## California Energy Commission

## April 13, 2016 Business Meeting – Agenda Item #7

## 2016-2017 Investment Plan Update for the Alternative and Renewable Fuel and Vehicle Technology Program

The full text of the Lead Commissioner Report version of the *2016-2017 Investment Plan Update for the Alternative and Renewable Fuel and Vehicle Technology Program* (CEC-600-2015-014-LCF) can be obtained at: http://www.energy.ca.gov/2015publications/CEC-600-2015-014/CEC-600-2015-014-LCF.pdf

The following pages contain revisions to pages 32 and 44 of the *2016-2017 Investment Plan Update for the Alternative and Renewable Fuel and Vehicle Technology Program* which were made subsequent to the publishing of the Lead Commissioner Report version on March 29, 2016. Program staff are proposing to include these changes in the final Commission Report version of the *2016-2017 Investment Plan Update for the Alternative and Renewable Fuel and Vehicle Technology Program* as part of this agenda item.

the importance of economic development that can result from growth of the zero-emission vehicle (ZEV) sector, specifically calling on the need for public investment into workforce training and advanced technology manufacturing. Both of these have been captured in the ARFVTP annual investment plans since the inception of the program. An updated draft version of the *ZEV Action Plan* was released in April 2015, which discusses state progress to date and identifies new actions to be undertaken.

In addition, the Governor's Office of Planning and Research released the *Zero-Emission Vehicles in California: Community Readiness Guidebook* in 2013. This guidebook helps local planning and permitting agencies familiarize themselves with ZEVs and support these vehicles in their communities. The guidebook includes an overview of ZEV technologies, specific suggestions for how these agencies can better prepare for ZEVs, as well as a collection of tools that can help streamline ZEV infrastructure permitting, prepare for increased electricity demand, and develop ZEV-friendly building codes.

## Charge Ahead California Initiative

Senate Bill 1275 (De León, Chapter 530, Statutes of 2014) established the Charge Ahead California Initiative, administered by the ARB in consultation with the Energy Commission and related agencies. The new statute establishes a goal of placing 1 million zero-emission and near-zero-emission vehicles in service by January 1, 2023, as well as increased access to these vehicles by disadvantaged, low-income, and moderate-income communities and consumers. In implementing the initiative, the ARB must include a three-year funding forecast for near zero- and zero-emission vehicles in each funding plan, beginning with FY 2016-2017. The ARB also adopted revisions to the Clean Vehicle Rebate Project, which can phase down rebate levels based on cumulative sales, limit eligibility based on income, and consider other methods of incentives.

## CPUC Alternative-Fueled Vehicle Proceedings

~~The~~ In 2014, the California Public Utilities Commission (CPUC) ~~recently~~ adopted a decision in ~~rulemaking~~Rulemaking R.13-11-007, which ~~permits~~ allows for the consideration of utility ownership of electric vehicle charging stations (EVCS) and infrastructure on a case-specific basis. This ~~rulemaking~~ decision is expected to encourage the expansion of EVCS within the CPUC-regulated utility service territories. Since ~~this rulemaking~~the decision was adopted, the three major investor-owned utilities within the state have announced plans to introduce ~~roughly 7,500~~up to 12,600 new EVCS installations within their territories. This is described further in the Charging Infrastructure section. The Energy Commission has worked and will continue to work closely with other agencies to ensure the strategic deployment of EVCS and avoid redundant investments in infrastructure.

In December 2014, the CPUC adopted ~~rulemaking R.13-11-007~~Decision D.14-12-079, which permits utility ownership of EVCS, contingent upon an examination of the utility program through a balancing test.[44] ~~Previous rules~~A prior CPUC decision had ~~broadly~~ prohibited utility ownership of ~~EVCS~~charging infrastructure; however, utilities may now apply for ownership approval ~~from the CPUC~~ on a case-specific basis. To date, three investor-owned utilities have applied to install electric vehicle chargers or supporting infrastructure in their respective service territories. Table 15 summarizes the objective and status of these ~~proposals~~programs. In addition, NRG Energy, Inc. is expected to install 10,000 Level 2 electric vehicle chargers and 200 DC fast chargers statewide under a settlement with the CPUC. The Energy Commission will closely monitor developments related to the CPUC rulemaking and applications and other EVCS projects to continue the strategic deployment of electric vehicle infrastructure under the ARFVTP. Despite these proposed investments, Energy Commission funding is still expected to be needed within each of the investor-owned utilities service territories.

**Table 15: Proposed and Approved Utility EVCS Investments**

| Investor-Owned Utility | Proposed # of EVCS | Proposed Type of Infrastructure and Location | Estimated Cost | Status |
|---|---|---|---|---|
| Pacific Gas and Electric Company* | ~~2~~7,500 L2 10~~0~~ DCFC | EVCS at Commercial and Public Locations, including Multi-unit Dwellings | $~~87~~ 160 million | Pending |
| San Diego Gas & Electric | 3,500 | EVCS at Workplaces and Multi-unit Dwellings | $45 million | Approved |
| Southern California Edison Company | 1,500 | Supporting Infrastructure for Customer-Owned EVCS | $22 million | Approved |

Source: Pacific Gas and Electric Company, San Diego Gas & Electric, and Southern California Edison. *PG&E originally proposed 25,000 L2 and 100 DCFC EVCS; however, ~~a~~ the most recent proposed PG&E settlement following a CPUC ruling reduced this to the above listed amount for a first phase~~. PG&E submitted a proposal in response to the ruling, including an enhanced option for the deployment of 7,430 L2 and 100 DCFC to be installed over a 3-year period at a cost of $222 million~~, which is under consideration by the CPUC.

In the most recently completed EVCS solicitation, PON-13-606, the Energy Commission funded all 41 proposals that received a passing score, awarding a total of $13.7 million in grants. For FY 2016-2017, Energy Commission staff proposes maintaining a $17 million allocation for electric charging infrastructure. This allocation is necessary to keep pace with expected deployment of PEVs in the state and meet the goals of the *ZEV Action Plan* as benchmarked by the *California Statewide Plug-In Electric Vehicle Infrastructure Assessment*. Though EVCS investments by utilities are expected to make significant contributions to EVCS deployment, Energy Commission funding is still necessary, given that parts of the state do not fall within the service territories of the

44 California Public Utilities Commission. *CPUC Takes Steps to Encourage Expansion of Electric Vehicles.* December 18, 2014 Available at http://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M143/K627/143627882.PDF.