

**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 the California Center for Sustainable Energy on the Order  
Instituting Rulemaking to Consider Alternative-Fueled Vehicle Programs,  
Tariffs, and Policies**

**California Center for Sustainable Energy**

**December 20, 2013**

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**I. INTRODUCTION**

The California Center for Sustainable Energy (CCSE) is pleased to provide reply comments to the California Public Utilities Commission (Commission) regarding the Rulemaking to Consider Alternative-Fueled Vehicle Programs, Tariffs, and Policies. Based on CCSE's review of Party responses to questions posed by the Commission, comments have been categorized into the following five areas for response:

- a) Seek to enact policy accelerating Vehicle-To-Grid (VGI) pilot programs that will provide feedback to aid the VGI decision-making process
- b) Incorporate renewable energy resources into the proceeding, specifically identifying paths to leverage the CPUC's Net-Energy Metering (NEM) knowledge
- c) Pursue an IOU PEV financing strategy and require IOUs to conduct an assessment of On-Bill Repayment for customers seeking support for PEV infrastructure purchases
- d) Adopt demand charge exemptions for light duty workplace Electric Vehicle (EV) charging, as well as for medium and heavy duty applications

- e) Leverage emergent Low Carbon Fuel Standards (LCFS) funds; expand Marketing, Education, and Outreach (ME&O) aligned with VGI objectives.

## II. RESPONSE TO PARTY COMMENTS

### **a) Seek to enact policy accelerating VGI pilot programs that will provide feedback to aid the VGI decision-making process**

VGI services are in their infancy, so extensive pilot activities are warranted to develop effective strategies and drive implementation. CCSE agrees with CESA that pilots could identify potential primacy issues.<sup>1</sup> CCSE looks forward to SDG&E's VGI pilot proposal filing in parallel with this proceeding and suggests the Commission direct other IOUs to do the same. CCSE applauds SCE's developing workplace charging demand response pilot,<sup>2</sup> seeks clarification on its timeline, and urges the Commission to direct SCE to begin as soon as possible. CCSE is pleased that SDG&E is interested in pilot testing one or more grid-integrated charging solutions, including in Multi-Unit Dwellings (MUDs)<sup>3</sup>, seeks clarification on the timeline and objectives of the pilot, and recommends that the Commission direct IOUs to conduct expanded MUD-focused pilot activities. Information from such pilots should be evaluated against data gathered from the upcoming submetering pilot;<sup>4</sup> the second phase of which will deal with MUD PEV matters. To the extent possible, pilots should keep pace with market and innovation trends that will inevitably occur in the PEV market.

### **b) Incorporate renewable energy resources into the proceeding, specifically identifying paths to leverage the CPUC's NEM knowledge**

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<sup>1</sup>*Opening Comments of the California Energy Storage Alliance on Order Instituting Rulemaking, R.13-11-007, December 13, 2013, page 5.*

<sup>2</sup>*Southern California Edison Company's (U 338 -E) Comments on Order Instituting Rulemaking, R.13-11-007, December 13, 2013, page 23.*

<sup>3</sup>*Response of San Diego Gas & Electric Company to the Order Instituting Rulemaking, R.13-11-007, December 13, 2013, page 13.*

<sup>4</sup> R.09-08-009

CCSE agrees with Clean Coalition that any adopted guiding principles should include integration of renewable power,<sup>5</sup> and also agrees with GPI that NEM renewables and Zero-Net Energy buildings have connectivity.<sup>6</sup> CCSE further agrees with SDG&E on the integration potential of renewable energy resources,<sup>7</sup> and with CESA that renewables could be called upon to provide a series of localized benefits.<sup>8</sup> CCSE further agrees with SCE that PEV batteries in stationary applications should be discussed<sup>9</sup> as possible platforms to lower the increasing evening demand forecasts. CCSE suggests that NEM pilot programs such as SCE's Preferred Resources Pilot Program,<sup>10</sup> which is focused on renewable resource integration with the grid, should be directed by the Commission. CCSE agrees with ORA that the Commission should consider the installation of on-site solar PV generation to serve PEV charging and other loads at the workplace<sup>11</sup>. CCSE suggest that the Commission go a step further, and seek to integrate all preferred resources, including energy efficiency, advanced energy storage, and demand response technologies in addition to distributed generation. These paths, amongst others, will target integration of a renewable energy resources discussion in this proceeding.

**c) Pursue an IOU PEV financing strategy and require IOUs to conduct an assessment of On-Bill Repayment for customers seeking support for PEV infrastructure purchases**

The Commission should consider directing the IOUs to provide financing to address PEV charging-related barriers faced by customers, including on-bill repayment. CCSE agrees with PG&E recommendation that financing issues can be incorporated to encompass projects such

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<sup>5</sup>Clean Coalition Opening Comments on Order Instituting Rulemaking, R.13-11-007, December 13, 2013, page 11.

<sup>6</sup>Green Power Institute and Community Environmental Council Opening Comments on Order Instituting Rulemaking, R.13-11-007, December 13, 2013, page 19.

<sup>7</sup>Response of San Diego Gas & Electric Company to the Order Instituting Rulemaking, R.13-11-007, December 13, 2013, page 13.

<sup>8</sup>Opening Comments of the California Energy Storage Alliance On Order Instituting Rulemaking, R.13-11-007, December 13, 2013, page 6.

<sup>9</sup>Southern California Edison Company's (U 338 -E) Comments on Order Instituting Rulemaking, R.13-11-007, December 13, 2013, page 13.

<sup>10</sup>SCE Preferred Resources Solution Pilot, Website: <http://www.cpuc.ca.gov/NR/rdonlyres/C2BA6B90-0AD1-4454-903F-CF48C36EBA96/0/SCEPresentationatLivingPilotSymposium20131106.pdf>

<sup>11</sup>Office of Ratepayer Advocates Comments on Order Instituting Rulemaking on Alternative-Fueled Vehicles, R.13-11-007, December 13, 2013, page 12.

as PG&E's demand response PEV pilot, into the scope of the proceeding, because there are clearly defined benefits to all ratepayers for utilizing cost-effective PEV batteries and other demand response projects for grid purposes.<sup>12</sup>

CCSE agrees with CESA, that on-bill payments should be considered<sup>13</sup> (CCSE sees that this is a core competency already possessed by IOUs). CCSE agrees with MEA that the Commission should consider all financing opportunities may help to expedite the deployment of PEVs and PEV infrastructure;<sup>14</sup> MEA already offers financing<sup>15</sup> to customers to encourage PEV adoption. By expanding financing options to PEV customers, including MUDs, workplace, or commuter parking lots, IOUs could significantly reduce up-front cost barriers to installing PEV charging infrastructure, including metering and Electric Vehicle Supply Equipment (EVSE).

**d) Adopt demand charge exemptions for light duty workplace Electric Vehicle (EV) charging, as well as for medium and heavy duty applications**

CCSE agrees with the ORA that the Commission should encourage or mandate that separately metered employee vehicle and fleet charging stations should be exempt from demand charges<sup>16</sup>. ORA suggests a three year pilot and a 500 kW cap, CCSE agrees that a multiyear pilot period would be beneficial for this market, however feel that further analysis should be conducted before a kW cap is set. CCSE further recommends that the Commission evaluate the potential for establishing various exemption levels based on localized distribution constraints. This could drive EVSE siting towards locations that are optimal for grid operation. CCSE also agrees with CESA's suggestion that stationary energy storage can be

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<sup>12</sup> *Opening Comments of Pacific Gas and Electric Company (U 39E) on Alternative-Fueled Vehicle Rulemaking, R.13-11-007, December 13, 2013, page 2.*

<sup>13</sup> *Opening Comments of the California Energy Storage Alliance on Order Instituting Rulemaking, R.13-11-007, December 13, 2013, page 8.*

<sup>14</sup> *Comments of The Marin Energy Authority on Alternative-Fueled Vehicles OIR and Related Vehicle-Grid Integration Report, R.13-11-007, December 13, 2013, page 6.*

<sup>15</sup> *Ibid*, at 6

<sup>16</sup> *Office of Ratepayer Advocates Comments on Order Instituting Rulemaking on Alternative-Fueled Vehicles, R.13-11-007, December 13<sup>TH</sup>, 2013, page 12*

integrated into charging stations. Further, CCSE recommends that the Commission consider demand charge exemption coupled with integrated energy storage.

**e) Leverage emergent LCFS funds to accelerate PEV market activity; expand ME&O aligned with VGI objectives.**

VGI overlaps with GHG objectives, thus exploring opportunities to access funding streams that target GHG reductions is warranted. CCSE agrees with SCE that LCFS dividends could lower customers' effective cost of PEV ownership,<sup>17</sup> and CCSE applauds SCE efforts in exploring the potential in a fuel dividend program funded by LCFS. CCSE seeks clarification on specifics of SCE LCFS program undertakings, and recommends that the Commission direct IOUs to undertake LCFS program pilots. CCSE further agrees with Clean Coalition that contributions towards meeting GHG reductions and associated LCFS credits should be considered.<sup>18</sup> CCSE further agrees with NRDC<sup>19</sup> that the Commission should consider the return of revenue from the sale of LCFS credits to PEV customers to provide a singular opportunity to encourage PEV rate adoption, increase utility notification, and educate customers. CCSE agrees with multiple parties<sup>20</sup> that to accelerate PEV adoption, expanded ME&O is warranted. The Commission should seek to direct LCFS funds into ME&O activities to accelerate PEV awareness.

### III. CONCLUSION

CCSE appreciates the opportunity to comment on this Rulemaking to Consider Alternative-Fueled Vehicle Programs, Tariffs, and Policies. CCSE looks forward to the continued opportunity to work with all stakeholders, to implement a successful VGI strategy.

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<sup>17</sup>*Southern California Edison Company's Comments on Order Instituting Rulemaking, R.13-11-007, December 13, 2013, page 27*

<sup>18</sup>*Coalition Opening Comments on Order Instituting Rulemaking, R.13-11-007, December 13, 2013, page 4*

<sup>19</sup>*Comments of The Natural Resources Defense Council on Order Instituting Rulemaking to Consider Alternative-Fueled Vehicle Programs, Tariffs, And Policies, R.13-11-007, December 13, 2013, page 11*

<sup>20</sup>NRDC at 11, Office of Ratepayer Advocates at 8, Vote Solar Initiative at 2, GPI-CEC page 3

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Respectfully Submitted,

December 20, 2013

A handwritten signature in black ink, appearing to read "SACHU CONSTANTINE". The signature is stylized with a large, sweeping flourish at the end.

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