

April 17, 2024

Email to: docket@energy.ca.gov

Docket Number: 18-TRAN-01

Subject: SB 114 Funding Available for Zero Emission School Buses and Infrastructure

Re: Comments of the Vehicle Grid Integration Council on Work Group #2 to Discuss the SB 114 Grants for Zero-Emission School Buses and Infrastructure.

Dear Sir or Madam:

The Vehicle-Grid Integration Council (VGIC) appreciates the opportunity to provide these comments in response to *Work Group #2 to Discuss the SB 114 Grants for Zero-Emission School Buses and Infrastructure* hosted by the California Energy Commission (CEC) and California Air Resources Board (CARB) on April 3, 2024. Grants for zero-emission school buses and infrastructure offer important support toward achieving California’s clean transportation goals and establish a potential opportunity to unlock significant backup power capability to support community resiliency and grid-parallel export capability to support grid reliability, including during extreme weather events. Electric school buses (“ESBs”) represent a relatively low-cost resource to ensure clean air for all, and, in the case of bidirectional-capable ESBs, bolster the evolving grid, support community resiliency, and alleviate the financial burden of school bus electrification.

VGIC supports offering a higher incentive level to bidirectional chargers relative to unidirectional chargers and recommends that the CEC consider preferential scoring for projects that intend to leverage bidirectional charging capability.

On slide 32 of the workshop presentation, the CEC proposes to award bidirectional chargers using an incentive level of \$95,000 per-charger. VGIC supports this proposal, as targeting incentives to drive the deployment of bidirectional chargers allows California the opportunity to maximize the benefit from its ESB deployment investments. Specifically, leveraging ESBs as *mobile* energy storage systems can defer or avoid certain electric system costs that would otherwise be needed to meet grid needs, and can also defer or avoid costly and polluting on-site backup power generation.

Additionally, in assessing project applications, **VGIC recommends the CEC consider applying a preferential score to projects that leverage bidirectional charging capability to support an identified bidirectional charging use cases.** Slide 20 of the work group presentation details the requirement for school buses to be “capable of bidirectional electricity flow,” and, as detailed above, the CEC proposes to offer a higher award to bidirectional chargers compared to unidirectional chargers. However, VGIC notes that neither of these two measures guarantees that the equipment will ultimately be used to support community resiliency, bolster grid reliability, integrate renewable energy, or any other number of bidirectional charging use cases. With this in

mind, VGIC believes it is reasonable to adopt – on top of these two grant program design elements – preferential treatment/scoring for applicants that identify how they will leverage bidirectional charging capability. Otherwise, it is possible that funding will support bidirectional charging capability that may ultimately sit idle. The CEC and CARB risk coming incredibly close to maximizing these ESB investments, but ultimately missing the mark if this equipment is not utilized to offer real-world benefits to communities and/or the electric system.

Conclusion.

VGIC appreciates the opportunity to provide these comments and looks forward to collaborating with the CEC and other stakeholders in this docket.

Respectfully submitted,

/s/ Zach Woogen

Zach Woogen

Interim Executive Director

Vehicle Grid Integration Council

Albert Tapia

Policy Analyst

Vehicle Grid Integration Council

vgicregulatory@vgicouncil.org