The Multi-State Medium- and Heavy-Duty ZEV Action Plan: Utility Actions for Advancing Truck and Bus Electrification

AltWheels Fleet Day October 3, 2022

<image>

Multi-State Medium- and Heavy- Duty (MHD) ZEV Initiative

- Multi-State Medium- and Heavy-Duty ZEV Memorandum of Understanding (2020) commits 17 states, D.C., and Quebec to collaborate to advance electrification of trucks, vans, and buses
- U.S. jurisdictions collectively represent:
 - 43% of the population
 - 49% of U.S. GDP
 - 36% of Class 2b-8 MHD vehicles
 - 40% of goods (by value) moved by truck
- Sets goals for <u>at least 30%</u> of MHD vehicle sales to be ZEVs <u>by 2030</u> and <u>100%</u> of sales to be ZEVs by no later than 2050
- Directs ZEV Task Force to develop a <u>Multi-State</u> <u>MHD ZEV Action Plan</u> to recommend policies to support widespread MHD vehicle electrification





Action Plan Development Process – July 2020 to July 2022

- Equity and Environmental Justice (EJ) Engagement Prioritized early and ongoing engagement with national and MOU state-based equity and EJ organizations and received proposed principles and recommendations
- Stakeholder Advisory Group Formed an advisory group including equity and EJ advocates, MHD vehicle manufacturers, charging and fueling infrastructure providers, public and private fleet representatives, environmental advocates, and other experts
- Informational Webinar Series Engaged with partners and stakeholders to develop a webinar series to build knowledge of key issues and barriers to electrification
- Public Utility Engagement M.J. Bradley and Associates facilitated an engagement process with utilities from across MOU states to develop proposed recommendations
- Individual Stakeholder Engagement Received feedback on preliminary drafts from equity and EJ organizations, Stakeholder Advisory Group members, and others
- Public Comments on Draft Action Plan Released a draft Action Plan for a 60-day comment period and received ~40 sets of <u>comments</u>



SECTION II

FOR DECADES, low-income communities and communities of color located near freight hulos, bus depots, and trucking corridors have been directly and disproportionately affected by the cumulative impacts of air pollution and GHGs from transportation and other emissions sources. Many communities also lack access to clean and reliable transportation options. These historically marginalized to lack access to clean and reliable transportation communities should be the first to benefit from transportation electrification. The ZEV Task Force has endeavored to develog an Action Plan that centers equity and prioritizes delivery of the environmental, public health, and economic benefits of MHD vehicle electrification where they are needed most.

See Multi-State MHD ZEV Action Plan Development Process Summary.



ZEN TASK FORCE 5

Multi-State MHD ZEV Action Plan

- Discusses policy drivers, the MHD ZEV market, barriers to deployment, and opportunities for rapid electrification
- Highlights disproportionate impacts on overburdened communities; offers principles for a just and equitable transition; and emphasizes the need for a "whole of government" approach
- Features innovative MHD vehicle electrification policies and identifies areas for multi-state collaboration
- Includes <u>65+ recommendations</u> for state policymakers to promote rapid and equitable MHD ZEV deployment
- Includes recommendations for local and federal policymakers

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Strategies and Recommendations

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Appendix

Local and U.S. Federal Government Recommendations





The Role of Utilities in Accelerating Truck and Bus Electrification

Addressing a complex set of challenges:

- Deliver adequate electric service to fleet depots and along state highways and regional corridors
- Assess grid capacity and plan for necessary grid upgrades
- Properly sequence investments in "make-ready" charging infrastructure
- Develop beneficial commercial electricity rates to incentivize charging during low-cost and low-demand periods

Realizing the full potential of MHD electrification:

- Put downward pressure on electricity rates for all ratepayers
- Increase integration of renewable energy sources into the grid
- Manage electric loads and help fleets capture TCO savings
- Assist with achieving MHD fleet electrification at the pace and scale necessary to meet state electrification goals



See Multi-State MHD ZEV Action Plan at pages 34-39.

Recommendations for Utilities and Utility Regulators

See Multi-State MHD ZEV Action Plan at pages 34-39.

Utility regulators should consider:

- Requiring utilities to adopt targets for deployment of "make-ready" and other charging infrastructure that align state electrification goals, regulatory requirements for MHD ZEV penetration, and overburdened and underserved community priorities;
- Removing barriers and regulatory uncertainty to expansion of the EVSE sector;
- Directing utilities to conduct assessments of grid capacity by identifying MHD customer fleets, fleet plans for electrification, and needs and costs for upgrading the grid and serving new interconnections;
- Requiring utilities to streamline standard interconnection review processes and timelines; and
- Providing utilities with flexibility to employ different charging infrastructure ownership models and future-proof "make-ready" investments to serve anticipated future EVSE deployment.





Recommendations for Utilities and Utility Regulators cont.

Utilities should consider:

- Establishing fleet services programs with a single point of contact to provide comprehensive technical assistance;
- Offering on-bill financing and repayment for MHD ZEVs and charging infrastructure and prioritize financing for fleets with fewer capital resources;
- Offering revenue-generating V2G services and enable vehicle-to-building services for electric school buses and other MHD ZEV fleets that are valued consistent with traditional grid services;
- Adopting a range of commercial rate structures and customer incentive programs that meet MHD ZEV fleet needs and provide clear benefits to all ratepayers and the electric grid;
- Prioritizing investments in overburdened and underserved communities by establishing requirements for deployment of charging infrastructure; and
- Developing and making hosting capacity maps available to fleets, EVSE providers, and planning agencies.
 See Multi-State MHD ZEV Action Plan at pages 34-39.



Thank You!

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For references and photo credits, see pages 57-59 of the Multi-State Medium- and Heavy-Duty Zero-Emission Vehicle Action Plan.

