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Environmental Protection Agency
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Inflation Reduction Act Non-Regulatory Dockets for Public Input

Via Federal eRulemaking Portal: https://www.regulations.gov

Subject: bp America Inc. comments on Request for Information EPA-HQ-OAR-2022-0874

Office of Air and Radiation of the US EPA:

We respectfully submit comments to the US Environmental Protection Agnecy ("EPA") pursuant the Request for Information - Inflation Reduction Act Provisions for Office of Air and Radiation Implementation, Docket 2 "Transportation Programs: Grants to Reduce Air pollution at Ports [60102]", which requested comments on programs that include funding for air quality and climate projects addressing transportation programs implemented by EPA's Office of Air and Radiation.

bp's Renewable Energy Projects and Ambitions in the United States

bp is a global integrated energy company with a significant footprint in the US. In the US, bp employs more than 12,000 people and supports about 245,000 jobs. Since 2015, bp has invested more than $135 billion in the US and in 2021 alone, our operations contributed about $60 billion to the US economy. We have a larger economic footprint in the US than anywhere else in the world.

bp seeks to provide the world with secure, affordable, and lower carbon energy. Our ambition is to be a net zero company by 2050 or sooner, and to help the world get to net zero. A key part of bp's strategy is low carbon electricity and energy. By 2030, bp aims to have developed around 50 gigawatts (GW) of net renewable generating capacity globally. As it has in the past and in light of the IRA, we envision making many investments in the US.

bp has a diverse and growing portfolio of renewable energy projects in the US, including solar and both onshore and offshore wind. bp Wind, our onshore wind energy business, has a gross generating capacity of 1.7 GW across seven states. Our

50/50 solar joint venture company Lightsource bp has 2.2 GW of developed projects in the US, as well as a development pipeline of 20 GW. In July 2021, bp closed a deal to acquire 9 GW of solar development projects in the US from 7x Energy across 12 states.

bp has a growing offshore wind portfolio in the US and internationally. In January 2021, bp entered into a strategic partnership with Equinor to develop offshore wind projects in the US, including two major lease areas located in waters off New York and Massachusetts. The partnership is now developing up to 4.4 GW of wind generation through two projects – Empire Wind and Beacon Wind – and together the companies are pursuing further growth in the US offshore wind market.

bp is collaborating on hydrogen produced both through renewable electricity (green hydrogen) and natural gas paired with carbon capture and storage ("CCS") (blue hydrogen). By the end of this decade, bp aims to have a 10% market share of low-carbon hydrogen – both green and blue – in core markets such as the US.

bp believes hydrogen has a critical role in helping to achieve net zero – it's complementary to electrification and will be pivotal in the decarbonisation of hard-to abate transportation and industrial sectors, including at ports, where electrification is too expensive or not feasible.

As part of our net zero ambition, bp is focused on providing cleaner energy and mobility solutions to countries, cities, and corporations around the world to help them decarbonize. This includes more electric vehicle (EV) charging stations – and increased access to those stations.

By 2030, bp plans to grow its global network of EV charging points from around 13,000 today to more than 100,000.

In the US, bp recently took its first major step into electrification with the acquisition of AMPLY Power, an EV charging and energy management provider for fleets that operate trucks, transit and school buses, vans and light-duty vehicles. This investment is aligned with bp's plan to scale up next generation mobility solutions, providing a fast, reliable and convenient network of charging and digital solutions for customers, including individual drivers and fleet operators.

Request for Information Docket 2: Transportation Programs: Grants to Reduce Air pollution at Ports [60102].

1. How can EPA structure this program to reduce air pollution in port communities and accelerate long-term trends to decarbonize the nation's ports?

There are multiple structural considerations for implementing EPA's new port air pollution reduction grant program. One structural consideration of interest to bp pulse is the nature and location of qualified zero-emission port equipment.

Subsection (d)(4)(A) of the new Section 113 added to the Clean Air Act by Section 60102 of the Inflation Reduction Act defines "zero-emission port equipment or technology" as

> *human-operated equipment or human-maintained technology that—*

(A) produces zero emissions of any air pollutant that is listed pursuant to section 108(a) (or any precursor to such an air pollutant) and any greenhouse gas other than water vapor; or
(B) captures 100 percent of the emissions described in subparagraph (A) that are produced by an ocean-going vessel at berth.

This definition leaves open the question whether grant funding can be used to purchase fueling infrastructure for equipment that is clearly covered by the definition.

Zero-emission technologies funded by this grant program powered by battery are going to require dedicated charging infrastructure. Accordingly, the charging infrastructure should be considered part and parcel of zero-emissions technologies eligible for grant funding.

In addition to including charging infrastructure as an eligible expense, EPA should provide wide latitude to the location of that infrastructure – particularly when it comes to drayage. Successfully electrifying drayage fleets will require guaranteed access to dedicated charging infrastructure hundreds of miles from the port itself.

Subsection (a)(1)(A) of the new Section 113 added to the Clean Air Act by Section 60102 restricts grant funding to the purchase or installation of "zero-emission port equipment or technology for use at, or to directly serve, one or more ports."

We encourage EPA to clarify that infrastructure doesn't need to be geographically proximate to "directly serve" one or more ports. Further, we encourage EPA to clarify that infrastructure need not be for the exclusive use of port vehicles or equipment to qualify for funding.

As the definition under d(4)(B) covers emissions capture technologies (in lieu of installing zero emissions equipment), the grant program may also support implementing emissions sequestration within the proximity of the port using existing and/or under development CCUS infrastructure.

In terms of electrifying port equipment/consumers, the program may expand its applicability to support development of available land for solar or renewable power generation and distribution to cover local charging demands.

2. How do you see the Inflation Reduction Act ports program complementing other programs (e.g., at EPA and the Department of Transportation) that can support efforts to reduce emissions at ports? What funding gaps can this program fill (e.g., specific zero emissions technologies or related planning support)?

There are no indications that Electric vehicle supply equipment (EVSE) funded by the National Electric Vehicle Infrastructure (NEVI) program and Sec. 11401 of the Infrastructure Investment and Jobs Act (IIJA) will be sufficient to meet the needs of electrified drayage. Electric drayage – like most other vehicles Class 7 and above – will require, at minimum, pull-through charging – something neither NEVI nor the Sec. 11401 grant program requires.

Further, long-haul trucking like drayage will also need higher powered chargers than the 150 kW chargers required by NEVI. As for the Sec. 11401 grant program, the Department of Transporation has not published any requirements along those lines.

Finally, electrified drayage fleets will likely need guaranteed access to EVSE in order to stay on their delivery schedules. While it is possible that NEVI- or Sec. 11401-funded charging stations may incorporate reservation systems, NEVI does not require them, and it seems highly doubtful that the Sec. 11401 grant will either.

Accordingly, bp pulse recommends that the successful electrification of drayage fleets will almost certainly require dedicated charging infrastructure remote from any port, but "directly serv[ing]" these port vehicles.

4. What types of zero-emission port technologies or related planning support do you see as most critical for delivering emissions reductions?

In terms of total emissions from non-watercraft, drayage electrification offers the greatest opportunity for gross emissions reductions.

As noted above, the successful electrification of drayage will require guaranteed access to high powered, pull-through charging. The location and specifications of that charging infrastructure requires significant advanced planning.

Additionally, coordinated planning and investment among *multiple* ports would significantly lower the cost of developing an EVSE network dedicated to electrified drayage.

Lastly, hydrogen will help decarbonize long-distance transportation in marine, aviation, and heavy-duty road transport. bp recommends hydrogen be considered in the types of zero-emission port technologies needed for delivering emission reductions.

5. What do you see as the biggest hurdles to transitioning to zero-emission port equipment?

As noted above, guaranteed access to remote, dedicated EVSE represents a major hurdle for the electrification of drayage. bp recommends allowing EPA grant funding to be used for remote EV charging facilities that directly serve drayage.

When it comes to electrifying port-specific vehicles, including watercraft like tugboats, access to sufficient electric service may prove a significant barrier.

Regulated electric utilities have an obligation to serve new electric load, but that obligation does not require timely service. And that regulatory compact does not apply to municipal utilities. It can take years – sometimes several years – for utilities to put in place the infrastructure upgrades necessary to serve large-scale new load.

One way to expedite this process is for the entity creating the new load to pay for the service upgrades. With that in mind, bp recommends clarifying that grant funding may be used for utility service upgrades.

Conclusion

In summary, we support using both hydrogen and battery powered technology to lower emissions at ports. We would welcome the opportunity to meet with the EPA to discuss these issues further as proposed and final rules are promulgated. Please reach out to Steven Koerner at skoerner@bppulsefleet.com or Hiba Abedrabo at hiba.abedrabo@bp.com.

Respectfully submitted,

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