



December 14, 2012

California Energy Commission DOCKETED 12-ALT-2
TN # 68896
DEC. 17 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. 12-ALT-02
1516 Ninth Street
Sacramento, CA 95814-5512

Subject: 12-ALT-02
Reference: **2013-2014 Investment Plan for the Alternative and Renewable Fuel and Vehicle Technology Program, Staff Draft Report.**

Dear Chairman Weisenmiller and Commissioner Peterman:

The California Electric Transportation Coalition (CalETC) appreciates the opportunity to comment on the 2013-2014 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. We are very pleased to see that the staff has increased funding for medium- and heavy-duty advanced vehicle technology demonstration. CalETC believes these applications can particularly benefit low-income and minority communities and we support funding and education targeted to reach disadvantaged communities.

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 \$7 million allocated for electric charging infrastructure be distributed in a manner that prioritizes the need for workplace charging, which will help resolve some of the challenges associated with multi-unit dwellings. We agree with the staff

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draft focus on publicly-owned utilities' service territories, but would temper that somewhat as there may be very attractive projects in territories covered by the NRG settlement that merit CEC funding. We would prefer that the NRG settlement agreement be considered in distributing funds but would not want projects dismissed as a result of location. We also recommend the \$7 million be utilized specifically for charging infrastructure. CalETC does not believe it is appropriate to use this funding to resolve perceived barriers for one technology type, particularly when those barriers are not related to providing needed infrastructure or technological challenges.

CalETC recommends that the amount of funding allocated to Regional Alternative Fuel Readiness and Planning be increased to \$3 million. Plug-in vehicle regional readiness efforts at the local level are critical at this point. We recommend \$3 million be allocated to this category, consistent with the previous ARFVTP. The allocation reduction in the Staff Draft does not comport with the fact that plug-in electric vehicle sales are increasing and the category has been modified to support a broader range of alternative fuel readiness efforts. The regional readiness efforts are particularly valuable for goods movement applications, an area of funding that can benefit communities most disadvantaged from an economic and air quality standpoint. These kinds of projects should be encouraged, funding should not be diminished. Lastly, this funding allocation has been oversubscribed and with electric transportation expanding beyond just the initial cluster stage, smaller regions will need assistance.

CalETC supports the Staff Draft allocation of \$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.

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