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October 30, 2017

Tricia Treece
Arkansas Department of Environmental Quality
5301 Northshore Drive
North Little Rock, AR 72118-5317

RE: Comments on Proposed Mitigation Plan for the Volkswagen Environmental Mitigation Trust

Dear Ms. Treece,

Thank you for the opportunity to provide comments on the Environmental Mitigation Trust funding allocated to the State of Alabama under Appendix D of the VW Settlement. ChargePoint is the largest electric vehicle (EV) charging network in the world, with charging solutions for every charging need and all the places EV drivers go: at home, work, around town and on the road. With more than 41,000 independently-owned charging spots and more than 7,000 customers nationwide, ChargePoint drivers have completed more than 29 million charging sessions, saving upwards of 28 million gallons of gasoline and driving more than 687 million gas-free miles. In addition, there are currently more than 30 ChargePoint charging spots in the State of Arkansas.

Background on VW Settlement

In 2016, Volkswagen entered into a consent decree with the federal government and the State of California to resolve damages, penalties, and mitigation actions associated with 2.0- and 3.0-liter vehicles involved in “Dieselgate”. Appendix D establishes a \$2.9 billion trust for environmental mitigation, the funds of which will be allocated to all 50 states in amounts proportionate to each state’s number of VW diesel vehicles involved in the case. On October 2, 2017, parties to the Settlement filed trust agreements with the Court, establishing Environmental Mitigation Trust effective date. In Arkansas’s case the State will receive over \$14.6 million.

Within 60 days of the trust effective date (by December 1, 2017), each state may designate and certify a beneficiary agency, an entity charged to oversee program implementation and funds. The State of Arkansas has indicated that the Department of Environmental Quality (ADEQ) will be the lead agency and act on behalf of the trust for the State.

Recommended Eligible Mitigation Projects in Arkansas

Appendix D-2 of the VW Settlement Consent Decree details how each beneficiary agency must invest trust allocations in eligible mitigation projects designed to reduce NOx emissions. Importantly, up to fifteen percent (15%) of a state’s trust allocation may be put towards deploying new, light-duty electric vehicle supply equipment (EVSE).

ChargePoint recommends that Arkansas allocate the maximum 15% of its allocation towards light-duty electric vehicle charging infrastructure. We believe that this investment in EVSE will significantly

support increased electric vehicle adoption throughout the State. Additionally, we recommend that the following features be included in a light-duty EVSE program, which we suggest be dispersed through a simple rebate and/or grant program:

1. Incentives should be structured simply through rebates, vouchers, or a straightforward grant program;
2. Supports competition and allow multiple vendors and business models to participate in any program;
3. When possible, requires site hosts of charging stations to have “skin in the game” and provide private match, which will stretch the value of the investment and lead to more efficient siting of infrastructure;
4. Encourage data collection that could be shared with state agencies for planning purposes, enabled through the use of networked smart charging stations;
5. Coordinates with other state and utility programs;
6. Seeks to coordinate with neighboring states to establish EV fast charging corridors, including those identified by the FAST Act, as well as prepare for future federal corridor designations; and,
7. Focuses funding on areas of greatest need include workplaces, multifamily housing, and disadvantaged communities.

Importantly, ADEQ has already identified light-duty EVSE as a funding priority in its draft Beneficiary Mitigation Plan. ChargePoint supports ADEQ’s efforts to establish a new rebate program for the installation of alternative fuel infrastructure in coordination with the Energy Office. In addition, ChargePoint offered inputs on the rebate program structure to Energy Office leadership when authorizing legislation for the program was enacted. We look forward to continuing the dialogue as the State prepares to implement the rebate.

Additional Appendix D Funding Priorities

Beyond the 15% allocation to EV charging infrastructure, ChargePoint encourages the State to allot a significant portion of the remaining 85% to electrification categories over other fuel types, which will lead to long-term transportation emissions reductions and increased efficiency. For example, Electric buses get the equivalent of 21 miles per gallon (MPG), compared to 4 MPG in conventionally-fueled buses. Every mile driven in an electric bus will save taxpayers about 60-70% of what they would have paid with a diesel engine, per mile. Given currently available technology, ChargePoint suggests Arkansas prioritize electric buses and medium-duty transit vehicles.

Under the terms of the Environmental Mitigation Trust, funds used for electric buses and medium-duty transit vehicles may cover the cost of the vehicle and associated charging infrastructure. ChargePoint notes that some electric buses and trucks have the ability to charge on standard DC fast charging stations, which may also be used for light-duty vehicles. Investing in those models and associated infrastructure will allow public light-duty fast charging stations to be leveraged for bus charging and other fleet needs. Possible bus electrification programs could support regional, municipal, and school bus fleets.

Thank you for your consideration. If you have any questions, please contact me at david.schatz@chargepoint.com or (215) 858-4748.

Sincerely,

A handwritten signature in black ink, appearing to read "David Schatz". The signature is fluid and cursive, with the first name "David" written in a larger, more prominent script than the last name "Schatz".

David Schatz
Director, Public Policy
ChargePoint