



Comments received by Verra during the public comment period 17 May – 16 June 2023 of ACCELERATING THE ADOPTION AND USE OF ELECTRIC VEHICLES

(project ID4242)

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Comment 1

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Sent by: Sue Hall, CEO

Email: sue@climateneutral.com

Organization: Climate Neutral Business Network

Whilst many of the innovative aspects to the BTR project design are intriguing and welcome, the following concerns have arisen which, in order to ensure integrity and best practices across EV charging VCUs, should be addressed transparently and thus have been shared as public comments on the BTR proposed project design.

Inventory Creation, Management, Double Counting Procedures

The Bridge to Renewables (BTC) project has some serious inadequacies in its inventory management and disclosure practices. BTR indicates that the location information (address, geo coordinates) will not be disclosed by the project. As explained further below, double counting of VCUs would then result between BTR and other PPs' VCUs since PPs will not be able to conduct their own required due diligence given the proposed BTR inventory management's location non-disclosure practices. This risks degrading the quality of credits for the entire EV charging sector and must be avoided. The avoidance of double counting with VM0038 relies upon mutual disclosures of charger/charging location information between Project Proponents (PPs).

- Locations for telematics based projects must be disclosed (even if PI is protected by omitting the exact street number for the address) and be sharable with other projects to enable sound practices to avoid double counting between EV charging projects through exchange of project inventory information
 - There is no central agency making such cross checks as would be the case for Clean Fuel Standard programs – and telematics TM projects would not typically have access to the charger ID references (e.g. equipment serial numbers) so these mutual location disclosures are central to double counting diligence for TM projects.
- This is especially important for telematics (TM) practices which require particularly detailed inventory disclosures and which have only a contingent subordinate ownership claim on credits (see VCS telematics memo discussion below)



Use of the AFDC as a source of reference for BTR's double counting diligence would not be adequate. Not all chargers that exist in the US – including many that are already included in VCS validated projects -- are listed there. AFDC only includes public charging sites and so will not include any private non-residential or residential sites which OEMs could include – when all of these categories of charging sites are already included in existing (and future) validated VM0038 projects and against which double counting diligence must be conducted.

It is not clear whether the BTR project is including roaming¹ credits for OEMs which would be based upon charging at public/other locations beyond the EV driver's primary home charging location. Double counting with existing and future EV charging projects is an even more serious risk at such roaming locations where entities other than the EV driver/owner will be the owners of the charging station, many of whom have already validated their stations and issued credits.

- BTR indicates that it will screen out stations from the AFDC database but this is not a complete reference for all public charging stations – and roaming locations can include private non-residential chargers such as those at work locations. Only a diligent review cross checking any roaming locations charging activity against all US locations already claimed by other project proponents (PPs) in existing validated VCS projects using their inventories can safely preclude such double counting risks.
- Furthermore, even home locations can't be precluded from double counting without the disclosure of charging locations in the BTR project inventory (as above) Indeed, many other existing validated projects have already secured and established their claim on such primary home charging locations (across both charging networks and other TM based projects) which would prevent the BTR OEM project from securing VCU issuance for these instances in these locations.
- The exchange of inventory information across PPs including all locations represents the best practices which validated EV charging projects have all followed to date and is consistent with the VM0038 expectations. BTR's proposed process does not provide the same level of assurance to preclude double counting.
- Without diligence comparison across all other projects' inventories – which must be conducted on a mutual basis by all PPs – BTR's proposed process would introduce double counting into the EV charging crediting sector and undermine VCS' reputation for integrity.

On page 28, BTR make one oblique reference to how there will be exclusions for chargers/charging that are ... “already participating in VM0038”. However, there is no process described for how this will be done – and no reference to inventory comparisons which BTR plans to undertake. Furthermore, since BTR's location data will remain undisclosed, their approach will preclude other PPs' due diligence via their own separate project inventory comparisons. Mutual review of charger/charging locations is required by VM0038 and forms the core foundation to avoid double counting.

- In section 1.1, BTR indicates that its technology will “filter out ...[locations] ... that are or could become part of another VM0038 project” but, as above, it is unclear



from other sections of its PD how this is securely achieved without a transparent sharing of inventory locations.

Indeed, there are no references to BTR creating and maintaining the VM0038 required inventories with the location data which are needed to be shared with other project proponents in order to secure this outcome on a bilateral basis – and BTR’s project structure which stipulates that the locations for EV charging (address, geo cords etc) will not be available precludes compliance with these inventory requirements. So BTR’s approach precludes the required double counting diligence that both BTR and other project proponents must conduct using this information.

- The BTR PD references the applicability condition requirement for inventories but does not indicate that one will be prepared for review and include the required location details.
- Nor is an explanation is given for how other required charger information in AC box #4 (where the VCS telematics memo clarifies such requirements for TM projects)

Telematics-Based VCS Crediting Memo

The BTR project does not explain how and why any TM based monitoring meets the VM0038 monitoring requirements, set out in the parameter box for electricity delivered/consumed (ED/EC) monitoring. So there is no justification provided for why telematics-based data inputs from OEM EVs is therefore within scope for VM0038 crediting.

- VM0038 sets out five permissible pathways for ED/EC kwh monitoring.

Although BTR was made aware of the VCS memo regarding telematics based crediting prior to the publication of its PD, no due diligence appears to have been conducted to review/ascertain its provisions – most of which have not been met by the project as currently presented. For example in reference to:

- Inventory requirements for TM projects
- Treatment of principle and roaming locations
- Annual inventory filing requirements all instances for TM projects (which are more rigorous and deeper than for charging based projects).
- Conditional/contingent eligibility for TM-based projects to issue credits subject to charger owners/networks not already including these TM sites in their projects/claiming credits for the same location – requiring a more in-depth annual double check against all other project inventories for TM based projects.

The VCS memo (already publicly referenced by project 2073) will be formally integrated into the methodology revisions for VM0038 which CNBN has been asked by VCS to conduct as part of the methodology’s regular five year updates, consistent with the VCU issuance precedents VCS has already made and whose basis has been publicly shared.

Credit Ownership Over Time



It is not clear whether and how OEM ownership of the credits can be safely secured over the 10 year proposed crediting period: EVs will be sold (average lifetime of car ownership in the US is less than 10 years, the project crediting period). The OEM will have retained ownership of attributes from the FIRST owner as the car is sold. But as the EV is then sold to the next owner, it is unclear whether an OEM has control over its retention of environmental attributes (does this survive the EV sale?) nor whether an OEM still has automatic access to the TM data on the EV when such as sale has taken place. Nor does BTR describe any procedures through which it would be able to impose any ownership constraints on that future sale so that it could retain attributes ownership over future unknown parties (future buyers) who would not be party to the original agreement.

- It is not clear whether all OEMs would have access to ongoing TM data as an EV is sold: some appear to have such continuity of these data streams (e.g. potentially Tesla) but others don't. It's also unclear whether, for a given OEM, new EV owners (second, third etc) need to activate any OEM app/data subscriptions (paid or free) to not only gain their access to the TM data but also activate an OEM's continued access to the EV's TM data feed. Thus some OEMs may and some may not have access to the EV TM data feed after the EV has been sold – when their pathway to ownership of environmental attributes is far less clear
- This is in contrast to other validated TM projects where the relationship between the PP and the car owner/driver is a direct one (because individuals are members of the partner/PP project rather than intermediated via an OEM). As a result, when the EV is sold, the authentication for the carbon project to access the individual owner/driver's TM data automatically breaks: authentication is unique to the owner who has a contract with the project PP. As a result, the driver owner (with whom the PP has the attributes carbon ownership contract) has to provide the PP with authorized access to their car's EV TM data and this authorization between the owner driver and the PP automatically breaks when the owner sell the car. Thus in these TM projects, once an EV TM charging instance vehicle is sold, there is no access to the kwh data feeds and the crediting ceases.
 - Similarly, charging system-based projects track movements of chargers in and out of their inventories if a charger's ownership status changes (which is still relatively rare).
- With OEM derived telematics, there therefore would be a risk that, at least for some OEMs, the EVs would continue sending TM data to the OEM even as the car ownership is transferred to a new driver – including in situations where the OEM might not have continuing ownership of the carbon reductions as the car is sold.
 - Several questions arise if this lack of congruence is to be addressed. For example, how would the OEM even be notified of a change in EV ownership even whilst the EV continues to send its TM monitored data to the OEM? Without addressing such questions, it is not even clear that this lack of congruence² can be addressed.



- Thus, with BTR, when the OEMs interpose as intermediaries it is not clear how secure ownership of the carbon/environmental attributes as the car is sold is accurately determined, sustained or terminated. This risk introducing longer-term carbon ownership risks into the issuance of EV Charging VCUs when OEMs serve as intermediaries between the EV driver/owner and the carbon project.
- In this context, it's notable that transfer of ownership between car owners is not even referenced in the BTR PD as a critical junction where carbon ownership and continuity of TM data streams must be navigated – and where different procedures will likely need to apply to different OEMs. This junction requires far more explanatory diligence in the BTR PD.

Note: the points being raised here, whilst anchored upon the BTR project design, are ones which might merit consideration for other non-TM based projects since the state-of-best practice in the EV charging VCM is still evolving. Some EV charging projects have already evolved new specific best practices to address changes in charger/TM ownership as part of their inventory management updates.

Time of Day Charging Foundations: Transparency

Project issuance is sought by BTR on a time of day (TOD) basis. But BTR has not specified the “comparable” data source from which TOD EFkwTOD data will be sourced nor how it intends to apply the egrid emission factors on a TOD basis. These non-trivial details require validation scrutiny. Such EFkwTOD data sources must meet the requirements laid out in this EFkwTOD parameter box in VM0038 (e.g. using gov’t, regional utility or credible, applicable sources). For transparency purposes, this information should be provided in the PD to be validated upfront: it is not proprietary information – and without clear references to which data source is being used is not clear how the data source(s) would meet the VM0038 requirements. This parameter is central to the accuracy of the VCU project emission calculations and should be reviewed during project validation.

- There is also no reference to utility generated EFkwTOD rates which VM0038 requires must be used if they are available in a given region j.
- The “comparable” TOD data source is not cited, justified nor details provided for how its data will be applied.
- It is also not clear how BTR proposes to apply e-grid data. Is it to be combined with other TOD data sources? Is BTR proposing that average and margin e-grid data be used as TOD data sources? If so, how and on what basis?
- Details and justifications regarding which data sources are to be used and how they will be applied are missing in the PD. Without these, there is no transparency regarding the important TOD basis for calculations.

Transparency

Other broader transparency concerns also arise.



BTR does not reference any of the specific OEMs for which it is acting as Project Proponent. This again hinders double counting diligence since other charging projects' PPs won't know which OEM brands have the potential to be issuing VCUs – and thus check against any information they might have on the brand of cars using their charging system. Transparency also increases trust and integrity in the VCUs – and, in the light of VCS' increased focus on scope 3 reporting, provides more transparent accountability.

The BTR project claims that the project does not require a scope 3 analysis because the activity does not produce a lower carbon product for which another party can claim a scope 3 reduction. Unfortunately, this is likely not the case. Scope 3 GHG reductions are, by their nature, reportable by any entity engaged in the supply chain (for example, charger equipment suppliers whose systems are installed in the home locations where BTR TM data is being collected and credits issued). The BTR scope 3 GHG claims therefore need more careful configuration, to be, at minimum, consistent with the newly updated scope 3 reporting requirements that VCS will be introducing in its next Standard updates this fall.

Various other VM0038 requirements are not met:

The procedures to achieve driver disclosures are not actually described. Without this disclosure logic being clearly articulated, the applicability condition is not clearly fulfilled.

There's no adequate KML map provided in section 1.12 as required under VCS rubric

- VCS informed other EV charging projects that the KML file needs to list and reference all charging locations
- The HQ address for BTR acting as a PP for multiple OEMs would therefore not be adequate for an EV charging based KML map as required in its PD

The referenced source for EV Raiy (Argonne National Lab) does not release the EV model figures any longer so this parameter lacks a credible source.

- The core foundations for the calculation of a tailored MPG/AFEC for BTR still needs to be established

BTR's eligibility criteria are insufficient for TM based crediting since the project lacks the design features consistent with the VCS TM memo requirements.
