

Emily Wimberger
Chief Economist
California Air Resources Board
1001 I Street
Sacramento, CA 95814

January 22, 2019

Dear Ms. Wimberger:

Thank you for submitting the standardized regulatory impact assessment (SRIA) and summary (Form DF-131) for Proposed Regulation for Electric Vehicle Supply Equipment Standards, as required in California Code of Regulations, title 1, section 200(a)(1) for major regulations. Proposed text of regulatory amendments were not submitted, therefore comments are based solely upon the SRIA and other publicly available information.

The proposed regulations require electric vehicle charging providers to be publicly listed, have transparent pricing of services, and take credit cards so members of the public with electric vehicles are better able to access charging facilities. Currently, many charging facilities require advance registration and memberships for access. The SRIA assumes 26,500 public chargers by 2030, with direct annual costs peaking at \$17 million in 2027 and distributed between early replacement of existing charging equipment (43 percent of direct costs), credit card and mobile payment infrastructure (48 percent), and common billing and security infrastructure (9 percent). Costs are assumed to be passed on to the operators of the 1.5 million electric vehicles in California, increasing annual charging expenditures by \$80, or 7 percent, for an average electric vehicle driven 15,000 miles per year. Although the SRIA assumes electric vehicle adoption and installation of charging stations is not affected by the regulation, the sensitivity analysis with 4 million electric vehicles and 210,000 public chargers by 2030 would lead to incremental costs of around \$60 per year to electric car drivers. On the benefits side, the proposed regulations would lead to increased usage of electric vehicles over gasoline vehicles, yielding 80 percent lower greenhouse gas emissions for each substituted mile traveled and some positive fuel cost savings.

Finance generally concurs with the methodology used to estimate impacts of proposed regulations, with one exception. The SRIA must include a quantitative analysis of increased purchase of electric vehicles and some quantification of statewide benefits from the regulations. Implementing common billing standards is a key unlocking mechanism for broad deployment of electric vehicles and for advancing towards the state goal of 5 million zero emission vehicles on the road by 2030. Electric vehicles are expected to be 4 million of the goal. One of the barriers to electric vehicle adoption is access to charging infrastructure, and lowering this barrier should provide higher benefits than the SRIA estimates. If there are other barriers to increased adoption that would prevent this regulation from having these benefits, the SRIA should discuss how this regulation fits in with future regulations to remove those other barriers.

These comments are intended to provide sufficient guidance outlining revisions to the impact assessment if a SRIA is required. The SRIA, a summary of Finance's comments, and any responses must be included in the rulemaking file that is available for public comment. Finance understands that the proposed regulations may change during the rulemaking process. If any significant changes to the proposed regulations result in economic impacts not discussed in the

SRIA, please note that the revised economic impacts must be reflected on the Standard Form 399 for the rulemaking file submittal to the Office of Administrative Law. Please let us know if you have any questions regarding our comments.

Sincerely,

A handwritten signature in blue ink, appearing to read "Irena Asmundson".

Irena Asmundson
Chief Economist

cc: Mr. Chris Dombrowski, Chief Deputy Director, Governor's Office of Business and Economic Development
Ms. Debra Cornez, Director, Office of Administrative Law
Mr. Richard Corey, Executive Director, California Air Resources Board