states has been the Clean Fuel Standard. A Clean Fuel Standard is not a cap-and-trade program – it creates a direct requirement on New York's transportation fuel system to move away from fossil fuels and towards low- and zero-carbon fuels, such as electricity from renewable sources.

Simultaneously, the program provides a direct funding stream to support low and zero-carbon fuel providers in the State. The credit awarded to fuels under this program is directly proportional to the carbon reductions they provide in the transportation sector, as assessed by the most rigorous lifecycle modeling tools developed by the national laboratories of the U.S. Department of Energy. This additional funding would enable charging companies to deploy stations in more regions across the State, including in low-utilization areas where a station would not otherwise be economically viable.

Programs in other states have shown that a Clean Fuel Standard can drive significant reductions in greenhouse gas emissions with minimal impact on petroleum fuel prices. In 2021, Oregon's program resulted in the reduction of 1.47 million metric tons of CO₂ at a cost of only five cents per gallon of E10



gasoline.¹ Similarly, in California, there has not been a correlation between the implementation of the CFS and an increase in fuel prices. In fact, fuel prices were higher at the beginning of the program, when LCFS credit values were very low, compared to most of the rest of the program period. Additionally, California’s fuel prices fell substantially following May of 2019, even though LCFS credit values remained high.² This data underscores that fuel prices are predominantly driven by volatile global petroleum markets, not the compliance costs of reducing pollution through a CFS. A Clean Fuel Standard also encourages the market to develop alternatives to petroleum. Access to petroleum alternatives would help to protect New Yorkers from large fluctuations in gas prices as the State moves to lower and zero-carbon fuels.

As seen through the example of other states who have instituted a Clean Fuel Standard, the program could also create a multi-million-dollar annual funding stream for equity-based objectives and environmental justice priorities. These include: electric school and transit buses, electric freight trucks, incentives for low-income individuals, rebates for used electric vehicles, charging for multi-unit dwellings, multi-lingual education and outreach campaigns, and more.³ Each of these objectives could be established without the use of public funds. A Clean Fuel Standard can ensure that the companies responsible for carbon pollution play a direct role in financing the shift to low and zero-emission alternatives, and that they play a direct role in funding programs for the communities that have been disproportionately impacted by such pollution.

A Clean Fuel Standard is a proven and robust step forward for New York’s clean energy and climate goals. The policy is critical to the reduction of emissions in the transportation sector, and to the widespread adoption of electric vehicles. Electrify America strongly supports the Climate Action Council’s recommendation to implement a “Clean Transportation Standard,” and we encourage the legislature to move forward with the policy.

Sincerely,

/s/

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¹ Oregon Department of Environmental Quality. “Annual Cost of the Clean Fuels Program.” Available at: <https://www.oregon.gov/deq/ghgp/cfp/Pages/Annual-Cost.aspx>

² Bates White Economic Consulting. “Low Carbon Fuel Standards: Market Impacts and Evidence for Retail Fuel Price Effects.” Available at: <https://www.bateswhite.com/newsroom-insight-Low-carbon-fuels-standards-Cain-2022.html>

³ See, e.g., California Low Carbon Fuel Standard Regulation at § 95483(c)(1)(A)(6)(a). Available at: https://ww2.arb.ca.gov/sites/default/files/2020-07/2020_lcms_fro_oal-approved_unofficial_06302020.pdf