

February 24, 2021

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Dear Climate Action Council Transportation Advisory Panel:

We respectfully submit these comments on behalf of the New York City Mayor's Office of Sustainability, in collaboration with agency partners at the Department of Citywide Administrative Services ("DCAS"), the Department of Environmental Protection ("DEP"), the Department of Health and Mental Hygiene ("DOHMH") and the New York City Department of Transportation ("NYCDOT") to the Climate Action Council ("CAC") Transportation Advisory Panel formed under the Climate Leadership and Community Protection Act ("CLCPA").

As the largest metropolitan area and a national hub of industry and innovation, New York City is a key stakeholder in reaching the State's carbon neutrality goals. As noted in the Regional Economic Development Councils' 2019 Progress report, New York City generates over 50% of the State's economic output but also has a concentration of over 50% of the State's residents living in poverty.¹ This duality presents challenges and opportunities, particularly in addressing environmental justice priorities within the five boroughs.

New York City is a critical municipal stakeholder whose perspective would be an asset to the CAC Transportation Advisory Panel. The interconnectivity of our transportation infrastructure as well as the very nature of decarbonizing mobile sources of energy indicates that any meaningful action must include coordination at the local, state and national levels. We believe that efforts to increase access to sustainable fuels, mass transit and active modes of transport throughout the State benefits all New Yorkers who live, work and travel to and from the City.

We strongly encourage the CAC Transportation Advisory Panel to consider New York City, and more specifically the entities listed in this comment letter, as among the critical municipal stakeholders to be consulted.

We appreciate the panel's consideration of the request to be included as a key stakeholder, as well as the items outlined below. We wish to have this additional set of comments considered supplemental to the comments initially submitted to the Panel on November 18th, 2020. In the previous comments, the City included our priorities as they relate to the four subgroups on Electrification and Fuels; Market-Based Policies; Public Transportation and Smart Growth. From these supplemental comments we will provide

¹ From the Regional Economic Development Councils "State of the Region: New York City 2019 Progress Report", https://regionalcouncils.ny.gov/sites/default/files/2019-11/NYCREDC_Progress_Report_2019.pdf

feedback primarily on the draft recommendations of the Electrification and Fuels subgroup.

Electrification and Fuels

As noted in our previous comments, New York City and State have adopted aggressive zero emission vehicle (“ZEV”) targets. The City supports the Electrification and Fuels subgroup’s draft recommendations to transition to ZEVs across all vehicle classes. These draft recommendations include ZEV sale regulations and requirements for ZEV adoption in fleets under the State’s jurisdiction, as well as utility rate design changes, awareness campaigns, incentives and fueling infrastructure.

Since we last submitted comments, President Biden has signed a series of Executive Orders addressing the climate crisis, including mandates to electrify the transportation sector and create living-wage clean jobs. The Biden administration to date has announced a goal of deploying 500,000 charging outlets by 2030 and plans to electrify the approximately 645,000 vehicles in Federal government’s fleet.² The Federal government’s fleet goal follows and further supports the City’s mandate of having an all-electric fleet by 2040 as announced by Mayor Bill de Blasio in February 2020.

The City encourages the Panel to consider the rapidly changing federal prioritization of ZEVs, particularly in the draft recommendation to explore fleet-based ZEV use requirements for the State’s fleet, contractors and in port facilities. Federal leadership will hopefully unlock greater model availability of ZEVs, particularly since the majority of the Federal fleet consists of trucks which to date have seen slower rates of electrification compared to passenger vehicles. Electrifying trucks remains a core priority as they present a greater benefit to local air quality and overall have higher mileage than private cars.

Although the New York Truck Voucher Incentive Program and the NYC Clean Truck Program both provide initial funding for the incremental cost difference between a ZEV truck and their diesel fueled counterparts, additional action is needed in this sector. The current program does not provide incentives for fleet vehicle charging infrastructure at depots. The recently approved utility Make Ready program and the Per Plug Incentive program both also do not cover the high upfront cost for infrastructure that would serve capital constrained smaller truck fleets and school bus operators at their depots. Although the City strongly supports the adoption of ZEV sales regulations, supporting incentives and infrastructure will also be necessary.

² Number of vehicles taken from the GSA’s Federal Fleet Open Data Visualization:
<https://d2d.gsa.gov/report/federal-fleet-open-data-visualization>

Further, additional considerations are needed for truck refrigeration units, which are relatively lower cost than full vehicle replacements. To date the NYC Clean Truck Program has replaced 58 TRUs with electric and hybrid electric alternatives. These units have an average cost of less than \$10,000. Replacing older stationary TRUs have significant impacts in reducing local air pollution with up to a 99% reduction in resulting particulate matter.³

The City strongly supports discussions of utility rate design changes as ZEV mandates will lead to an increase in electric vehicle charging loads across the State. Electric vehicles behave fundamentally differently than stationary energy. In particular, mobile energy from electric vehicles could create significant new loads in residential areas and depots in the outer boroughs. Mass adoption of electric vehicles could put downward pressure on rates if supporting infrastructure and appropriate price signals to encourage off-peak charging are put in place.⁴ Innovative rate design solutions can bolster the growing EV market, helping to overcome barriers resulting from low charging station utilization. Thoughtful rate design can also help mitigate future load impacts from mass electrification.

Further, the City sees electrified fleets as a resource, including potentially being used for demand response once vehicle-to-grid technology matures. The City's Fleet has deployed 87 solar carports that are non-grid connected, providing a resiliency resource. Incentives that integrate solar and battery storage infrastructure with charging would create redundancy and promote renewable energy.

The City also supports a path forward for the meters integrated into electric vehicle charging equipment and even in-vehicle telematics systems to be considered revenue grade for the purposes of incentive programs and energy auditing, and believes these items should also be under consideration.

Encouraging off-peak charging of electric vehicles and the adoption of ZEVs will require greater awareness and targeted campaigns across all vehicle classes as well. The City supports the subgroup's draft recommendation to conduct awareness campaigns for light duty vehicles, but believes similar efforts could be helpful across all vehicle classes. In particular, the City is interested in opportunities to target fleet owners to electrify rather than focusing on personal vehicle owners.

New York City has the goal of reducing vehicle trips overall and encourages New Yorkers to take more efficient modes such as mass transit or biking. However, some trips cannot be readily shifted onto alternative modes, including trips taken for commercial

³ Taken from NYCDOT's Clean Truck Program semi-annual report

⁴ Taken from Synapse Energy report "Electric Vehicles are Driving Electric Rate Down":
https://www.synapse-energy.com/sites/default/files/EV_Impacts_June_2020_18-122.pdf

purposes. Electrifying fleets of taxis, for-hire vehicles and delivery vehicles is a strong priority for the City. Support is needed in providing the appropriate level of awareness of new ZEV technologies as well as supporting infrastructure for their operators. By Mayoral Executive Order, DCAS is launching a “Fleets of the Future” network to promote electrification and safety for commercial fleets, and is an available partner on promotion efforts.

The City also encourages the perspective that electric mobility opportunities include vehicles ranging from those with two wheels to eighteen wheels. Point of sale rebates for electric mobility should include micromobility options and smaller neighborhood electric vehicles so not only are the vehicles in New York fueled sustainably, they are also right-sized for the trip taken. NYC DOT has successfully piloted over 350 commercial cargo pedal assist bicycles for last mile deliveries in Manhattan, and electric bicycle incentives would help scale use for shared systems and private owners. We specifically encourage point of sale rebates over tax-based incentives as they provide immediate benefits for New Yorkers with low income. Further, we encourage the Panel to consider additional incentives as the used electric vehicle market grows.

Areas for further investigation for mass electrification include off-road equipment as well as aviation. Recently, City Council held a hearing on a bill that would require DCAS to study electric powered vertical takeoff and landing vehicles, showing a growing interest in this newer technology. We encourage the Panel to also consider these newer technologies and build upon the City’s work exploring off-road equipment (including maritime and construction equipment). The City fleet alone includes over 5,000 off-road units like generators, tractors, and backhoes. These are important emissions sources that DCAS has begun addressing by implementing electric carts, solar light towers, and electric forklifts, among other sustainable approaches.

As stated in our previous comments, charging infrastructure still falls short of what is needed to reach the City and State’s goals. Although the Make Ready Program, Truck Voucher Incentive Program and forthcoming NYSERDA Clean Transportation Prizes all provide critical funding, additional support to electrify fleets is necessary. The City has invested \$10 million dollars in fast charging infrastructure for the municipal fleet. To date DCAS Fleet has deployed over 60 fast chargers with plans to have 100 chargers installed this year alone. Of those chargers, at least 10 will be made available to the public. On top of this investment, 8 fast chargers have been installed by NYCDOT that will be operational in municipal lots and garages for the public to use (including light-duty fleet vehicles and private cars). NYCDOT will be deploying an additional five fast charging sites (each containing 4 fast chargers) throughout the City in 2021.

Although the City is installing chargers to serve both its own fleet and private vehicles, it’s particularly important to note that the City has a much greater ability to take on the

capital cost of installing chargers in its fleet depots and facilities than small private operators. Further, despite the City's ability to deploy chargers, securing expense funding to operate the chargers is difficult while utilization remains low and uncertain. Funding for infrastructure should address capital and operating shortfalls for public facing and fleet facing charging as needing separate interventions. NYC Fleet operates the state's largest liquid fueling station and EV charging network. For liquid fueling, fleet can also access the state's hundreds of private gas stations. Private infrastructure for EV charging, however, needs far greater development.

As stated in previous comments, a statewide requirement for parking facilities to provide the make-ready infrastructure, and potentially even requiring charging infrastructure, could lead to significant increase in charging port availability. Local Law 130 of 2013 mandates that 20% of parking spots in most new parking facilities have the appropriate make-ready infrastructure to install electric vehicle charging when they are initially built, cutting costs on resurfacing to install these facilities at a later date.

The City is encouraged by the discussion between the CAC Transportation Advisory Panel and the Just Transition Working Group regarding investments in local communities and job training. A core part of the City's training program includes over 130 schools that provide career and technical education. DCAS Fleet provides hybrid and electric vehicles to the Automotive High School program to begin training future local mechanics and fleet operators. Efforts to build upon this work are ongoing and providing large scale workforce development is necessary.

Automotive industries should be included in the Just Transition Working Groups jobs study to ensure that workers, Minority and Women-owned Business Enterprises (M/WBEs), and other small businesses can keep pace with market shifts. Results of the study should be proactively communicated to businesses and training providers that work in automotive repair, fuels, driving, and maintenance, and should be updated periodically to inform stakeholders of changes in the market.

Electric vehicles, with fewer moving parts than internal combustion engines, are anticipated to need less maintenance and fewer trips to the local mechanic.⁵ The State should provide retraining or business transition support as has been discussed by the Just Transition Working Group as it relates to fossil fuel power plant workers.

Finally, even though New York City supports the draft recommendations put forward by the Electrification and Fuels subgroup, we encourage the Panel to consider the inclusion of a Low Carbon Fuel Standard ("LCFS"). As stated in previous comments, LCFS could help create a market for biofuels and support mass electrification in New York State.

⁵ U.S. Department of Energy, "Maintenance and Safety of Hybrid and Plug-In Electric Vehicles" https://afdc.energy.gov/vehicles/electric_maintenance.html

The City supports an LCFS that includes considerations for the lifecycle emissions as well as land use provisions so that the policy does not add to local air quality concerns. DCAS has successfully implemented 1 million gallons of renewable diesel, and strongly supports an LCFS to further grow market options to procure alternative fuels. While DCAS and NYC Fleet are transitioning to an all-electric future, cleaner biofuels should replace fossil liquid fuels as this transition takes place, and are also options for existing heating oil and ferry systems.

Conclusion

New York City believes the draft policy recommendations put forward by the Electrification and Fuels subgroup are very encouraging, and hopes that the Panel will consider the additional recommendations in these comments to strengthen the policies put forward. Further, New York City strongly encourages the Panel to consider actively engaging local governments as stakeholders in this process. The City appreciates any consideration of the items highlighted in these comments, and hopes to be engaged on how best to meet our collective climate goals and improve the lives of New Yorkers.

Sincerely,



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