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To Whom It May Concern,

TeraWatt Infrastructure appreciates the opportunity to provide comments on NESCAUM's Draft Multi-State Medium- and Heavy-Duty Zero-Emission Vehicle Action Plan released on March 10, 2022.

TeraWatt Infrastructure was established to provide solutions for large-scale electric vehicle charging required to meet the unique needs of large commercial fleets. Whether for an urban mobility hub, a last mile fleet operator, or long-haul electric trucking, TeraWatt brings the talent, capabilities, and capital to create reliable, cost-effective solutions for customers on the leading edge of the transition to zero-carbon transport.

TeraWatt offers comments pertaining to the following strategies and recommendations made by NESCAUM:

1. Sales and Fleet Purchase Requirements

TeraWatt supports NESCAUM's recommendation for states to consider adopting the Advanced Clean Trucks regulation, Advanced Clean Fleets regulation, and California's Heavy-Duty Engine and Vehicle Omnibus regulation.

With regards to NESCAUM's recommendations for public sector MHD fleet electrification targets, TeraWatt believes the same recommendations should be made to private fleets, particularly those that are already well suited for electrification. Applying these fleet electrification goals to all fleets will enable even more substantial reductions in tailpipe emissions and the possibility of operating cost-effective, shared charging infrastructure.

2. Vehicle and Infrastructure Purchase Incentives

To build on NESCAUM's recommendation for vehicle and infrastructure purchase incentive programs to prioritize frontline and overburdened communities, TeraWatt suggests the following fleets should also be prioritized:

1. Fleets leaving frontline or overburdened communities, thereby reducing traffic and associated emissions
2. Fleets with a majority employee base coming from frontline or overburdened communities
3. Fleets relocating operations or utilizing charging infrastructure in frontline or overburdened communities

With regards to NESCAUM's comments on supporting fleets in frontline and overburdened communities, small fleets, minority-owned fleets, and independent owner/operators, TeraWatt believes that eligible applicants should include charging infrastructure operators who can support these fleets at shared or dedicated charging hubs. Not only would fleets be unburdened by substantial capital costs and day-to-day operations beyond their regular fleet operations, but they would also access more affordable charging through co-locating with other fleets at highly utilized charging hubs. Furthermore, TeraWatt would like to highlight that prioritizing incentives to benefit frontline and overburdened communities entails not only the historic or current location of fleet domicile, but also the potential future location of operations or charging infrastructure after a fleet electrifies.

3. Electric Utility and Utility Regulator Actions

In response to NESCAUM's recommendations for utility regulators, TeraWatt suggests that make-ready programs also consider greenfield sites and sites that require transmission or primary service, which will become increasingly common as medium- and heavy-duty BEV charging infrastructure is scaled up.

TeraWatt supports NESCAUM's recommendation for utility regulators to direct utilities to *"conduct an assessment of system capacity by identifying MHD vehicle customer fleets, fleet plans for electrification, and the need for and costs of system upgrades to serve new interconnections, giving consideration to resilience, reliability, and other grid impacts."* TeraWatt proposes that utility regulators consider the benefits utilities can leverage by partnering with private companies that have the funding and expertise to successfully own and operate large-scale charging infrastructure. NESCAUM should recommend the inclusion of these fleet infrastructure providers as a critical party for utilities to engage with during their assessment. While Distribution Resources Planning maps are a helpful first step, it is paramount that these maps are current and accurate, and address both current service capacity at a location as well as available additional service capacity on the distribution system. This type of detailed assessment would

enable developers to accelerate their development timelines and get charging infrastructure online more quickly.

TeraWatt wants to highlight its agreement with NESCAUM's below recommendations:

- *Streamline interconnection processes to the maximum extent possible to eliminate long interconnection wait times*
- *Develop and make available to fleets, electric vehicle supply equipment (EVSE) providers, and planning agencies detailed hosting capacity maps that enable identification of preferable least-cost locations for charging infrastructure that optimize existing distribution system assets*
- *Provide all necessary service-line extension and make-ready electrical infrastructure on the utility side of the meter for all non-residential customers installing separately metered charging infrastructure at no cost to the customer*
- *Offer commercial rates and customer incentive programs for charging that are designed to contain and recover utility costs while lowering charging costs, mitigating the economic barrier posed by demand charges, and providing clear grid- benefit focused price signals to commercial customers that are consistent for all utilities within the state to the maximum extent possible*

Regarding service-line extensions and make-ready programs, authorization for utility investments should extend to primary service customers, service capacity upgrades in a distribution area, as well as consideration for transmission interconnected charging infrastructure.

A consideration for NESCAUM's recommendation to "*require compliance with open communication standards for all utility-funded charging infrastructure*" is to offer leniency on such standards while the Megawatt Charging System (MCS) is under development.

Regarding NESCAUM's recommendation of utility ownership of charging infrastructure, TeraWatt believes this should only be allowed if a market failure is identified and no competitively discriminative behavior occurs. As a tenant installing infrastructure on a landlord's property, a utility may have to remove equipment at the expiry of the lease, burdening ratepayers with unnecessary costs.

TeraWatt agrees with NESCAUM's recommendation for utility regulators to "*provide utilities with the flexibility necessary to...future-proof make-ready charging infrastructure investments to serve anticipated future EVSE deployment,*" and believes this flexibility should apply specifically to individual project sites with charging capacity ramp up over more extended periods of time than typically acceptable by utilities.

4. Mobilizing Private Capital to Finance Fleet Conversions

As mentioned in the previous section, regarding NESCAUM's recommendation for utilities to fund *"some of the capital acquisition costs and own...the vehicle battery and charging infrastructure,"* TeraWatt believes this should only be allowed if a market failure is identified and no competitively discriminative behavior occurs.

5. Planning for and Deploying Public Charging and Fueling Infrastructure

TeraWatt supports NESCAUM's recommendation for states to *"coordinate with utilities, municipalities, and charging providers to plan for public MHD vehicle charging facilities with a range of charging capacities for use by small and independent owner/operators along commercial truck routes and at convenient overnight parking locations for drayage and delivery trucks."*

Should the recommendation for states to *"advocate for amendments to 23 U.S.C. § 111(a) to allow user-pay EV charging stations and hydrogen fueling stations at rest areas and fringe and corridor parking facilities located on interstate rights-of-way"* be implemented, TeraWatt believes that a competitive process with public and private parties should be maintained for the ownership and operations of the charging infrastructure.

With respect to the following recommendation:

"State environmental, energy, and transportation agencies should work with utilities to identify opportunities for commercial installation of solar arrays with integrated battery storage on publicly owned interstate and state highway interchange rights-of-way to power DC fast chargers along highway corridors and generate a new source of revenue for infrastructure maintenance."

TeraWatt does not believe that the solar and storage infrastructure development by regulated utilities, unless deployed as a non-wires distribution system alternative, should be in competition with renewable energy developers.

6. Local Government Recommendations

Per NESCAUM's recommendation for local governments to *"offer property tax credits to incentivize businesses without fleets to install charging infrastructure for trucks that service their businesses,"* such tax credits should be available for any party installing charging infrastructure, including charging infrastructure providers.

TeraWatt recommends that states implement a Low Carbon Fuel Standard (LCFS) or similar policy to accelerate MHD EV adoption by lowering the cost of charging infrastructure and fueling.

7. Federal Government Recommendations

Similar to TeraWatt's comments in Section 5, regarding the following recommendation:

"Congress should amend 23 U.S.C. § 111(a) to allow user-pay EV charging stations and hydrogen fueling stations at rest areas and fringe and corridor parking facilities located on interstate rights-of-way."

Private market solutions exist for EV charging infrastructure. If rest areas and corridor parking facilities on interstate rights-of-way are to support EV charging, it should be a competitive process and allow for ownership rights, including any new interconnection capacity, by private parties.

TeraWatt is in agreement with NESCAUM's recommendation for Congress to *"expand the EV charging tax credit in 26 U.S.C. § 30C by eliminating the \$100,000 cap on allowable expenses per site."*

Investments in medium- and heavy- duty charging infrastructure in the Northeast US can result in decarbonization of trucking fleets in the Northeast but also induce such change in fleets that support interstate commerce in the region. In addition, the lessons learned by private fleets from truck electrification in early adopting states, like California, serve as a roadmap to adoption elsewhere in the country and beyond.

TeraWatt appreciates the opportunity to provide comments on NESCAUM's Multi-State Medium- and Heavy-Duty Zero-Emission Vehicle Action Plan. We look forward to the release of the final draft and the continued collaboration between public and private stakeholders in order to best support medium- and heavy-duty electrification in the Northeast US.



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