



California Energy Commission  
**DOCKETED**  
**12-ALT-02**  
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Mr. Robert B. Weisenmiller, Ph.D., Chair  
California Energy Commission  
Dockets Office, MS-4  
[DOCKET@energy.state.ca.us](mailto:DOCKET@energy.state.ca.us)  
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, Revised Staff Draft**

Dear Chairman Weisenmiller:

The California Electric Transportation Coalition (CalEETC) appreciates the opportunity to comment on the 2013-2014 Investment Plan for the Alternative and Renewable Fuel and Vehicle Technology Program (ARFVTP), Revised Staff Draft. CalEETC 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. CalEETC 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, over 30 percent of 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.

**CalEETC 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 draft focus on publicly-owned utilities' service territories. However, not all investor-owned service territories are covered by the NRG settlement, e.g. Santa Barbara is within Southern

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California Edison service territory but is not covered by the NRG settlement and is an area where PEVs will likely be plentiful. Additionally, there may be attractive projects in territories covered by the NRG settlement that merit CEC funding, to the extent the NRG settlement does not apply. 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.

**Although workplace charging is prioritized, the significant oversubscription of the funding for residential and fast charging stations indicate that \$7 million is likely not sufficient to support the market need for PEV infrastructure and encourage continued funding for all types of charging infrastructure, including Level 1 charging as appropriate.** It is already clear that the \$7 million allocated is insufficient, by at least a factor of two. As the CEC is working on an infrastructure plan it will be critical to provide funding to support large-scale deployment of PEVs, both by providing sufficient residential, workplace and public charging, and by continuing to provide vehicle incentives.

**CalETC recommends the CEC prioritize and encourage projects that direct funding to host customers.** Currently most of the CEC funding is going to vendors. This has resulted in vendor cost reductions but host customers are burdened with all “make ready” costs. The make ready costs can be higher than the cost of the equipment creating a market barrier appropriately channeled funding would remove. In some cases, it has been difficult for vendors to give away equipment because of the expense obligation placed upon host sites. Similar to energy efficiency programs, CalETC recommends the CEC support creative mechanisms to aggregate and/or administer infrastructure projects that reduce make ready costs as well as equipment costs for host customers. Funding for regional action is one way to accomplish this objective and, per below, CalETC recommends that regional planning funding be increased.

**CalETC recommends that \$4 million be allocated to PEV education and awareness efforts.** We believe that promoting consumer awareness of PEVs through public education, outreach and direct driving experience imperative to market success of PEVs. The Governor's Interagency ZEV action plan recognizes the need to expand consumer awareness and demand for ZEVs. AB 118 clearly allows for market development activities including education and awareness. This can be done efficiently by supporting existing and new regional and national PEV education and awareness campaigns, which are designed to drive consumer interest and demonstrate the benefits of clean transportation.

**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 Revised Staff Draft does not comport with the fact that plug-in electric vehicle sales are increasing and the category has

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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 of the limited funds available. 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