

DOCKETED

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Light-Duty Electric Vehicle Block Grant Design Changes Workshop

Fuels and Transportation Division
January 9, 2024 | 10:00 a.m.



Workshop Agenda

- Welcome and Introductions
 - Housekeeping
- Background
- Current design elements
- Recently changed design elements
- Potential changes
- Discussion Period
- Next Steps
- Adjourn





Housekeeping

- Workshop is recorded on Zoom
- Virtual Participation via Zoom or telephone during the comment period
- Slides posted to [LD EV Block Grant Changes Workshop Page](https://www.energy.ca.gov/event/workshop/2024-01/light-duty-electric-vehicle-block-grant-design-changes-workshop)
(<https://www.energy.ca.gov/event/workshop/2024-01/light-duty-electric-vehicle-block-grant-design-changes-workshop>)
- Submit Written Comments to Energy Commission Docket [20-TRAN-04](https://efiling.energy.ca.gov/Ecomment/Ecomment.aspx?docketnumber=20-TRAN-04)
(<https://efiling.energy.ca.gov/Ecomment/Ecomment.aspx?docketnumber=20-TRAN-04>)



Block Grants Background

- April 2021, GFO-20-607 sought applications for implementors for up to two new light-duty EV block grants to fund the purchase and installation of EV chargers
- California Electric Vehicle Infrastructure Project (CALeVIP) 2.0
 - Implemented by the Center for Sustainable Energy (CSE)
 - High-powered DC fast charger installations
 - Two funding windows to date
- Communities in Charge (CIC)
 - Implemented by CALSTART
 - Level 2 charger installations
 - Two funding windows to date



BUILDING EV INFRASTRUCTURE



COMMUNITIES IN CHARGE



Current Requirements



CALeVIP 2.0 Current Requirements

- 4 to 20 publicly available charging ports
- At least 150 kW charging ports
- Readiness tiering application process
- 450-day completion timeline
- Rebate Levels

Charging Port Power Level	Rebate per Charging Port
150 kW to 274 kW	Up to \$55,000
275 kW and greater	Up to \$100,000

- At least 50% applicant cost share
- **Incentive Recipient* cannot include their own profit in eligible costs (design & engineering, hardware, warranties, materials, etc.)**
 - **Contractors to the Incentive Recipient can charge profit**
- <https://calevip.org/incentive-project/gssp-incentive-north-south>

*Incentive recipient is the entity being issued the incentive and must incur all the project costs



CIC Current Requirements

- 4 to 20 charging ports (up to 40 for MUDs and Workplaces)
- Use types: Public, private, light-duty fleet
- Readiness tiering, then scoring application process
- 270-day completion timeline
- Rebate levels: up to \$3,500 per charging port
 - MFH Adder: \$3,500 per charging port
 - Tribal Adder: \$3,500 per charging port
- At least 25% applicant cost share
- **Incentive Recipient* cannot include profit in eligible costs (design & engineering, hardware, warranties, materials, etc.)**
 - **Contractors to the incentive recipient Cael can charge profit**
- <https://thecommunitiesincharge.org>

*Incentive recipient is the entity being issued the incentive and must incur all the project costs



Recent Design Changes



Recent Design Changes

CALeVIP 2.0

- GSPP-2 increased readiness tiers
 - Tier 1: Final Utility Design + Issued Permit
 - Tier 2: Final Utility Design + Permit Application
 - Tier 3: Final Utility Design in Progress + Permit Application
 - Tier 4 (waitlist): Utility Design Application
- **NEW: No stacking funding from other programs or funding opportunities**

Communities in Charge

- Window 2 allocated funding by regions
- Window 2 established a 25% funding cap on applicants*
- **NEW: Removing midpoint payments**
- **NEW: No stacking funding from other programs or funding opportunities**



Potential Changes



CALeVIP 2.0 – Potential Eligible Costs

- **Potential Eligible costs:** Equipment, installation materials, networking agreements, charger OEM warranties, applicant's share of utility upgrades
- Potentially not eligible: Labor (design/engineering, installations), travel, service level agreements, in-house costs
- **Potential Requirements:**
 - Arm-length transactions for all costs, no in-house costs
 - No transactions with affiliated companies
 - Or, cap in-house/affiliate costs?
 - External receipts or invoices with proof of payment
- Rationale: Verifiable, accurate, & speedy rebate payments





CIC – Potential Eligible Costs

- **Potential eligible costs:** Equipment, installation materials, networking agreements, charger OEM warranties, applicant's share of utility upgrades, labor (design/engineering, installation)
- Potentially not eligible: Incentive Recipient's in-house costs, travel, service level agreements
- **Potential Requirements:**
 - Arm-length transactions for all costs, no in-house costs
 - No transactions with affiliated companies
 - Or, cap in-house/affiliate costs?
 - External receipts or invoices with proof of payment
- Rationale: Verifiable, accurate, & speedy rebate payments





CALeVIP 2.0 & CIC – Rebate %

Applicant's Cost Share of Total Project Cost

- Current CALeVIP 2.0: Rebate can cover up to 50% of total eligible project costs
- Current CIC: Rebate can cover up to 75% of total eligible project costs
- Potential: **Rebate can cover up to 100% of total eligible project costs**

Rationale:

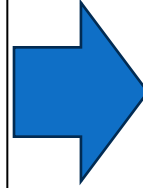
- Reduce applicant share as eligible costs are reduced
- Improve accuracy of reported costs
- Provide more clarity on final rebate amount
- Applicants would still report all total project costs (eligible and non-eligible) at the end of the project.



CIC Rebate Levels

CIC Current

- Base: \$3,500 per charging port
- Multifamily Housing Adder: \$3,500 per charging port
- Tribal Adder: \$3,500 per charging port



CIC Proposed

- Base: \$3,500 per charging port
- Multifamily Housing Adder: **\$1,000**
- Tribal Adder: \$3,500 per charging port
- Rural Adder: **\$1,000** per charging port

Rationale:

- Deploy more chargers overall
- Deploy chargers across the state's geography
- Deploying funding reserved for Equitable At-Home Charging
- Window 1: 75% of awarded charging ports were MFH
- Window 2: 80% of charging ports applied for were MFH



CALeVIP 2.0 – Eligible Sites

Currently Eligible: Airports; business districts; casinos; charging hubs; city, county or privately owned parking lots or garages; colleges or universities; community centers; gas stations; grocery stores; hospitals; hotels; large-format retail; libraries; places of worship; police or sheriff stations; public transit hubs; restaurants; and retail shopping centers

What additional site types should be considered?

- Site types
 - Must be accessible to the public 24/7*
 - Must be safe and well-lit
 - Should have a short dwell time
 - Should be on normal travel routes

*18 hours for city, county, or privately owned parking lots or garages



Ranking applications by requested rebate

- **Use a single readiness tier**
- **Require applications to include requested rebate amount**
- **Reserve funding for applications from lowest requested rebate to highest**

Rationale:

- Maximize effective use of taxpayer funds
- Gather information on range of marginal incentives
- **Question: Should this concept be considered for all block grant projects, specialty block grant projects, or a grant funding opportunity?**



Discussion Questions

- **Should the defined eligible costs be reduced?**
- **If eligible the defined eligible costs are reduced, should the rebate share be increased?**
- **What should be considered to increase the geographical diversity of sites?**
 - Adders? Specialty Rebate Projects? Special Grant Opportunities? Technical Assistance?
- **What should be considered to increase the site type diversity?**
 - Adders? Specialty Rebate Projects? Special Grant Opportunities? Technical Assistance?
- **What other site types should be considered for CALeVIP 2.0?**



Charger Cost

- Aggregate charger unit costs by make and model and make publicly available via website dashboards.
- Require manufacturers to supply MSRP or average sales price for a charger to be listed on the eligible equipment list.

Rationale:

- Helps the public/applicants get a sense of the charger costs prior to purchasing or negotiating deals.
- Provides a baseline to compare actual invoice costs of the charger during the rebate payment process



Past Performance

- **Purpose:**

- Encourage companies to complete projects within the required timelines (450 days and 270 days)
- Meet block grant goals of cost-effective and time-effective deployment

- **Potential mechanisms:**

- Limit on subsequent funding window(s)?
 - Number of applications awarded, or
 - Dollar amount of awards
- Limit on overall program (CALeVIP 2.0 or CIC)
 - Active applications
 - Example: Install Chargers, Inc., cannot have more than 20 applications ongoing in CALeVIP 2.0 at once.



Past Performance Questions

- **Whose past performance should be evaluated?**
 - Applicant as applicant/incentive recipient
 - Application manager/project manager/contractor
 - All parties?
 - Includes performance in CALeVIP 1.0, CALeVIP 2.0, and CIC. (Grants?)
- **How should we measure performance of the on-time completion rate?**
 - Sliding scale for various levels of performance?
 - # or % of on time completions
 - # or % of granted extensions
 - # or % of Cancellations
 - Instances of inaccurate document submissions



General Discussion Period





Comments and Questions

Three ways to ask questions:

Please state your name and affiliation. Keep questions under 3 minutes to allow time for others.

1. Use the raise hand function in Zoom

Zoom Phone Controls:

- *6 – Toggle mute/unmute
- *9 – Raise hand

2. Type questions in the Zoom Q&A Box

3. Submit written comments

Submit written comments to [Docket 20-TRAN-04](https://efiling.energy.ca.gov/Docket/20-TRAN-04)

(<https://efiling.energy.ca.gov/Ecomment/Ecomment.aspx?docketnumber=20-TRAN-04>)

Deadline: January 19, 2024, 11:59 p.m. PST



Thank You!

Comments are due January 19, 2024, by 11:59 p.m.