BEFORE THE PUBLIC UTILITIES COMMISSION OF THE
STATE OF CALIFORNIA

Application of Southern California Edison
Company (U338E) for Approval of Its Charge
Ready and Market Education Programs

Application 14-10-014
(Filed October 30, 2014)

SOUTHERN CALIFORNIA EDISON COMPANY’S (U 338-E) REPLY TO PROTESTS
AND RESPONSES

JANET S. COMBS
ANDREA L. TOZER

Attorneys for
SOUTHERN CALIFORNIA EDISON COMPANY

2244 Walnut Grove Avenue
Post Office Box 800
Rosemead, California  91770
Telephone:  (626) 302-6713
Facsimile:   (626) 302-7740
E-mail:     andrea.tozer@sce.com

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I. INTRODUCTION

Pursuant to Rule 2.6 of the Rules of Practice and Procedure of the California Public
Utilities Commission (Commission), Southern California Edison Company (SCE) respectfully
submits this reply to three protests† and eight responses‡ filed by various parties in connection
with the October 30, 2014 Application of Southern California Edison Company for Approval of
its Charge Ready and Market Education Programs (Application). The Charge Ready program
seeks to increase the availability of long dwell-time electric vehicle (EV) charging infrastructure
by deploying, over a five-year period, infrastructure to support up to 30,000 qualified EV
charging stations across SCE’s service territory. To support the overall effort, SCE also
proposed a comprehensive Market Education effort.

† Protests were filed by The Utility Reform Network (TURN), Office of Ratepayer Advocates (ORA), and Green
Power Institute and Community Environmental Council (GPI/COUNCIL).
‡ Responses were filed by California Energy Storage Alliance (CESA), Charge Ahead California Campaign
(Charge Ahead), ChargePoint, Inc., Center for Sustainable Energy (CSE), General Motors (GM), NRG Energy,
Inc (NRG), San Diego Gas & Electric Company (SDG&E), and Shell Energy North America (Shell).
SCE intends to serve rebuttal testimony at the appropriate time to address the substantive arguments expected to be advanced by parties in their opening testimony.\(^3\) SCE will also address clarifications raised in the responses through rebuttal testimony or in response to data requests submitted by the parties. In anticipation of the prehearing conference, which has not yet been scheduled, this reply responds principally to issues raised regarding the scope and schedule of Phase 1 of the proceeding (the Charge Ready pilot phase), as well as the benefits expected to accrue from the Charge Ready program and market education efforts.

II. DISCUSSION

A. SCE Agrees With Parties Recommending That The Commission Promptly Approve SCE’s Pilot Proposal

Many parties support SCE’s Application\(^4\) and urge the Commission to act expeditiously to approve the Application.\(^5\) For example, ChargePoint states that “utility participation along the lines of SCE’s proposal is needed as part of a concerted statewide effort to meet the near-term [zero-emission vehicle (ZEV)] goals established in Executive Order B-16-2012.”\(^6\) SCE agrees with ChargePoint that participation from all parties, including utilities, is needed to meet Governor Brown’s ambitious ZEV goals.\(^2\) CESA states that prompt approval of the Application is “critical to ensure robust development of EV infrastructure” because “strong developer interest in qualifying for the SCE pilot and program might, ironically, temporarily halt investment in EV...”

\(^3\) Based on the protests, these contested issues are expected to include: the scope and scale of Phase 2, whether SCE should provide rebates for the charging stations, the extent of funding for market education and outreach, whether market education and outreach should be conducted by SCE rather than a statewide implementer, whether the Charge Ready program should be ratebased, the appropriate cost recovery mechanism, and whether the Charge Ready program would impact the competitive market.

\(^4\) ORA Protest, p. 3; NRG Response, p. 1; GM Response, p. 1; ChargePoint Response, p. 1; Charge Ahead Response, p. 8; CSE Response, p. 4; CESA Response, p. 2; SDG&E Response, p. 1; GPI/COUNCIL Protest, p. 4.

\(^5\) ChargePoint Response, p. 7; Charge Ahead Response, p. 1; CESA Response, p. 2; GPI/COUNCIL Protest, p. 9; General Motors Response, pp. 3-4; SDG&E Response, p. 1.

\(^6\) ChargePoint Response, p. 4.

infrastructure until the Application is approved.” SCE agrees that SCE’s Phase 1 pilot warrants expedited review to realize the state’s ambitious carbon and air quality goals and requirements.

**B. SCE Objects To Extending Phase 1.**

A few parties recommend that the Commission require SCE to extend Phase 1 – SCE’s pilot phase – to allow greater time to obtain data from Phase 1 to guide Phase 2. SCE recognizes the benefits of smaller pilot programs and expects the Charge Ready pilot to provide helpful information for the Commission’s decision on – and SCE’s execution of – Phase 2. But in order to expeditiously facilitate vehicle charging on a scale necessary to support state goals for EV adoption, the smaller pilot phase should not last unnecessarily long, delaying the more extensive deployment of EV charging infrastructure proposed for Phase 2. Additionally, SCE has developed features to enable the Charge Ready pilot to yield sufficient data to inform Phase 2 on the schedule currently proposed. Prompt approval of the Advice Letter to establish a memorandum account, filed concurrently with SCE’s Application, would enable SCE to immediately begin pilot pre-deployment activities to help expedite the deployment of EV infrastructure as soon as Phase 1 is approved by the Commission, ultimately leading to a more robust report that will inform the Commission’s Phase 2 decision. During the Phase 1 pilot, SCE will provide quarterly status reports to the Commission and other stakeholders, collaborate with the Advisory Board proposed by SCE in its Application, and then, nine months into Phase 1, provide a Phase 1 report with data and input from the Advisory Board that may be used to inform any revisions to the design or costs of Phase 2. SCE recommends that the Commission adopt SCE’s proposed Phase 1 schedule. The Commission has the authority to re-evaluate the duration of Phase 1 after SCE files its nine-month report, if necessary.

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TURN Protest, p. 3; ORA Protest, p. 4; Charge Ahead Response, p. 8; CSE Response, p. 10.
C. SCE Opposes Consolidation Of Its Charge Ready Application With The AFV OIR
Or Other Utility Applications

SCE supports the recent Proposed Decision in the Alternative-Fueled Vehicles Order Instituting Rulemaking, R.13-11-007 (AFV OIR), which proposes to evaluate utility infrastructure proposals on a “case-specific basis.” This indicates that each application needs to be reviewed independently and assessed on its unique merits. TURN and Shell urge the Commission to consolidate SCE’s Application with the AFV OIR, which was consolidated with SDG&E’s Vehicle Grid Integration Pilot Program (A.14-04-014). Consolidation may complicate the adjudication of the various program applications, requiring more time and resources to ultimately reach resolutions. Further, SCE’s and SDG&E’s proposed programs are different in scope – SCE proposes to build EV charging infrastructure up to and including the “make ready,” with participating customers owning and operating the charging stations, while SDG&E proposes to own all EV charging infrastructure including the charging stations. The different scope of the two utilities’ applications means that the issues to be adjudicated are quite different, and this is why the AFV OIR Proposed Decision’s suggested “case-specific” approach is most appropriate. SCE is concerned about the delay that could arise from consolidation, because time is of the essence in addressing critical EV market issues.

SCE’s Phase 1 pilot should require less scrutiny than the longer-term program proposal; thus we urge the Commission to find a way to promptly approve it. Accordingly, if the Commission decides to consolidate SCE’s Application with the AFV OIR and SDG&E’s application, SCE requests that the Commission expedite resolution of SCE’s Phase 1 pilot by:

- Approving SCE’s request to establish a memorandum account, which will allow SCE to begin pre-deployment activities now; and either

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2 AFV OIR Phase 1 Proposed Decision, p. 10.
10 ORA Protest, pp. 3, 9; Shell Response, p. 2.
• Consolidate only Phase 2 of SCE’s application, allowing Phase 1 to proceed in a separate docket; or

• Consolidate SCE’s entire application, but put a decision on the Phase 1 pilot first in the queue of issues to be addressed in the proceeding; or

• Allow SCE to propose its Phase 1 pilot and funding request through an advice letter. The Commission has authorized the use of an advice letter to approve programs and funding when expediency has been warranted.11

D. **Ratepayers And The Community Will Benefit From The Charge Ready Program**

ORA expressed concern about ratepayers paying for the charging station rebates.12 This cost is reasonable because ratepayers and the community at large will benefit from the Charge Ready program. These benefits arise because EVs can provide flexible load to support reliability, provide air quality benefits to local communities, create downward pressure on rates, create local job opportunities, and benefit disadvantaged communities.13 In addition, one of SCE’s guiding principles is to provide customer participants with a full-service, turn-key solution to facilitate adoption – which includes a rebate for the charging station. CSE cites the Plug-in Electric Vehicle (PEV) Owner Survey, which indicated that “receiving a subsidy significantly influenced adopters to install a Level 2 charging station.”14 SCE agrees with CSE that providing a rebate to customer participants for charging stations is likely to increase charging infrastructure deployment and facilitate EV adoption.

11 See, e.g., Resolution E-4028, approving SCE Advice 2034-E-A and authorizing $18.1 million in incremental funding to address electric reliability needs for Summer 2007.
12 ORA Protest, p. 6.
E. **SCE-Sponsored Market Education Efforts Will Help Improve Awareness About EVs And SCE’s Charge Ready Program**

ORA, GPI/CEC, and CSE recommended an expanded statewide or third-party role in EV-related market education and outreach (“ME&O”) efforts in place of SCE’s proposed comprehensive EV awareness campaign and Charge Ready marketing strategy.\(^{15}\) While SCE sees value in experienced third parties taking part in statewide coordination efforts, a comprehensive, separate, and utility-sponsored and administered effort will provide SCE the most flexibility in running an effective campaign. In-house customer data and historical knowledge of its own marketing landscape allows SCE to more easily optimize, modify, and unify its mix of broad and targeted channels, thus ensuring the highest amount of awareness within SCE’s own service territory. Rolling proposed efforts into existing statewide awareness campaigns would likely dilute the EV and program-specific messaging that SCE’s proposed strategy wishes to convey and could weaken local targeted marketing efforts necessary for adequate Charge Ready participation. While SCE plans to coordinate its tactics with the other IOUs and related statewide efforts, SCE maintains its position that a separate, SCE-sponsored campaign will ultimately bring the greatest level of awareness about EVs and SCE’s Charge Ready program. Further, the Commission has acknowledged the value of coordinated and consistent messaging.\(^{16}\) Consistent with this Commission guidance, SCE recommends that any statewide or third-party messaging complement, rather than replace, SCE’s market education efforts. Achieving the state’s ambitious climate, air quality, and EV goals will require participation from all stakeholders on many fronts, and the Commission should embrace SCE’s role in this effort.

\(^{15}\) ORA Protest, p. 6; GPI/CEC Protest, p. 16; CSE Response, pp. 8-9.

\(^{16}\) D.11-07-029, pp. 63-64.
III. CONCLUSION

SCE appreciates the opportunity to provide this reply in support of its Application and looks forward to attending a prehearing conference in this important proceeding.

Respectfully submitted,

JANET S. COMBS
ANDREA L. TOZER

/s/ Andrea L. Tozer
By: Andrea L. Tozer

Attorney(s) for
SOUTHERN CALIFORNIA EDISON COMPANY

2244 Walnut Grove Avenue
Post Office Box 800
Rosemead, California 91770
Telephone: (626) 302-6713
Facsimile: (626) 302-7740
E-mail: Andrea.Tozer@sce.com

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