

DOCKETED

Docket Number:	19-IEPR-03
Project Title:	Electricity and Natural Gas Demand Forecast
TN #:	229219
Document Title:	SCE Comments on IEPR Workshop on Preliminary Transportation Energy Demand Forecast
Description:	N/A
Filer:	System
Organization:	Southern California Edison Company/Catherine Hackney
Submitter Role:	Public
Submission Date:	8/5/2019 3:55:40 PM
Docketed Date:	8/5/2019

*Comment Received From: Catherine Hackney
Submitted On: 8/5/2019
Docket Number: 19-IEPR-03*

**SCE Comments on IEPR Workshop on Preliminary Transportation
Energy Demand Forecast**

Additional submitted attachment is included below.

August 5, 2019

California Energy Commission
Docket Office, MS-4
Re: Docket No. 19-IEPR-03
1516 Ninth Street
Sacramento, CA 95814-5512
docket@energy.ca.gov

Re: Southern California Edison Company's Comments on the California Energy Commission Docket No. 19-IEPR-03: IEPR Workshop on Preliminary Transportation Energy Demand Forecast

Dear Commissioners:

On July 22, 2019, the California Energy Commission (CEC) held the *IEPR Commissioner Workshop on Preliminary Transportation Energy Demand Forecast* (Workshop) as part of the CEC's 2019 Integrated Energy Policy Report (IEPR) Proceeding. Energy Commission staff, led by Vice Chair Janea A. Scott, provided an overview of the preliminary statewide vehicle and transportation energy demand forecast. Southern California Edison (SCE) is pleased to offer the following comments on the Workshop for the CEC's consideration.

SCE's key concerns are the following:

- The CEC should include forecast scenarios that meet California's established decarbonization goals to adequately inform policy recommendations in the IEPR.
- The CEC should account for local- and regional-level incentive programs in its transportation energy demand forecast because such programs can result in short-term incremental increases in the value of zero-emission vehicles (ZEVs) that can seed longer-term growth in sales.

SCE expands on some of these recommendations further, below.

I. Include forecast scenarios that meet California's established decarbonization goals

The goal of the IEPR forecast is to help the CEC "develop energy policies that conserve resources, protect the environment, ensure energy reliability, enhance the state's economy, and protect public health and safety." (Pub. Res. Code § 25301(a)). However, the proposed scenarios for the 2019 IEPR do not fully consider alternative technology, policy, or market conditions to inform such policy development.

Preliminary results for the transportation energy demand forecast presented at the Workshop assume relatively stable technology, policy, and market conditions and, as a result, do not come anywhere close to reaching California's established decarbonization goals. While this correctly illustrates the vital importance of market advancements and enabling policy to achieve California's goals, a more robust forecast scenario that would inform policy recommendations in furtherance of California's decarbonization goals should be included.

California's established decarbonization goals include reducing economywide greenhouse gas (GHG) emissions to 40% below 1990 levels by 2030 (SB 32) and to 80% below 1990 levels by 2050 (E.O. S-3-05). Decarbonizing transportation provides significant opportunity for reaching those goals because the sector is the greatest source of GHG emissions in California. In recognition of this fact, E.O. B-16-12 sets a target for reducing transportation emissions 80% below 1990 levels by 2050.

Thus, SCE recommends that in addition to the energy demand forecasts presented at the workshop, the CEC should create a forecast scenario where California's decarbonization goals could be met to better understand the impact of prospective enabling policies that could be pursued in support of those goals. SCE has developed such scenarios in the analytical work underlying our Clean Power and Electrification Pathway.¹ This work has been shared with CEC staff, including at the most recent meeting of the Demand Analysis Working Group on August 1.² SCE would be happy to provide any information on this effort that would be helpful to the CEC in developing additional energy demand forecasts.

II. Account for local- and regional-level incentive programs

Preliminary results for the transportation energy demand forecast presented at the Workshop consider statewide incentive programs but do not consider local- and regional-level programs, which have significant impacts on ZEV sales and transportation energy demand. SCE's current and proposed programs in Southern California could amount to over \$1 billion in incentives for electric vehicle infrastructure through 2025. Given that ZEVs are approaching a tipping point in terms of price parity with conventional internal combustion engine vehicles, it is very important to include all existing programs that provide incremental increases in the value of ZEVs. Even short-term programs can seed long-term growth in sales that have implications for transportation energy demand forecasts and associated policy recommendations.

Thus, the CEC should incorporate the many local- and regional-level incentive programs in place across the State into the transportation energy demand forecast. SCE's relevant programs include:

- Charge Ready Pilot. Make-ready infrastructure to serve level 1 or level 2 charging and one-time rebate to offset the costs of charging stations for business customers and multi-unit dwelling site owners.

¹ For more information, please visit <https://www.edison.com/home/our-perspective/clean-power-and-electrification-pathway.html>.

² For more information, please visit <http://dawg.energy.ca.gov/meetings/preliminary-demand-forecast-2019>.

- Charge Ready Demand Response. Establish and offer a demand response program for all Charge Ready participants to support load curtailment and load shifting.
- Charge Ready DC Fast Charge. Make-ready infrastructure to serve DC Fast Charge (DCFC) or level 3 charging and one-time rebate to offset the costs of DCFC stations for business customers.
- Charge Ready Transit Bus. Make-ready infrastructure to serve electric bus charging and one-time rebate to offset the costs of charging equipment for government transit agency customers.
- Port of Long Beach Projects. Deploy infrastructure to serve up to 20 yard tractor charging stations and convert nine out of 24 rubber tire gantry cranes from diesel to electric power.
- Clean Fuel Rewards Program. One-time \$1,000 rebate to residential customers who drive electric vehicles.
- Charge Ready Transport. Make-ready infrastructure and rebate for charging stations to serve 870 sites resulting in 8,490 additional medium and heavy duty electric vehicles.
- Charge Ready 2 (proposed). Make-ready, rebated, or utility owned infrastructure to serve level 1, level 2, or DCFC charging for business customers and multi-unit dwelling site owners.
- AB 1082 Charge Ready Schools (proposed). Make-ready or utility owned infrastructure to serve level 1 or level 2 charging and one-time rebate to offset the costs of charging stations for K 1-12 schools.
- AB 1083 Charge Ready Parks (proposed). Utility-owned infrastructure to serve level 2 or DCFC charging for California State parks and beaches.

III. Conclusion

SCE thanks the CEC for consideration of the above comments and looks forward to its continued partnership with stakeholders in the development of the 2019 IEPR. Please do not hesitate to contact me at (916) 441-3979 with any questions or concerns you may have. I am available to discuss these matters further at your convenience.

Very truly yours,

/s/

Catherine Hackney