



## **Comments of VGIC on the Draft Three-Year Energy Efficiency Plan**

The Vehicle-Grid Integration Council (VGIC)<sup>1</sup> 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 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 grid. VGIC appreciates the opportunity to provide comments to the Energy Efficiency Advisory Council (EEAC) on the Draft Three-Year Energy Efficiency Plan for 2022-2024, particularly regarding the Active Demand Reduction (ADR) offering for EVs.

EVs are capable of load reduction through managed charging, battery discharge to serve on-site load, and serving as a temporary generation resource through exports of power to the grid. As such, EVs represent a tremendous amount of latent battery storage capacity that can be utilized to support grid needs. Overall, VGIC is encouraged by the Program Administrators' consideration of EVs for the ADR program, including the incorporation of both EVSE- and telematics-based approaches. However, the Draft Plan did not provide any details on the potential program offering other than the fact that National Grid and Eversource are evaluating their current EV ADR offerings to develop a statewide offering by the summer of 2022. VGIC urges the Council and Program Administrators to include in the Draft Plan more details on the program development process and structure. At minimum, there should be information on incentive structure, customer eligibility, as well as any avenues for stakeholders to provide input on the detailed program construct.

VGIC recommends the following high-level best practices, gleaned from VGIC's experience working on EV demand response programs in California, be considered in the development of the ADR offering for EVs:

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<sup>1</sup> VGIC member companies and supporters include American Honda Motor Co., Inc., dcbel, Enel X North America, Inc., Fermata, LLC., Ford Motor Company, General Motors Company, Nissan North America, Inc., Nuvve Corporation, Stellantis N.V., The Mobility House, Toyota Motor North America, Inc., and Veloce Energy, Inc. The views expressed in these comments are those of VGIC, and do not necessarily reflect the views of all individual VGIC member companies or supporters. (<https://www.vgicouncil.org/>).

- Allow for several program participation options: 1) direct participation and 2) participation via an aggregator.
  - It should not be assumed that any potential program structure would be too complex for customers. Customers and vendors/aggregators should be offered a menu of options with varying levels of commitment and compensation based on the services they provide to the grid. Customers and vendors can select what works best for them based on the range of options provided.
  - Stakeholder input should inform how to remove barriers to entry for third-party vendors/aggregators.
- Residential customers only represent a portion of EV customers. Expanding offerings to EV fleet customers would allow a larger number of EVs to provide grid services under the ADR program. Fleet customers may also be more sophisticated and more capable of consistently responding to dispatch signals.
- EVs will respond to the best available price signal. Therefore, barriers to value stacking with other programs (such as Clean Peak Standard and Connected Solutions) should be considered and removed where possible.
- In addition to reducing charging load via managed charging (V1G), EVs can also export power to the grid (V2G). V2G provides even greater grid benefits than V1G and should be compensated for the additional benefits.
  - If there are concerns about the performance of bidirectional EV supply equipment (EVSE), performance-based incentives for vehicle-to-grid (V2G) exports should be considered to validate to what extent V2G can deliver the same benefits as stationary storage.
- Broad eligibility should be considered, including for co-location and co-optimization with other behind-the-meter resources and loads.
- Existing program design should be leveraged where possible to facilitate scaling and integration into other programs.



VGIC appreciates the opportunity to provide these comments and look forward to working with the Council, Program Administrators, and other stakeholders to ensure the success of the EV ADR program.

Respectfully submitted,

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