

November 14, 2023

CPUC Energy Division Tariff Unit 505 Van Ness Avenue San Francisco, California 94102 EDTariffUnit@cpuc.ca.gov

Re: Comments of the Vehicle Grid Integration Council to Resolution E-5300: Approval, with Modification, of San Diego Gas and Electric Company's Near-Term Priority Proposal for Transportation Electrification Advisory Services Program Pursuant to Decision 21-07-028.

Dear Sir or Madam:

Pursuant to the provisions of General Order 96-B and Comment Letter E-5300 circulated on October 25, 2023, the Vehicle Grid Integration Council ("VGIC") hereby submits comments to the above-referenced Draft Resolution E-5300 Approving, with Modifications, San Diego Gas and Electric Company's ("SDG&E") Near-Term Priority Proposal for Transportation Electrification Advisory Services Program Pursuant to Decision 21-07-028 ("Draft Resolution").

VGIC generally supports the adoption of SDG&E's proposed transportation electrification ("TE") advisory services program. VGIC believes more TE and fleet advisory services are critical to advancing vehicle-grid integration ("VGI") and transportation decarbonization.

In response to SDG&E's Advice Letter 4233-E, VGIC recommended that SDG&E develop a program element to:

"...not only educate customers on ALM solutions but also conduct site assessments to recommend ALM solutions to a customer when it would be most beneficial to save on infrastructure costs while still meeting customer mobility needs."

In its response, VGIC also notes that customers should be allowed to decide whether to implement an ALM solution in exchange for cost reductions or non-monetary benefits (i.e., backup power through a co-located energy storage system). If a site host decides to elect an ALM solution, they must also be free to choose which customer-side ALM technology they would like to install and use.

In the Draft Resolution, the Commission states this strategy is "premature," stating:

¹ Response of VGIC to AL 4233-E of SDG&E: Near-Term Priority Proposal for TE Advisory Services Program Pursuant to D.21-07-028. June 20, 2023. Page 2. Available at: https://www.vgicouncil.org/s/VGICs-Response-to-SDGE-TE-Advisory-Services-AL-4233-E.pdf



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"D.22-11-040 requires the CPUC, with support from its Technical Consultant, to conduct a study to assess ALM strategies and product offerings, barriers, equity impacts, and costs to inform FC1 program implementation. We find that this work authorized in D.22-11-040 is the appropriate venue to address this question and it is not appropriate to require SDG&E to develop an ALM site assessment methodology for TEAS."²

VGIC appreciates the CPUC and Technical Consultant's efforts to assess ALM formally and holistically. However, we are concerned that the pace of this assessment is out of step with the real-world experience of today's customers and installers. Simply put, the demand from site hosts for the deployment of new EV charging stations **is** outstripping California utilities' ability to approve and construct new infrastructure. Promoting ALM strategies can result in the faster deployment of EV charging infrastructure across the state while triggering fewer new distribution system infrastructure upgrades. ALM, therefore, represents a *relief valve* for the mounting energization timeline challenge. VGIC clarifies that this is not a matter of pre-empting a future problem but rather of unlocking a critical tool to address the growing backlog of sites that are categorically nudged toward new infrastructure upgrades rather than considering how to use existing infrastructure as either an interim or long-term solution.

Notably, the Commission has a long-standing, dedicated effort in Rulemaking ("R.") 18-12-006 ("DRIVE OIR") specifically to address the lengthy energization timelines for EV charging infrastructure at large. On October 30, 2023, the investor-owned utilities ("IOUs") filed its *Joint IOU Report on the EV Infrastructure Service Energization Workshop* ("Energization Workshop Report"), which states, "SDG&E explained that everyone needs capacity right now." VGIC believes SDG&E could address this problem through an ALM promotion strategy that extends beyond mere education and instead works with customers to understand how each site could benefit from ALM in both monetary and non-monetary terms.

In addition to the urgent matter of *energization timelines* highlighted in Resolution E-5247 and the Energization Workshop Report, VGIC notes a growing *cost imperative* to pursue ALM through SDG&E's proposed TEAS program earnestly. Cal Advocates recently developed the Distribution Grid Electrification Model ("DGEM") study and report. The DGEM and Kevala's Electrification Impacts Study Part 1 ("EIS"), taken together, underscore one simple, immutable fact: **if** California does not promote the spectrum of VGI strategies at its disposal, EV charging will remain the largest factor in determining future electrification costs. The DGEM study found that distribution system investments required to support high electrification through 2035 can be cut in half primarily through the use of EV load management strategies like ALM. Senate Bill ("SB") 676 and the VGI Strategies Implementation Decision ("D.") 20-12-029 establish drivers

² Draft Resolution E-5300. Page 19.

³ Compliance Filing of SCE, SDG&E, PG&E, Bear Valley Electric Service, CalPeco Electric, and Pacificorp Pursuant to OP 6 in Resolution E-5247 and E-Mail Ruling Setting Workshop on EV Charging Infrastructure Service Energization Process. October 30, 2023. Page 15. https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M520/K650/520650614.PDF



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for the Commission to advance ALM. However, the comparative findings of EIS and DGEM establish an abundantly clear \$25 billion imperative for the Commission to direct SDG&E to conduct ALM site assessments to reduce the financial burden associated with transportation electrification on ratepayers.

While EV service providers (e.g., EV fleet management companies) already conduct these assessments with their customers, the Commission should direct SDG&E to augment these assessments with data related to utility-side infrastructure. VGIC strongly recommends that the Commission revise the Draft Resolution to direct SDG&E to develop and incorporate a standard methodology for ALM site assessment in the TEAS program. As part of this site assessment, SDG&E can calculate avoided costs, determining the value of avoiding or deferring a given infrastructure upgrade.

I. <u>CONCLUSION</u>.

VGIC appreciates the opportunity to submit these comments on the Draft Resolution and looks forward to collaborating with the Commission and stakeholders in this proceeding.

Respectfully submitted,

/s/ Zach Woogen
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