From: Walsh, Brian
To: Regynski, Barb

Cc: Gustafson, Brian; Walsh, Brian; Duvall, Ron

Subject: FW: [EXT] Greenlots Proposed Beneficiary Mitigation Plan Comments

Date: Friday, June 15, 2018 4:19:34 PM
Attachments: Greenlots SD Comments 6.15.18.pdf

Barb – to your attention.

Thanks,

NOTE: When replying to this email do **NOT** click the person's [mailto:myname@email.com] address since this may result in your reply being undeliverable. Either copy and paste just the email address (e.g. myname@email.com) or type just the address into your reply message.

From: Emily Wier [mailto:ewier@greenlots.com]

Sent: Friday, June 15, 2018 3:42 PM **To:** DENR INTERNET INFORMATION

Cc: Thomas Ashley

Subject: [EXT] Greenlots Proposed Beneficiary Mitigation Plan Comments

Barb,

Please see the attached comments of Greenlots on DENR's Proposed Beneficiary Mitigation Plan. Please let us know if you have questions. We look forward to supporting this process.

Thanks,

Emily Wier
Policy and Market Development, Greenlots
ewier@greenlots.com
619.952.2331



June 15, 2018

Barb Regynski Department of Environment and Natural Resources 523 East Capitol Pierre, South Dakota 57501

RE: Beneficiary Mitigation Plan

Dear Barb,

Greenlots appreciates the opportunity to provide the Department of Environment and Natural Resources (DENR) with comments on the Proposed Beneficiary Mitigation Plan and recommendations for funds disbursement.

Greenlots is a leading provider of electric vehicle (EV) charging software and services. The Greenlots network supports a significant percentage of the DC fast charging infrastructure in North America. Greenlots' smart charging solutions are built around an open standards-based focus on future-proofing while helping site hosts, utilities, and grid operators manage dynamic EV charging loads and respond to local and system conditions.

Greenlots strongly encourages DENR to invest the maximum 15% of funds for light-duty EV charging infrastructure, which is critical to supporting EV adoption across the State. Although there may be low levels of EV adoption today, a lack of public infrastructure is one of the critical reasons why adoption has progressed slowly. Public investments in EV charging from the Environmental Mitigation Trust can help spur adoption of EVs, catalyze additional investments in infrastructure from utilities or other organizations, and increase induced demand for EVs. Due to the emissions associated with light-duty vehicles, maximizing investments in light-duty EV charging represents a critical step toward enabling long-term emissions reductions of NOx.

There is a substantial need for near-term investments in a more robust statewide DC fast charging network, which can facilitate long-distance travel, tourism, and provide drivers with local publicly accessible infrastructure that can help ameliorate range anxiety. The chargers can help meet the needs of EV drivers who need to charge on the go, rather than where the car is parked for more than an hour or two. Level 2 charging will be an important asset for locations with long-dwell times, such as at destination locations, workplaces, or to support fleet charging. Leveraging the Environmental Mitigation Trust funds with other programs can also help maximize funds disbursement.

We also have considerations for DENR on how to structure EV infrastructure funds disbursement. Because of the costs associated with deploying infrastructure – which have thus far proven to be uneconomic for the private sector – DENR has an important role to play in designing an effective proposal process in which Trust funds are appropriately matched to site

South Dakota Department of Environment and Natural Resources June 15, 2018 RE: Beneficiary Mitigation Plan Page 2

hosts that are prepared for long-term operation and maintenance of charging infrastructure. At this early stage of the market, ownership and operation of charging infrastructure is an appropriate and in many respects necessary role for established actors (e.g., utilities, DOT) that are best positioned to steward and maintain infrastructure, and are arguably least (or less) sensitive to the financial pressures associated with ongoing operation of charging infrastructure.

Greenlots recommends the following proposal considerations:

- Develop a statewide EV charging infrastructure plan, prior to deploying Trust funds, as the basis for identification of key sites or jurisdictions that can help facilitate the buildout of EV charging. This needs analysis, although ineligible for funding within the Trust, can be a valuable guide for criteria assessment and site selection to ensure that Trust investments are maximized across the state, and can perhaps prioritize cities with the higher rates of EV adoption today. The RFP could be structured such that the priority investment locations are installed first.
- A proposal should be designed such that individual site hosts do not apply for the funds. Instead, a few program entities should be funded by the State to provide EV charging (either within a turnkey structure or as broader partnerships). Funding one or a few program entities (e.g., utilities, a new DOT unit, etc.) can help ensure more adequate statewide coverage and that site hosts are properly vetted and considered. Turnkey services by such a program entity could include site acquisition, and the purchase, installation, operation and maintenance of EV infrastructure. Lowest cost of providing EV infrastructure should not be the only consideration of this proposal. DENR should also consider customer service, expertise in developing similar charging programs, ability to integrate with the grid, etc. As the RFP or grant process represents a considerable statewide investment in EV charging, it is vitally important that funds are allocated in such a manner to create a seamless EV driver experience and encourage further development of the charging market within the State.
- Require that any EV infrastructure investments adhere to the latest open standards, which can help minimize the likelihood of stranded assets.
- Encourage development of DC fast charging, particularly to facilitate corridor and tourism travel, and Level 2 charging at workplaces and multi-unit dwellings.

For the remaining funds, Greenlots strongly encourages DENR to consider greater funding allocation for Class 4-8 eligible school, shuttle, and transit buses, and to use a comprehensive lifecycle cost and benefit analysis. While electric buses have higher up-front costs, they have significantly reduced fuel and maintenance costs, a longer vehicle lifespan, greater potential to reduce criteria air pollutants and greenhouse gases, and provide health benefits for workers, schoolchildren, and community members. Furthermore, electrification of transit buses is a natural fit to provide benefits in disadvantaged and environmental justice communities, which often bear the highest burden of emissions exposure (e.g., NOx, SOx, PM).

South Dakota Department of Environment and Natural Resources June 15, 2018

RE: Beneficiary Mitigation Plan

Page 3

DENR has an opportunity to outline a transformative strategy through transportation electrification in the Beneficiary Mitigation Plan, which can lead to long-term emissions reductions. This funding opportunity can be used to catalyze future investments in the state and region to drive emissions reductions.

Thank you for your consideration. Greenlots will be available as a resource to DENR through the finalization and implementation of the Beneficiary Mitigation Plan. Please do not hesitate to contact me should you have any questions.

Sincerely,

Thomas Ashley

Vice President, Policy