BEFORE THE PUBLIC UTILITIES COMMISSION OF
THE STATE OF CALIFORNIA

Application of Pacific Gas and Electric Company (U39M) for Approval of its Proposal for a Day-Ahead Real Time Rate and Pilot to Evaluate Customer Understanding and Supporting Technology.	Application 20-10-011 (Filed October 23, 2020)

COMMENTS OF THE VEHICLE GRID INTEGRATION COUNCIL ON PROPOSED DECISION AUTHORIZING PACIFIC GAS AND ELECTRIC COMPANY TO IMPLEMENT AN OPTIONAL DAY-AHEAD REAL TIME RATE FOR COMMERCIAL ELECTRIC VEHICLE CUSTOMERS

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November 8, 2021

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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 comments on the *Proposed Decision Authorizing Pacific Gas and Electric Company ("PG&E") to Implement an Optional Day-Ahead Real Time Rate ("DAHRTP") for Commercial Electric Vehicle Customers,* issued on October 18, 2021.

I. <u>INTRODUCTION.</u>

VGIC is a 501(c)6 membership-based advocacy group committed to advancing the role of electric vehicles ("EV") and vehicle-grid integration ("VGI") through policy development, education, outreach, and research. VGIC supports the transition to a decarbonized transportation and electric sector by ensuring the value from EV deployments and flexible EV charging and discharging is recognized and compensated in support of achieving a more reliable, affordable, and efficient electric gird.

VGIC is generally supportive of the Proposed Decision ("PD") authorizing PG&E to implement an optional day-ahead real time rate for commercial electric vehicle customers. VGIC is especially encouraged by the Commission's determination to offer the rate as an option to all eligible customers, rather than a limited pilot. Additionally, VGIC commends the Commission for determining that – once a submetering protocol is approved – a separate meter shall no longer be required to take service on *any* BEV rate, including the optional DAHRTP rate. With this in mind, VGIC offers several key recommendations in these comments related to the treatment of the V2G export compensation issue within this PD.

II. THE PD SHOULD DETAIL A PROCESS FOR V2G COMPENSATION TO BE CONSIDERED IN PHASE 2 OF THIS APPLICATION.

In opening briefs, Enel X argues that the Commission's decision in this case should "take into account the possibility that the Commission may authorize, sometime prior to pilot launch or over the course of the pilot, export compensation pathways for non-NEM, behind-the-meter resources."[1] However, the PD does not address the issue of export compensation for non-NEM, behind-the-meter resources (e.g., V2G/V2X/V2B resources). VGIC believes that offering compensation for V2G operation could meaningfully support EV customers, accelerate TE more broadly, and help to manage costs incurred by non-EV customers. V2G compensation was one of the key recommendations in the VGI WG final report,[2] and product announcements that have occurred since PG&E's application indicate a higher likelihood that V2G capabilities will be deployed at PG&E BEV-eligible customer sites in the near future. Advancements in the process for V2G interconnection have also been made, as the Commission recently approved the landmark Resolution E-5165, which streamlines interconnection for V2G resources.

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[1] Enel X, Opening Brief at 34.
[2] *Final Report of the California Joint Agencies Vehicle-Grid Integration Working Group.* June 30, 2020. https://gridworks.org/wp-content/uploads/2020/07/VGI-Working-Group-Final-Report-6.30.20.pdf

In Reply Briefs, VGIC extensively detailed why consideration for this issue is necessary and warranted at this time.[3] Specifically, VGIC noted that:

- There is a very real possibility, given interconnection rules and available or announced products that a non-NEM customer taking service under the DAHRTP may seek to export power to the grid.
- The Application is deficient in that it does not detail what compensation (if any) would be offered to exports from non-NEM customers or why exports from non-NEM customers should be treated differently from exports from NEM customers.
- Encouraging V2G operation can benefit grid reliability.
- Other venues for addressing V2G exports may not proceed in a timely enough manner to provide fair compensation for near-term V2G opportunities.

As written, the PD is silent on these issues. This could have the unintended consequence of discouraging near-term investments in V2G capable technologies among commercial EV customers since there is no clear pathway towards establishing a relevant price signal. As such, VGIC recommends that the Commission revise the PD to require PG&E to file a supplement to its application that specifically addresses export compensation for non-NEM customers, and that a subsequent stakeholder engagement process be scoped into Phase 2 of this application.

III. AT A MINIMUM, THE PD SHOULD ACKNOWLEDGE THE ARGUMENTS RELATED TO V2G EXPORTS AND INDICATE THE PROCEEDING IN WHICH THE COMMISSION PLANS TO ADDRESS V2G RATE DESIGN.

At this time, VGIC is unclear as to why exports for non-NEM customers taking service under the new optional DAHRTP rate cannot be considered by the Commission and addressed by stakeholders in Phase 2 of this proceeding. However, *if* the Commission deems that authorization of V2G export rates should be considered through some other existing or future proceeding, VGIC respectfully requests that the Commission clarify which proceeding will serve as the forum to consider these issues. This clarity is critically needed to guide stakeholders and signal to the

[3] VGIC, Reply Brief at 3.

industry that the Commission indeed intends to follow through on its finding in D.20-12-029 that "the exploration of such a [credit-for-export] scheme should be pursued."[4]

IV. CONCLUSION.

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

Respectfully submitted,

Edward Burgess
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Vehicle-Grid Integration Council

November 8, 2021

[4] D.20-12-029 at 32.