

BOARD MEETING DATE: March 6, 2015

AGENDA NO. 6

PROPOSAL: Support Utility Electric Vehicle Charging Program

SYNOPSIS: Southern California Edison (SCE) has applied to the California Public Utilities Commission (CPUC) to conduct a two-phase electric vehicle charging implementation and market education program “Charge Ready.” The first phase is a pilot program, which is limited in scope with the total cost to be recovered from the ratepayer and intended to provide valuable information related to further deployment of infrastructure and ratepayer benefits. The second phase would implement a much larger number of charging stations over four years based on the results from the Phase 1 Pilot Program. This action is to convey to the CPUC the SCAQMD’s support of SCE’s “Charge Ready” Phase 1 Pilot Program.

COMMITTEE: Technology, February 20, 2015; Recommended for Approval

RECOMMENDED ACTION:  
Support SCE’s “Charge Ready” Phase 1 Pilot Program.

Barry R. Wallerstein, D.Env.  
Executive Officer

MMM

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### **Background**

On March 23, 2012, Governor Brown issued Executive Order B-16-2012 which established the target benchmark of 1.5 million zero-emission vehicles on California roads by 2025. In order to achieve that scale of vehicle deployment, several organizations testified in CPUC Alternative Fueled Vehicle Rulemaking (R. 13-11-007) that the electric utilities should play a role in enabling plug-in electric vehicle (PEV) infrastructure. SCAQMD staff intervened in the proceeding, recommending some role for utilities but the scope and merits of their program should be judged on each utility’s proposal to the CPUC. In December 2014, the CPUC issued a decision (14-12-079)

revoking the previous blanket prohibition against the utilities ownership of PEV infrastructure and replacing it with a case-specific approach.

### **Proposal**

On October 30, 2014, SCE submitted to the CPUC an application to conduct a PEV charging infrastructure and market education program. Their “Charge Ready” Program would target long dwell-time locations (greater than four hours) and proceed in two phases if approved. Phase 1 would be a one-year pilot study to deploy up to 1,500 charging stations with complementary market education and outreach efforts. SCE would own and maintain the supporting infrastructure while customers would select, own, operate and maintain the charging stations. The pilot program would allow SCE to validate the cost estimates, customer benefits, identify any deployment issues and refine the education and outreach strategies including those for disadvantaged communities. The cost for the Phase 1 Pilot Program is estimated at \$22 million to be recovered in rates.

Phase 2 would implement the remainder of the 30,000 total charging stations over a four-year period based on the results from the pilot program. SCE would request approval for Phase 2 after the decision on Phase 1 in 2016. Phase 2 is estimated to cost approximately \$333 million in capital and operation and maintenance costs in ratepayer funding.

Since the Phase 1 Pilot Program is limited in scope (time, number of chargers and therefore risk), staff believes the pilot program should proceed. In particular, the program should specifically address issues relating to:

- encouraging workplace and multi-unit dwelling installations
- potential for cost-reductions with large orders
- incentives for owning, operating and maintaining the hardware
- benefits to the site owner and all ratepayers
- market education strategies, especially in disadvantaged communities

Staff recommends sending a support letter to the CPUC encouraging the decision to allow the Phase 1 Pilot Program with adequate assurances that SCE will transparently provide, at a minimum, the information above to enable greater PEV deployment.

### **Benefits to the SCAQMD**

The proposed Phase 1 Pilot Program and market outreach will help to deploy a greater number of zero-emission vehicles in the South Coast Air Basin. Enabling PEV infrastructure in greater numbers not only puts the state on course to meet the Governor’s goal of 1.5 million PEVs by 2025, but will also help the region to meet the nearer term goal of achieving the federal ozone standard by 2023.

### **Resource Impacts**

None.