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

Order Instituting Rulemaking Regarding Transportation Electrification Policy and Infrastructure.

Rulemaking 23-12-008 (Filed December 14, 2023)

# REPLY COMMENTS OF THE VEHICLE-GRID INTEGRATION COUNCIL ON ORDER INSTITUTING RULEMAKING REGARDING TRANSPORTATION ELECTRIFICATION POLICY AND INFRASTRUCTURE AND CLOSING RULEMAKING 18-12-006

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In accordance with the Rules of Practice and Procedure of the California Public Utilities Commission ("Commission"), the Vehicle-Grid Integration Council ("VGIC") hereby submits these reply comments on the *Order Instituting Rulemaking Regarding Transportation Electrification Policy and Infrastructure and Closing Rulemaking 18-12-006* ("TE OIR"), issued by Administrative Law Judge ("ALJ") on December 14, 2023.

#### I. <u>INTRODUCTION</u>

VGIC reiterates its support for the issuance of the TE OIR and appreciates the attention given to timely energization of electric vehicle ("EV") charging infrastructure, transportation electrification ("TE") grid planning to support charging infrastructure deployment, deployment of behind-the-meter ("BTM") charging infrastructure to support state goals, vehicle-grid integration ("VGI"), and ongoing TE policy development and collaboration. VGIC notes that several opening comments focused on the issue of energization timelines, which the TE OIR details as follows:

"[E]nergization requests are often large in scale and require electric distribution capacity additions and/or distribution line extensions as well as service line extensions. This can

add to the time it takes for site energization. As new zero-emission vehicle regulations accelerate timelines for transportation electrification over the next decade, it is critical that the Commission assess how the IOUs can support this accelerated need within the electric vehicle market while ensuring investments are affordable for ratepayers."<sup>1</sup>

VGIC appreciates the magnitude of challenges facing the Investor-Owned Utilities ("IOUs") to support the fast-paced TE transition effectively while balancing affordability for ratepayers. VGIC believes that the solutions-oriented elements of this issue, or "the *how*" to ensure timely energization (as opposed to setting target timelines or "the *what*") will play a critical role in achieving the state's TE goals. However, in light of the new *Order Instituting Rulemaking to Establish Energization Timelines* ("Energization OIR"), adopted on January 25, 2024, multiple party opening comments, including VGIC's, recommend the Commission clarify which timely energization issues would be addressed in the TE OIR proceeding and the newly adopted Energization OIR proceeding.

In opening comments, Pacific Gas & Electric Company ("PG&E") recommends the Commission "remove this TE-focused energization timeline issue from this proceeding and instead review it in the Energization OIR to ensure that all energization timeline issues are heard in one place to further consistency and efficiency."<sup>2</sup> VGIC understands the need for energization timeline issues to be addressed in a single proceeding to ensure consistency and efficiency. However, as noted in our opening comments,<sup>3</sup> the new Energization OIR appears focused on establishing average and maximum energization timeline targets. Meanwhile, the TE OIR adopts a more holistic focus on considering timeline targets but also strategies (i.e., *solutions*) to support the increased need for faster energization. The "significant increase in energization requests from

 $<sup>^{1}</sup>$  OIR at 8.

<sup>&</sup>lt;sup>2</sup> PG&E Opening Comments at 3.

<sup>&</sup>lt;sup>3</sup> VGIC Opening Comments at 9.

customers, particularly from EV service providers,"<sup>4</sup> creates a critical need to consider strategies that can support achieving the target energization timelines. To be clear, VGIC does not oppose removing the energization timelines target item from the TE OIR scope, as long as the matter of *strategies* to ensure timely energization does not get lost in the migration. Therefore, VGIC recommends the Commission either:

- Move all energization timeline issues to the new Energization OIR, and explicitly include a scoping item in that OIR to develop strategies to achieve timely energization, including the use of software- and/or hardware-based automated load management ("ALM") solutions;
- Move energization timeline target setting (i.e., maximum and average timelines) to the new Energization OIR, and ensure that developing strategies to achieve timely energization is retained within the scope of the new TE OIR; or,
- Keep all EV-specific energization timeline issues within the new TE OIR, including development of strategies to achieve timely energization.

VGIC is concerned over the possibility that the energization timelines topic gets simply excluded from the new TE OIR and the new Energization OIR does not sufficiently develop solutions and the appropriate definitions, parameters, and technology requirements needed to enable the target timelines. Given that the new Energization OIR is poised to proceed under an exceedingly fast procedural schedule, with a final decision being adopted as early as September, VGIC is concerned that, unless **explicitly scoped and prioritized in the new Energization OIR**, the "how" will get lost and the utilities will be left with little-to-no tools or direction that will support them in

<sup>&</sup>lt;sup>4</sup> OIR at 8.

achieving the energization timelines. The Commission must explicitly scope this topic of *strategies* to achieve energization timelines, including ALM, into one of these two new proceedings.

# II. IF THE ENERGIZATION TIMELINES TOPIC IS REMOVED FROM THE TE OIR SCOPE AND ADDRESSED ONLY IN THE ENERGIZATION OIR, THE COMMISSION MUST ENSURE THAT THE STRATEGIES TO ACHIEVE FASTER ENERGIZATION (E.G., USING SOFTWARE-BASED ALM AND STORAGE-BACKED CHARGING) ARE EXPLICITLY SCOPED INTO ONE OF THESE TWO NEW PROCEEDINGS.

# A. The new Energization OIR is primarily focused on establishing average and maximum energization timelines, instead of developing the *solutions* to achieve them.

With the newly adopted Energization OIR, which was voted on and approved at the January

25, 2024, Commission voting meeting, the Commission correctly highlights that "[t]here are significant concerns about current and future energization delays across all of California's major economic sectors" (i.e., agricultural, buildings, transportation, and industrial).<sup>5</sup> Additionally, at the Commission voting meeting, staff also presented on the "high-level" scope of the Energization OIR, which is conducive to the primary directives of SB 410 and AB 50. The primary directives of SB 410 and AB 50 will require the newly approved Energization OIR to focus on developing energization timelines and various reporting requirements. As such, the preliminary OIR scope is focused on the following three topics:

- Energization Timelines and Criteria for Timely Service.
- Customer Process to Report Delays.
- Annual Energization Reporting Requirements.<sup>6</sup>

<sup>&</sup>lt;sup>5</sup> CPUC Public Agenda 3540. January 25, 2024. Slide 18.

https://www.cpuc.ca.gov/-/media/cpuc-website/transparency/voting-meetings/presentationsarchive/2024/1-25-24\_commeeting.pdf

<sup>&</sup>lt;sup>6</sup> Ibid.

Additionally, the preliminary procedural schedule indicates that this work will be accomplished in an exceptionally short ~8-month period.

In contrast, the TE OIR preliminary scope appears to support consideration of *how* the IOUs can support the increased energization requests from customers, particularly EV service providers, "while ensuring investments are affordable for ratepayers."<sup>7</sup> This includes enabling the technologies and processes that will help achieve the shorter energization timeline goals set in the DRIVE OIR and/or the new Energization OIR. As detailed in opening comments and throughout the DRIVE OIR, VGI solutions such as ALM "can help manage charging load with the objective of reducing or eliminating the need for electrical capacity upgrades on the utility or customer side of the meter or both."<sup>8</sup> Critically, this will support the Commission and utilities' goals of timely energization for new TE load.

With this in mind, VGIC notes that Energization Timelines within the TE OIR can effectively and prudently develop strategies and solutions that will help alleviate the increase in energization requests as a result of accelerated EV adoption.

# **B.** If the Energization Timelines topic does move entirely to the Energization OIR, the Commission must ensure that the "solutions" aspect of the topic does not get lost in the process.

If the Commission decides that the Energization OIR is the only appropriate venue for the Energization Timelines topic proposed in the TE OIR – which VGIC does not oppose – then the Commission must ensure that the strategies/solutions portion of the issue is sufficiently addressed. VGIC strongly believes that the Commission must explicitly define the appropriate venue for

<sup>&</sup>lt;sup>7</sup> OIR at 8.

<sup>&</sup>lt;sup>8</sup> CPUC R.18-12-006, November 2022.

strategies to achieve energization timelines (including ALM) to be addressed. VGIC does not offer a strong recommendation on whether that venue is the TE OIR or the new Energization OIR.

### III. <u>CONCLUSION.</u>

VGIC appreciates the opportunity to provide these reply comments on the OIR. We look forward to further collaboration with the Commission and stakeholders on this initiative.

Respectfully submitted, <u>/s/ Zach Woogen</u> Zach Woogen Senior Policy Manager **VEHICLE-GRID INTEGRATION COUNCIL** 

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