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

Order Instituting Rulemaking to Continue the Development of Rates and Infrastructure for Vehicle Electrification.

Rulemaking 18-12-006 (Filed December 13, 2018)

## REPLY COMMENTS OF THE VEHICLE-GRID INTEGRATION COUNCIL ON THE TRANSPORTATION ELECTRIFICATION FRAMEWORK (SECTIONS 3.4 AND 11.3)

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Dated: June 19, 2020

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In accordance with 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 Administrative Law Judge's Ruling Adding Staff Proposal for a

Draft Transportation Electrification Framework to the Record and Inviting Party Comments
("Ruling") issued by Administrative Law Judge ("ALJ") Patrick Doherty on February 3, 2020.

Pursuant to E-mail Ruling Denying Joint Motion to Stay Proceeding and Resetting Procedural
Schedule issued by ALJ Patrick Doherty on March 24, 2020 and the modified schedule adopted
therein, VGIC timely files these reply comments on Sections 3.4 and 11.3 of the Draft
Transportation Electrification Framework ("Draft TEF") on June 19, 2020.

#### I. INTRODUCTION.

VGIC is a 501(c)6 membership-based advocacy group committed to advancing the role of electric vehicles ("EVs") and vehicle-grid integration ("VGI") through policy development, education, outreach, and research. VGIC supports the transition to decarbonized transportation and electric sectors 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 grid.

# II. RESPONSES TO OPENING COMMENTS AND COMMISSION WORKSHOP ON THE DRAFT TEF SCORECARD FRAMEWORK PROPOSED IN SECTION 3.4.

The Scorecard included in Appendix E of the Draft TEF includes targets and metrics for charging infrastructure and VGI. VGIC believes that VGI targets and metrics used to track progress toward statutory and regulatory goals should be well-coordinated with the efforts and outcomes of the VGI Working Group and the implementation of SB 676 (Bradford, 2019), which requires the Commission to establish "quantifiable metrics" to track the implementation of VGI strategies. As written, Appendix E may not appropriately incorporate strategies to measure VGI. Environmental Defense Fund ("EDF") noted this in their opening comments. VGIC supports added attention for VGI concepts, and believes that the integration of VGI concepts into the TEF is necessary to avoid foregoing environmental, ratepayer, and grid balancing benefits VGI can offer.

In opening comments, EDF also raised that the Commission needs to address the "uncertain timelines for interconnection, and unclear standards for critical VGI components." VGIC strongly agrees with EDF's identification and characterization of these two key barriers to VGI market development. The interconnection process must be streamlined, including for vehicle-to-grid ("V2G") systems, and there exists a considerable need for clarity around the standards for VGI technologies. As VGIC has expressed before in this proceeding, Commission direction on standards for VGI, including for V2G interconnection, can provide much-needed regulatory certainty to market participants, which would allow them to pursue product

<sup>&</sup>lt;sup>1</sup> EDF Opening Comments on Sections 3.4 and 11.3 at 2.

<sup>&</sup>lt;sup>2</sup> EDF Opening Comments on Sections 3.4 and 11.3 at 4.

development activities that can ultimately support California policy goals for decarbonization, resilience, and job growth. VGIC appreciates the focus that the Commission and Energy Division Staff have dedicated to understanding and convening stakeholders over the past year to provide clarity on V2G interconnection. We urge the Commission to relieve this barrier to VGI market development by signaling to market participants the interconnection pathways available for V2G in California. Depending on the timing of Final TEF adoption and direction on VGI-related items within the *Order Instituting Rulemaking to Consider Streamlining Interconnection of Distributed Energy Resources and Improvements to Rule 21* (R.17-07-007) – specifically, Working Group 3 and the V2G-Alternating Current Interconnection Subgroup – the Commission should consider how best to clarify VGI interconnection and standards within the Final TEF.

In opening comments, EDF also offers specific changes to Appendix E. VGIC supports EDF's recommendations that load shapes should be recorded to track renewables integration and that the availability of VGI incentives should be tracked, including EV rates, DR program enrollment, and any future V2G programs.<sup>3</sup> In coordination with the VGI Working Group and SB 676 (Bradford, 2019), VGIC believes the TEF Scorecard should include these items as metrics and consider tracking VGI incentive payments from utilities to customers as a means of gathering data, as mentioned by EDF. Data pathways that leverage data from the EV or EV supply equipment ("EVSE") should also be used to measure progress on VGI targets and metrics, such as VGI program participation or grid services, as detailed in VGIC's opening comments.<sup>4</sup> VGIC recommends the Commission explore pathways for data collection partnerships with market participants and other stakeholders.

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<sup>&</sup>lt;sup>3</sup> EDF Opening Comments on Sections 3.4 and 11.3 at 9 and 12.

<sup>&</sup>lt;sup>4</sup> VGIC Opening Comments on Sections 3.4 and 11.3 at 16-17.

During the TEF Workshop #3 held on June 8-9, 2020, an advisor to Commissioner Rechtschaffen noted that ratepayer funds should not be viewed as endless and the Commission's mandate to prudently direct ratepayer funds persists and permeates into the TEF. As VGIC has highlighted in this proceeding more than once, enabling widespread VGI can significantly increase the likelihood of putting downward pressure on rates to benefit all utility customers. In opening comments, several other parties described the opportunity to "provide significant new revenue that has far outweighed the costs associated with serving the new load and deploying infrastructure to date" and the additional benefits from VGI strategies<sup>5</sup>.

During the June 8-9 TEF Workshop #3, several stakeholders alluded to an inherent challenge of the TEF: the TEF aims to drive EV adoption primarily through the development of TE infrastructure, however, that is not the only prominent barrier to EV adoption that currently exists. Several comments made during the workshop included the sentiment that the Commission's jurisdiction limits its ability to thoroughly address EV adoption by providing meaningful support beyond TE infrastructure. Parties referenced the state legislature as the necessary forum for lowering the total cost of EV ownership. VGIC notes that areas of the Draft TEF that implement and encourage VGI applications can lower the total cost of EV ownership, and is, therefore, a valuable tool for the Commission to pursue without delay.

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<sup>&</sup>lt;sup>5</sup> Opening Comments of Natural Resource Defense Council, the Coalition of California Utility Employees, Plug In America, Greenlots, Enel X North America Inc., Siemens, EVBox Inc., and the Alliance for Automotive Innovation at 6-7.

#### V. <u>CONCLUSION.</u>

VGIC appreciates the opportunity to submit these reply comments on the TEF Scorecard and LCFS Programs sections of the Draft TEF. We look forward to further collaboration with the Commission and stakeholders on this initiative.

Respectfully submitted,

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