

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking to Consider Alternative-
Fueled Vehicle Programs, Tariffs, and Policies

Rulemaking 13-11-007
(Filed November 14, 2013)

**REPLY COMMENTS OF GENERAL MOTORS ON THE ORDER
INSTITUTING RULEMAKING TO CONSIDER ALTERNATIVE-
FUELED VEHICLE PROGRAMS, TARIFFS, AND POLICIES**

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VEHICLE PROGRAMS, TARIFFS, AND POLICIES**

Introduction

General Motors offers its reply comments on the California Public Utilities Commission's (CPUC or the Commission) Order Instituting Rulemaking (OIR) R.13-11-007 to consider Alternative-Fueled Vehicle Programs, Tariffs, and Policies. General Motors appreciates the Commission's, as well as stakeholders', considerations with respect plug-in electric vehicle (PEV) market development and the topics raised in this proceeding.

Summary

The following is a summary of General Motors reply comments:

- General Motors reiterates the need to more clearly define VGI and establish VGI principles as related to this proceeding.
- General Motors suggests it may be too early to unquestionably define the current and future role of utilities in the PEV market.
- General Motors supports (future) workshops on VGI principles, priorities, and demonstration (pilot) projects.

General Motors reiterates the need to more clearly define VGI and establish VGI principles as related to this proceeding.

As General Motors anticipated, opening comments highlight a wide variety of perspective on vehicle-grid integration (VGI) activities, priorities, and goals within this proceeding. Many comments can be summarized in by General Motors' recommendations to focus on near-term, low-cost options.¹ Furthermore, parties statements that time-of-use rate (TOU) rate adoption is "fundamental" and "a priority over all other aspects of VIG" stresses how many parties may view VGI as strategic considerations than simply specific implementation actions.² However, several parties also highlighted more complex (e.g. V2G), and potentially more valuable, opportunities which require immediate market and policy attention.³ Without Commission guidance on more clearly defining VGI and establishing key

¹ General Motors Opening Comments at page 3 and SCE Opening Comments at page 3.

² NRDC Opening Comments at page 9.

³ NRG Opening Comments at page 3 (#1-#3) and ChargePoint Opening Comments at page 2 (summary bullets #1, #2, #4, #5).

principles (as specifically related to this proceeding), we anticipate parties will remain focused on various levels of VGI priorities and actions and, thus, will be “talking past each other”.

Multiple parties, such as SCE, San Diego Gas & Electric (SDG&E), the California Independent System Operator (CAISO), and Clean Coalition, offered ideas on guiding principles for this proceeding. These include principles which can address broad statewide goals, such as reducing greenhouse gas emissions, to more distinct implementation considerations, such as enabling the lowest-cost technology to meet grid needs.⁴ General Motors cautions against exploring all VGI considerations or attempting to resolve all PEV market challenges at this stage in the dialogue—focused, first steps are necessary to establish the foundation with PEV customers and market stakeholders. Scale and more complex technology can be added with experience and time. Furthermore, implications that “smart charging” or “networked systems” are a precursor to how the market will successfully integrate of PEVs into the grid is yet to be fully determined. And while sustainable business models are being explored and implemented, VGI priorities and principles should ensure seamless PEV market growth in today’s market. Therefore, General Motors encourages establishing consistent and focused principles that support concentrated stakeholder dialogue within this track of the proceeding.

General Motors suggests it may be too early to unquestionably define the current and future role of utilities in the PEV market, including VGI activities.

Many comments, including those from the investor-owned utilities (IOUs) themselves, address the role of the utilities in the California PEV market. General Motors was pleased to hear a general tone that the utilities play a unique and critical role in supporting and developing the market, including a primary role in education and outreach to current and potential PEV drivers about multiple aspects of the PEV market.⁵ General Motors strongly agrees. Conversely, several comments caution the Commission about revisiting or rolling back the competitive framework established by the Phase 2 Decision.^{6,7} In addition, several parties suggest the Commission take a neutral tone with respect to enabling competition and business-models.⁸

⁴ CAISO Opening Comments at page 2 and SCE Opening Comments at page 6 (bullet #2).

⁵ Examples include NRDC Opening comments at page 9 & 14, California Center for Sustainable Energy at page 4, Green Power Institute / Community Environmental Council at page 9, and SCE at page 12 (2b / bullet #2).

⁶ Decision (D.) 11-070-029, issued 7/25/2011. Decision Establishing Policies to Overcome Barriers to Electric Vehicle Deployment and Complying with Public Utilities Code Section 740.2. < http://docs.cpuc.ca.gov/PublishedDocs/WORD_PDF/FINAL_DECISION/139969.PDF>

⁷ NRG Opening Comments at page 3 and ChargePoint Opening Comments at page 3

⁸ Examples include General Motors Opening Comments at page 12, NRDC Opening Comments at page 7, SCE Opening Comments at page 9, SDG&E Opening Comments at page 5, and Green Power Institute / Community Environmental Council at page 12.

Per General Motors Opening Comments, we believe it is prudent the Commission broadly support PEV market development and consider there may be reason for multiple models and multiple roles for various stakeholders. This is especially important in this nascent market. Furthermore, General Motors believes at this stage in market development, where automakers are still launching first-generation PEV models and the broader PEV market is still developing, there is limited information to unilaterally preclude any party from participating in market segments. And while we believe the Commission is capable of shaping the landscape to ensure various models are able to unfold, the implementation and execution of VGI activities (from simple to complex) will require flexibility, perhaps for many years to come.

Throughout these opening comments, many comments suggest VGI activities are anticipated to benefit both the PEV driver as well as the general ratepayer. If these expectations are ultimately realized, thoughtfully-conceived participation by the utilities should be able to provide clearly defined benefits to the grid, while enabling the PEV market. These benefits should not be overlooked or prematurely discounted. Therefore, a pragmatic approach to each and every business model is necessary to ensure success and flexibility, particularly as business models are (or are not) adopted by this early market.

General Motors supports (future) workshops on VGI principles, priorities, and demonstration (pilot) projects.

As noted above, General Motors believes parties took a wide-ranging stance on a majority of the questions posed in the OIR, such as the priority and focus of the Commission's VGI activities or how rate design should be integrated into VGI activities. (There were also many statements and recommendations made outside the specific OIR questions, such as submetering, installation costs for workplace charging, reducing the time of charging, and integration of renewable energy).⁹ Along with these considerations, several parties suggested future workshops on relevant topics.¹⁰ General Motors agrees that facilitated workshops on establishing guiding principles and identifying priorities may be necessary. We would benefit from those discussions, and anticipate the Commission and other stakeholders would also.

In addition, General Motors believes it is important to identify current and future pilots and demonstration projects to support decision making; we appreciate this initial step has been taken to identify current pilots through the CAISO-led VGI Roadmap activity. Defining and supporting future demonstration projects in California will ensure successful characterization of the value of the VGI framework beyond the initial

⁹ Respective examples: ORA Opening Comments at page 16, CALSTART Opening Comments at page 4, Green Power Institute / Community Environmental Council at page 12, California Energy Storage Alliance Opening Comments at page 6.

¹⁰ SCE Opening Comments at page 20, NRDC Opening Comments at pages 11-12, and ORA Opening Comments at page 9.

value of getting PEVs on California roads.¹¹ And while we echo the comments of many other parties that immediate focus be placed on items such as non-networked Level 1 charging and whole house TOU rate adoption, we believe pilots and demonstration projects will be critical for decision making. Therefore, we believe future workshops will help stakeholders better define the necessary projects to demonstrate (i.e. goals and priorities).

Finally, General Motors believes broad participation in these workshops is important. Several parties at the December 4, 2013 workshop, as well as through Opening Comments, suggested automaker interest and priority in VGI activities, yet only one automaker (General Motors) is currently participating. As with any stakeholder, we believe it is important individual automakers are able to appropriately characterize their own interest and priorities. And while General Motors is “*careful not to confuse growing the PEV market with unlocking future value in a PEV or defining what is possible with a PEV,*” we encourage the Commission to support broad representation to ensure principles, priorities, and demonstration projects are fully captured.¹² General Motors will continue to work with stakeholders to offer our considerations on PEV market development.

General Motors thanks the Commission for the opportunity to submit these comments and will continue to work closely with the Commission, the IOUs, and the other parties to ensure the successful commercialization of PEVs while ensuring a safe, reliable electrical grid.

Dated: December 19, 2013

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Alexander Keros". The signature is fluid and cursive, with a large, stylized 'K' at the end.

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¹¹ General Motors assumes various VGI activities will not have equal benefits, including the potential value of the same activity across regions (i.e. a benefit in one region may not be as valuable in another region).

¹² General Motors Opening Comments at page 3.