February 19, 2015



The Honorable Janea A. Scott Commissioner California Energy Commission Dockets Office, MS-4 Re: Docket No. 14-ALT-01 1516 Ninth Street Sacramento, CA 95814-5512



Subject:14-ALT-01Reference:2015-2016 Investment Plan Update for the Alternative and Renewable Fuel
and Vehicle Technology Program, Revised Staff Report

Dear Commissioner Scott:

The California Electric Transportation Coalition (CalETC) appreciates the opportunity to comment on the 2015-2016 Investment Plan Update for the Alternative and Renewable Fuel and Vehicle Technology Program (ARFVTP), Revised Staff Report. 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. CalETC also has automobile manufacturer members and works closely with alternative fuel providers and stakeholders.

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 in light-, medium-, heavy-duty and bus applications.

We are very pleased to see that the staff has maintained and potentially 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. We recommend the Commission particularly recognize the opportunities and benefits for school bus projects in this category.

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, about 40 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 over the next two to five years. For all these reasons, it is critical that ARFVTP funding support this burgeoning new market.

CalETC supports the \$18 million allocated for electric charging infrastructure, although this funding will not sufficiently bridge the gap between the need for public infrastructure and availability of this infrastructure. The market for PEVs has grown beyond expectations and the state

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currently lags in PEV infrastructure, particularly at workplaces and in multi-unit dwellings. Workplace charging is particularly attractive as it can help address access to chargers for residents in multi-unit dwellings and disadvantaged communities. Although it is likely there will be growing investment from the private sector and the investor-owned utilities, public funding will continue to be essential for the foreseeable future. The National Renewable Energy Laboratory and the analyses conducted by the utility industry indicate that the gap between availability of charging infrastructure and the need for this infrastructure will not be closed in the next 5 years.

CalETC supports funding for Regional Alternative Fuel Readiness and Planning. Plug-in vehicle regional readiness efforts at the local level are critical at this point. As there is no allocation in the Revised Staff Report, we recommend this be added given the success of this category in the past, increasing plug-in electric vehicle sales, and the modifications to supporting a broader range of alternative fuel readiness efforts. If there is a need to cut other categories to include this important category, we recommend all categories be reduced by a small amount, approximately \$375,000 each, to provide \$3 million for Regional Alternative Fuel Readiness and Planning. According to Commission staff all categories are oversubscribed, the broader range of readiness efforts allowed now includes all funded alternative fuels, and Electric Charging Infrastructure is underfunded, therefore it would be inappropriate to cut any one category in order to fund Readiness and Planning.

CalETC appreciates the CEC staff efforts to integrate the ARFVTP program with all of the other policies and incentive programs supporting the transition to a cleaner more diverse transportation future. California policy makers in the Legislature and the Administration have fully embraced the need to clean our air, fight climate change and diversify the transportation fuels sector. As a result there are numerous policies that intersect around these goals. We have seen increasing coordination and cooperation among state agencies and the Legislature as new policies are implemented and new revenues become available. This is critical and we appreciate the recognition of other policies by the CEC staff and the commitment of staff and Commissioners to continue to ensure the policies support and leverage each other.

Thank you for the opportunity to comment on the 2015-2016 Investment Plan Update for the Alternative and Renewable Fuel and Vehicle Technology Program, Revised Staff Report, and for your consideration. Please contact me if you have any questions.

Sincerely, California Electric Transportation Coalition

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Eileen Wenger Tutt, Executive Director

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