October 8, 2018

Texas Commission on Environmental Quality
Air Quality Division
Implementation Grants Section, MC-204
Austin, TX 78711-3087

RE: Texas Draft Beneficiary Mitigation Plan

EVgo appreciates the opportunity to provide written comments on the Draft Texas Beneficiary Mitigation Plan (BMP) for the Volkswagen Environmental Mitigation Trust Agreement. EVgo operates America’s largest public electric vehicle (EV) fast charging network, with over 1050 chargers in 66 metropolitan markets across 34 states, representing where 90% of new EVs are currently sold. Using primarily DC fast chargers (DCFCs) of 50kW or more, EVgo powers EV drivers for more than any public charging network in the nation. We provide over 100,000 monthly charges to 75,000 EV drivers, powering EVs to drive more than 5,000,000 miles each month.

EVgo has strong roots in Texas, having originally been created by NRG in Houston which continues to hold an interest in our company. The first public fast charging corridor built by EVgo was in Texas, and we continue to own and operate 64 fast charging stations in Texas with additional sites being considered. The vast majority of EVgo’s existing Texas infrastructure is located in the Dallas-Fort Worth and Houston areas, both regions that the state indicated are out of compliance with National Ambient Air Quality Standards (NAAQS). EVgo is pleased to be leading the way in assisting the state in reducing local air pollution by building out the required infrastructure for massive transportation electrification. EVgo commends the state for allocating 15% of the Appendix D funding towards electric vehicle supply equipment (EVSE). EVgo believes that this $31.4 M will significantly aid in the incremental buildout of EVSE and enable access to EV drivers across the state of Texas.

EVgo appreciates the thoughtfully crafted BMP drafted by the Texas Commission on Environmental Quality (TCEQ), and we respectfully offer a minor amendment. We wish to ensure that the BMP does not unintentionally restrict the state’s capacity to develop more public DCFC infrastructure, and thus will speak to the following provision:

“The TCEQ may prioritize funding for applicants that own the land and the facility at which the equipment will be installed and will have a vested interest in the use of the equipment, in order to maximize the long-term sustainability of the equipment” (p. 27)

While EVgo understands the purpose of the provision (i.e., to ensure the recipient of any grant funding has sufficient “skin in the game”), we are concerned that the prioritization of landowners will unintentionally limit the choices available to Texans about where possible infrastructure may be sited. In our own experience as owners and operators of charging equipment, we seldom interact with the direct property owner and instead communicate and contract directly with the tenant, for example a grocery store or convenience store, rather than the landlord. After confirming the tenant’s interest in hosting an EVgo fast charging station, the landlord is usually ultimately engaged by the tenant to provide approvals. By prioritizing landowners, the BMP may unintentionally exclude the operators of retail establishments who are intent on providing customer amenities and driving retail traffic to their registers as decision makers on what happens in their parking lots as tenants. Thus, this provision is likely to have the unintended consequence of decreasing the overall level of interest in the grant funding and may lower aggregate application numbers.
Instead, EVgo respectfully recommends that the TCEQ remove this provision and consider other means to encourage long-term sustainability of the assets. For example, instead of prioritizing sites where the landowner is also the host customer, TCEQ may also prioritize models where an EVSE provider will also serve as an owner-operator of the charging asset. Unlike other business models, owner-operators of EV chargers are aligned with the customers’ incentives to optimize performance of chargers, ensure upkeep, and maximize uptime.

EVgo thanks the TCEQ for its consideration of our comments and recommendations. As you work toward finalizing the BMP, please consider EVgo as a resource. We offer ourselves as a continuing partner to usher in a new era of transportation innovation in Texas.

Sincerely,

[Signature]

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