



**IBEW Local 40**  
**IBEW Local 441**  
**IBEW Local 477**  
**IBEW Local 569**

April 5, 2017

Mr. Mark Williams, Mailstop 3E  
Air Resources Board  
P.O. Box 2815  
Sacramento, CA 95812

**RE: Volkswagen's First 30 Month Zero Emission Vehicle Investment Plan Draft**

Dear Mr. Williams:

On behalf of IBEW Locals 40, 441, 477 and 569, we appreciate this opportunity to comment on Volkswagen/Electrify America's first 30 Month Zero Emission Vehicle Investment Plan. VW/Electrify America's investment represents a substantial opportunity to support California's transportation electrification and climate goals, benefit hard-hit communities and create good, middle-class jobs.

**Unfortunately, VW/Electrify America's Cycle 1 proposal is in need of serious improvement in several key areas related to corporate social responsibility, industry best practices and disadvantaged communities. Specifically:**

- The plan does not outline how VW/Electrify America will ensure ZEV infrastructure is installed and maintained by qualified electrical personnel and contractors in accordance with state law and best industry practices. Without proper workforce and contractor standards, installations and long-term maintenance run the risk of being done unsafely, incorrectly and could lead to wasted funds.
- The proposal does very little to benefit disadvantaged communities. This is inconsistent with CARB's guidance and California policy priorities.
- There is no description of how these funds will create pathways into skilled training and middle-class careers by leveraging the state's joint labor management electrical apprenticeship network, creating family-sustaining jobs with good wages and benefits and successfully recruiting, training and hiring at least 35% of the workforce from disadvantaged communities, low-income households or veterans. SB 350 The Clean Energy and Pollution Reduction Act calls on "widespread transportation electrification to create high-quality jobs for Californians, where technologically feasible."

We know from past experience large public investments can either create high road jobs that lift up working families or subsidize a race to the bottom. We ask this Board to hold VW accountable to state law, industry best practices and California policy priorities so our communities, families and consumers can reap the highest possible benefits from this deceptive corporate failure. **In order to ensure a successful launch and align outcomes with CARB and California state policy priorities, we recommend CARB require Electrify America/VW include the following in their Cycle 1 investment proposal:**

**1. Require VW/Electrify America Establish Responsible Contractor Criteria for Firms Installing and Maintaining ZEV Infrastructure to Ensure ZEV Investments Create Middle-Class Careers and Skilled Training Opportunities for Californians**

Establishing criteria for ZEV investment funds to create good, middle-class jobs is consistent with existing state policy. SB 350 The Clean Energy and Pollution Reduction Act calls on “widespread transportation electrification to create high-quality jobs for Californians, where technologically feasible.” Also, CARB has determined VW’s investment should demonstrate corporate social responsibility. Requiring firms who are performing ZEV Infrastructure work to meet a baseline standard for worker training, pay and benefits will help prevent a “race to the bottom” and weed out unscrupulous contractors who may take advantage of employees and the public.

Additionally, including targeted goals to recruit, train and hire residents from disadvantaged communities and veterans to perform ZEV infrastructure work will create access to career paths and economic benefits for residents who need it most. At minimum, we recommend a targeted hiring goal of 35% of the overall workforce be residents from disadvantaged communities, low-income households or veterans.

**RECOMMENDATION:** Require VW/Electrify America to establish Responsible Contractor Criteria for firms engaged in infrastructure construction, operation and maintenance. Eligible firms must pay prevailing wages; provide state-certified apprenticeship training; provide full family healthcare coverage as part of the employee benefit package and provide retirement security through a pension retirement contribution. Firms must demonstrate how they will successfully recruit, train and hire a minimum of 35% of their overall workforce from disadvantaged communities, low-income households or veterans, including how they will collect and report data in a transparent way with a focus on job quality, quantity and access.

**2. Ensure Skilled, Qualified Electrical Personnel Install and Maintain ZEV Infrastructure by Requiring VW/Electrify America Contract with EVITP-Approved Contractors and EVITP-Certified Electricians for ZEV Charging Station Installation and Maintenance**

As CARB noted in the December 2<sup>nd</sup> workshop, ZEV Infrastructure funds must be spent efficiently and effectively. To successfully achieve this, ZEV infrastructure must be properly and safely installed, operated and maintained by qualified electrical personnel. The Electric Vehicle Infrastructure Training Program (EVITP) is an EV industry-wide collaborative where partner organizations contribute to, and develop, curriculum to train and certify electricians. EVITP teaches industry best practices in electric vehicle infrastructure installation, commissioning and maintenance. It is quickly becoming an industry standard, having been recognized by the U.S. Department of Energy’s Clean Cities program, and required by the California Public Utilities Commission for utility EV programs recently approved using ratepayer funds. EVITP is taught at California Utility training facilities, community colleges, and industry training centers.

**RECOMMENDATION:** Leverage existing network of state-certified joint labor management electrical apprenticeship facilities. Require EVITP approved contractors and EVITP certified electricians to install, operate and maintain all ZEV infrastructure as California utilities have been required to do by the California Public Utilities Commission.

**3. Realize Tangible, Measurable Benefits in Disadvantaged Communities by Requiring VW/Electrify America to Invest a Minimum of 35% of ZEV Investments in Disadvantaged and Low-Income Communities**

In California, those who breathe the dirtiest air are disproportionately low-income communities of color. Low-income and disadvantaged communities in California are hit hardest by vehicle pollution because they are more likely to be located near busy roads, freeways, goods movement corridors, and ports. We support the investment goal CARB shared at the December 2<sup>nd</sup> workshop to ensure funds are invested in and directly benefit disadvantaged communities. This is consistent with existing laws requiring California to increase access to clean transportation options in low-income and disadvantaged communities.

SB 1275 states that California must “increase access for disadvantaged, low-income, and moderate-income communities and consumers to zero-emission and near-zero-emission vehicles, and to increase the placement of those vehicles in those communities and with those consumers to enhance the air quality, lower greenhouse gases, and promote overall benefits for those communities and consumers.”

Under SB 350, California finds:

- “(B) Widespread transportation electrification is needed to achieve the goals of the Charge Ahead California Initiative (Chapter 8.5 (commencing with Section 44258) of Part 5 of Division 26 of the Health and Safety Code).”
- “(C) Widespread transportation electrification requires increased access for disadvantaged communities, low- and moderate-income communities, and other consumers of zero-emission and near-zero-emission vehicles, and increased use of those vehicles in those communities and by other consumers to enhance air quality, lower greenhouse gases emissions, and promote overall benefits to those communities and other consumers.”

SB 535 has been updated by AB 1550 and requires that 25% of the Greenhouse Gas Reduction Fund (GGRF) be invested in disadvantaged communities with an additional 10% benefiting low-income communities and households, for a total of 35% going to disadvantaged and low-income communities.

ZEV Infrastructure projects can create economic benefits by providing entry into high-quality career paths for residents from disadvantaged communities, low-income households and veterans. If properly structured, these funds can support hiring practices that enable these opportunities (*see Item 1 above*). In terms of vehicle access for disadvantaged communities, secondary market ZEVs can play an important role and complement other programs.

**RECOMMENDATION:** Dedicate a minimum of 35% of ZEV Investments be invested in disadvantaged and low-income communities, in keeping with AB 1550 and SB 1275. Develop a plan with measurable milestones to expand access to secondary market ZEVs in disadvantaged communities.

#### **4. Dedicate Funds for Heavy and Medium-Duty ZEV Infrastructure, Particularly in Disadvantaged Communities**

Heavy- and medium-duty vehicles are one of the largest sources of harmful air pollution in California. Air pollution shortens lives, increases diseases and as noted in the 2016 report, “Delivering Opportunity: How Electric Buses and Trucks Can Create Jobs and Improve Public Health,” “[s]tudies have linked air pollution to adverse effects on almost every organ system in the body.” Electrifying heavy and medium-duty vehicles like transit buses, school buses, delivery trucks and equipment at Ports has long been recognized as a valuable opportunity to

address climate change, reduce air pollution and create healthier communities. Electrifying this sector is consistent with existing statewide policy and initiatives and should be further boosted by ZEV Infrastructure investments.

**RECOMMENDATION:** Earmark revenue to expand heavy and medium-duty ZEV infrastructure, particularly for vehicles impacting disadvantaged communities, including transit buses.

**5. Ensure Strict Transparency, Oversight and Accountability of ZEV Infrastructure Investments, Including the Launch of a Public Web Site and Information Hotline**

The VW settlement was born out of corporate deception. Now, billions of dollars are at stake and intended to right a wrong and benefit the public. Safeguards are absolutely necessary to ensure this happens.

**RECOMMENDATION:** We recommend CARB use all legal and regulatory authority at its disposal, and any other relevant avenues, to forcefully oversee the ZEV Investment Commitment to ensure funds serve the public interest, create high-quality jobs, are spent equitably and as consistent with state law including SB 1275, SB 350 and AB 1550. Require a public web site with status reports and real-time updates on ZEV Investment programs including charging station installation status and locations, disadvantaged community installations and hiring data, VW/Electrify America vendors, installation and maintenance contractors and other implementation partners. Create a VW hotline for members of the public with questions about the settlement or seeking information.

Sincerely,



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