

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

Order Instituting Rulemaking on the
Commission's Own Motion to Consider
Alternative-Fueled Vehicle Tariffs, Infrastructure
and Policies To Support California's Greenhouse
Gas Emissions Reduction Goals.

Rulemaking R.13-11-007

**OPENING COMMENTS OF THE GREEN POWER INSTITUTE AND
COMMUNITY ENVIRONMENTAL COUNCIL
ON DRAFT RESOLUTION E-4561 (SUBMETERING PILOTS)**

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The Commission issued draft Resolution E-4561 to resolve Advice Letters SCE 2993-E, PG&E 4343-E, and SDG&E 2566-E, filed on January 21, 2014. These advice letters describe the utilities' planned submetering pilots, as required by D.13-11-002. The Green Power Institute and the Community Environmental Council (GPI/CEC) respectfully submit these comments on *Resolution E-4651, Southern California Edison Company, San Diego Gas and Electric Company, and Pacific Gas and Electric Company request to implement a Plug-In Electric Vehicle Submetering Pilot (PEVSP) in Compliance with Decision 13-11-002*, scheduled for the June 12, 2014, Commission meeting.

The Green Power Institute is the renewable energy program of the Pacific Institute, a non-profit environmental and social advocacy group. Under the direction of Dr. Gregory Morris, the Green Power Institute performs research and provides advocacy on behalf of renewable energy systems and the contribution they make to reducing the environmental impacts of fossil-based energy systems. The Green Power Institute is located in Berkeley, California.

The Community Environmental Council (Council) is a member-supported environmental non-profit organization formed in Santa Barbara in 1970 and is the leading environmental organization in the Central Coast region of California. The Council is a member of the steering committee of the Plug in Central Coast (PCC), one of the EV Readiness regions funded by the Department of Energy and the California Energy Commission. The Council provided significant input into PCC's forthcoming EV Readiness Plan, and works frequently with local businesses, governments, and residents as they purchase EVs, build charging infrastructure, and develop EV friendly policies. The Council's state policy work is directly informed by experience with what has worked, or is likely to work, at the local level. The Council is almost unique in combining on-the-ground work on a number of energy and

climate change-related issues with concurrent work on state and federal policy issues. The Council is also pioneering a number of on-the-ground activities to promote alternative transportation and EVs. In 2004, the Council shifted its primary focus to energy and transportation issues and is spearheading a regional effort to wean our communities from fossil fuels, on a net basis, during the next two decades. More information on the Council and its energy programs may be found at www.cecsb.org.

Our major points are:

- The Commission relies on inaccurate numbers in supporting IOU arguments for reducing net metered customer participation in the pilots from 25% to 10%; we urge the Commission to maintain NEM participation at a minimum of 25%
- We applaud the Commission for reducing the proposed evaluation budget by 2/3, but we also point out a discrepancy in the resolution regarding whether the new MDMA budget is \$2 million or \$1.5 million; we urge the Commission to adopt a \$1.5 million budget
- Due to the Commission's stated concern about the high overall budgets for the pilots, we urge the Commission to, at the least, require IOU justification of the remaining budget line items, since almost no justification was provided in the advice letters for each line item of the proposed budgets

I. Discussion

a. CCA customer inclusion in IOU pilots

GPI supports the Commission's interpretation and ruling on the issues raised regarding CCA customer participation in the pilots (Draft Resolution, p. 11).

b. NEM customer participation

The Draft Resolution accepts the IOU arguments that the 25% net metered (NEM) customer participation requirement should be lowered to only 10%, basing this conclusion on a slight dip in NEM participation among EV owners who have chosen to be on an EV-specific rate schedule (Draft Resolution, pp. 12-13). D.13-11-002 (the “Decision”) did provide discretion for IOUs to request a lower number than 25%. However, the Draft Resolution’s discussion does not take into account two major factors: 1) the Joint Load Research Report that is relied upon by the Commission presents data only for EV owners who have chosen an EV rate schedule, and this figure is a small fraction of all EV owners (about 20 percent); 2) the stated uncertainty in the Load Research report regarding the numbers cited for those customers who have chosen an EV rate schedule.

With respect to the first point, Southern California Edison (“SCE”) and PG&E volunteered at the Dec. 4, 2013, workshop that time-of-use PEV rate adoption in their service territories is very low, around 20 percent. Extrapolating from 20 percent to all EV owners, particularly when the minority who select an EV rate schedule may not be indicative of the total, is unwise.

With respect to the second point, SCE states in the 2014 Load Research Report (p. 10, emphasis added):

As of October 2013, SCE’s best estimate of the number of PEVs registered to residential customers in SCE’s service territory is 16,300. The data sources for this estimate are: Customer self-identification, OEM-share data (with customer consent), city/county electrical permits, estimates based on national sales, and PEV counts received through a third party DMV vendor. There is some amount of uncertainty in this number and it is appropriately considered to be a lower bound of the number of PEVs in the territory.

SDG&E makes an almost verbatim similar statement (p. 12), as does PG&E (p. 101).

Accordingly, the numbers cited in the Draft Resolution have a misleading level of accuracy, include only a fraction of all EV owners because the report only includes data on EV owners who have chosen to be on an EV rate schedule, and rely on what are stated as “lower bound” figures for EV ownership. Other data show that PEV owners are up to 50 percent NEM

customers, as we have noted in previous comments, and this figure will surely rise even further as solar continues to expand due to declining prices for solar equipment. Last, the IOUs provide no justification for their assertions that NEM customers will require 5 to 13 times the work when compared to non-NEM customers.¹ Without any justification, such assertions should be taken with the proverbial grain of salt. As such, we again urge the Commission to keep the NEM participation cap at 25 percent and reject the IOU call for reducing this figure to 10 percent. At the very least, if any reduction is made at all it should be modest, for example to 20 percent.

c. Daily reporting

The Draft Resolution agrees with the IOUs' requirements on daily reporting (Draft Resolution, p. 19):

Chargepoint asserts that the daily reporting of pilot participants is burdensome and requests its elimination from the Enrollment Reporting requirement. The Decision required daily reporting during the Open Period (but not during the Exclusivity Period) in order to ensure that Submeter MDMAs could enroll as many customers in excess of the number that they had Exclusivity Rights to, while minimizing the potential for rejecting a customer from the pilot if they turned out to be the 501st submeter customer.² The IOUs' implementation of this daily reporting requirement is reasonable and no changes to the Agreement are necessary.

GPI/CEC urge the Commission to reconsider. We agree with Chargepoint that this requirement is burdensome, particularly when combined with all of the other requirements imposed on MDMAs. It seems that weekly reporting would adequately capture the information the IOUs are seeking.

d. Process updates at p. 12 of the new tariff

The Draft Resolution states (p. 21, emphasis added):

¹ "Manual NEM Billing Data" is expected to cost \$300,000 for SCE, for example. No explanation of these figures is offered in terms of hours or personnel required.

² D.13-11-002, p. 29-30.

Chargepoint argues that the IOUs should not have discretion to make “periodic changes” to the format of the metering data communication requirements unless they are justified, and only to the extent that the changes address clear problems. The IOUs are discouraged from periodically modifying the data format for the Minimal Transfer Requirement. The IOUs and MDMAs shall consult with Energy Division prior to implementing any changes to the Minimal Transfer Requirement, which must improve the efficiency of data reporting between the IOUs and MDMAs to warrant modification. However, since utilities were encouraged to develop and offer an Alternative Transfer Option that leverages existing standards³, it is reasonable to allow for periodic changes to the data format. No changes to the term are necessary.

We are not convinced that the underlined language will have any impact on the utilities and we urge the Commission to impose some restrictions that go beyond the admonition highlighted above.

e. Budget issues

We are pleased that the Commission agreed with our protest that the IOU proposed “budget level appears high.” In particular, the Commission agreed that the proposed evaluation budget was too high and the Draft Resolution drops the allowed evaluation budget from \$3 million to \$1 million (Draft Resolution, p. 23). This is a significant improvement. We urge the Commission, however, since it agrees with GPI/CEC that the overall budget is too high, to require more detail from the IOUs justifying their proposed budgets other than the evaluation budgets, by line item. As we pointed out in comments on the IOU advice letters, there is very little justification provided for the proposed budgets beyond a single line item for each category. This additional justification of the budgets could be required in a final filing before the pilots commence.

f. Compensation for MDMAs

The Commission agrees with Chargepoint and GPI/CEC⁴ that additional compensation

³ D.13-11-002, p. 31.

⁴ PROTEST OF THE GREEN POWER INSTITUTE AND COMMUNITY ENVIRONMENTAL COUNCIL ON ADVICE LETTERS 2993-E, 4343-E, AND 2566-E, pp. 3-4.

should be provided to MDMAAs (which may be EVSPs) (Draft Resolution, p. 23): “The IOUs should apply \$1.5 million of excess evaluator costs described above to increase the incentive payment. The remaining amount of excess evaluator funding should be eliminated from the budget.” We applaud this change by the Commission but note that there is a contradiction in the next paragraph, which directs that the full \$2 million should go to compensating MDMAAs (*id.*, emphasis in original): “The IOUs shall use the \$2 Million previously allocated to the Third Party Evaluator to provide the Submeter MDMA a one-time enrollment payment of no less than \$500 per customer and a \$33 per month payment for performing submetering data management and exchange responsibilities.”

GPI/CEC recommend that the payments to MDMAAs be limited to the \$1.5 million from the first statement, due to our previously stated concerns about the already very-high cost of the proposed pilots. \$500 per customer for 1,500 participants amounts to \$750,000, which leaves another \$750,000 for monthly payments to MDMAAs. Based on the stated rationale in the Draft Resolution – encouraging MDMAAs to remain in the pilot for the entire period – this 50/50 split seems appropriate. The remaining \$750,000 is sufficient for 15 months of \$33 payments for the entire participation cap of 1,500.

g. Notification period for MDMAAs

It doesn't appear that the Draft Resolution addressed a point that we raised in our protest related to the timeline for qualifying as an MDMA. We stated in our protest (GPI/CEC Protest of AL 2993, et al., p. 3):

Page 29 of the Joint Advice Letter contains instructions for qualifying as a submeter MDMA. GPI/CEC feel that the timeline proposed is too short for MDMAAs to optimally comply. Specifically, the letter calls for MDMAAs to submit a notice of participation by April 1, 2014, that declares their intent to participate as well as how many submetered customers they either already have under contract or that they plan to include. It is the latter requirements that cause us concern because it will be very hard for MDMAAs to sign up customers before the program has even been approved, which will likely not happen until March [now not until May], or to estimate how many they will have signed up. That leaves far too little time for

MDMAs to sign up customers or to offer a reasonable estimate of how many customers they may be able to include. Accordingly, we recommend that these requirements (notifying the IOU of how many customers the MDMA has signed up or plans to include) be removed. Instead, the IOUs and MDMAs should work together as the program proceeds to enroll customers and reach the 500 limit for each IOU.

We again request that the Commission address this issue.

II. Conclusion

For the reasons described above, GPI recommends that the Commission limit the new budget for MDMA payments to \$1.5 million and also to require more detail from the IOUs to justify the rest of the line items in their proposed budgets.

Dated: May 6, 2014, at Berkeley, California.

Respectfully Submitted,



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