



February 27, 2012

DOCKET

11-ALT-1

DATE FEB 27 2012

RECD. FEB 27 2012

Mr. Robert B. Weisenmiller, Ph.D., Chair
Ms. Carla Peterman, Commissioner and Associate Member
California Energy Commission
Dockets Office, MS-4
Re: Docket No. 11-ALT-1
1516 Ninth Street
Sacramento, CA 95814-5512

Subject: 11-ALT-1
Reference: 2012-2013 Investment Plan for the Alternative and Renewable Fuel and Vehicle Technology Program, Committee Draft Report.

Dear Chairman Weisenmiller and Commissioner Peterman:

The California Electric Transportation Coalition (CalETC) appreciates the opportunity to comment on the 2012-2013 Investment Plan for the Alternative and Renewable Fuel and Vehicle Technology Program (ARFVTP), Staff Draft. CalETC is a non-profit association with a board of directors that includes: Los Angeles Department of Water and Power, Pacific Gas & Electric, Sacramento Municipal Utility District, San Diego Gas & Electric and Southern California Edison.

California will be a major focus of initial mass marketing of a new generation of plug-in electric vehicles (PEVs). PEVs provide significant environmental and economic benefits. For the purposes of our comments PEVs include both battery electric vehicles and plug-in hybrid electric vehicles.

The California Electric Transportation Coalition supports the CEC's efforts to ensure that California is an attractive market for PEVs. The CEC's actions in the ARFVTP have been essential in contributing to our state's possessing the largest network of charging infrastructure in the country. According to auto manufacturers who currently sell PEVs, almost half the PEVs sold thus far are in California. California is a target market for every major auto maker planning to introduce PEVs. The numbers of PEVs in California are anticipated to grow dramatically over the next two to five years. Therefore it is critical that ARFVTP funding support this burgeoning new market. **CalETC recommends that the amount of funding allocated to PEV charging infrastructure be increased to \$11 million.** The additional \$2.5 million above the current proposed funding levels could come from biomethane and gasoline substitutes production.

PEV infrastructure is particularly needed for workplace applications, although continuing support for residential and public charging should not diminish. In the residential marketplace ARFVTP funding could be particularly beneficial in overcoming some of the challenges facing residents in multi-unit dwelling situations. CalETC appreciates the CEC's efforts to support residential

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charging equipment in multi-unit dwelling situations thus far, clearly residential charging, including multi-unit dwelling charging equipment, provides a benefit to customers and the electricity grid as a whole.

CalETC recommends the proposed “Up to \$3.0” million in the Staff draft for Medium- and Heavy-duty Advanced Vehicle Technology Demonstration be increased to \$10 million.

California is poised to transform the goods-movement sector to cleaner more-efficient technologies. This transformation will require significant investment in demonstration projects throughout the state. In particular, ports in California will need to become more efficient to compete. ARFVTP funding could ensure that our ports serve as examples of clean and efficient hubs and remain competitive in the mid- and long-term. Although it is difficult to determine how best to shift funding to support the medium- and heavy-duty advanced vehicle technology demonstration category in the Staff Draft, CalETC recommends the CEC consider shifting some funding from the Natural Gas Vehicle Deployment and Propane Vehicle Deployment allocations.

CalETC supports the Staff Draft allocation for “Up to \$5” million for Light-Duty Electric Vehicle Deployment. This funding is essential to the early market for electric vehicles in California. In 2011 and 2012 rebates for customers purchasing electric vehicles were cut in half, the direct result of over subscription. These rebates help to bring the price of an electric vehicle more in line with the anticipated price once economies-of-scale are reached and with a current gasoline-powered vehicle. To ensure that the market for electric vehicles moves from early success to large-scale deployment, rebates are essential.

CalETC commends the CEC Staff Draft for recognizing the importance of manufacturing and utilizing the funding to create good California jobs. However, successful deployment of products manufactured will require workforce training. CalETC believes there will be a need for workforce training and development and related curriculum development to support the state’s policy goals and ensure success of electric transportation in all applications, on-road and non-road. CEC has indicated that the workforce training funding can be used to support curriculum development at California’s Community Colleges. CalETC is very supportive of workforce training and utilizing some of the ARFVTP funding for curriculum development. However, **more funding should be allocated to workforce training and development in the 2012-2013 plan than is currently recommended in the Staff Draft. CalETC recommends the current \$2.5 million allocated in the Staff Draft be at least doubled to \$5 million and that the additional \$2.5 million come from the manufacturing allocation as the two are so closely linked.**

CalETC supports the \$3 million allocated for Regional Planning in the Staff Draft. The regional planning efforts supported by ARFVTP funding thus far have contributed significantly to the market viability of electric vehicles. Local government action is critical to the successful introduction of alternative-fuel vehicles and many local governments have shown tremendous

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leadership. This leadership will be particularly beneficial as the state works to ensure that electric vehicle chargers are available and convenient for residents in multi-unit dwelling situations. Given the constrained budgets at the local level, CalETC is pleased that the ARFVTP funding has been allocated to support the essential leadership efforts needed at the local level.

Thank you for the opportunity to comment on the Staff Draft and for your consideration. Please contact me if you have any questions.

Sincerely,



Eileen Wenger Tutt
Executive Director

EWT/kmg