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**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking to Consider
Alternative-Fueled Vehicle Programs,
Tariffs, and Policies.

Rulemaking 13-11-007
(Filed November 14, 2013)

**BMW OF NORTH AMERICA, LLC
REPLY COMMENTS TO THE OCTOBER 3, 2016 PROPOSED DECISION IN
RULEMAKING 13-11-007**

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October 31, 2016

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In accordance with Rule 6.2 of the California Public Utilities Commission’s (“Commission”) Rules of Practice and Procedure, BMW of North America, LLC (“BMW”), respectfully submits these reply comments in response to the October 31, 2016 Proposed Decision in Rulemaking 13-11-007. BMW’s comments address three main points raised in KnGrid’s opening comments:

- KnGrid’s opening comments do not accurately represent BMW’s position related to the ISO 15118 standard and its role in SB 350 investments.
- KnGrid’s opening comments unfairly suggest that the ISO 15118 standard is the only communication pathway to avoid a “fragmented charging station ecosystem environment.”
- KnGrid’s unfairly suggest that the ISO 15118 will result in lower infrastructure investment costs.

The Commission should revise the September 14th ruling to encourage any standards-based communication approach for smart charging to be included in SB 350 investments.

- I. KnGrid’s opening comments do not accurately represent BMW’s position related to the 15118 standard and its role in SB 350 investments.**

In its opening comments, KnGrid lists BMW as a party that “supported the ISO 15118 standard.”¹ In its May 18, 2016 opening comments, BMW was clear in urging the Commission to not select a single standard communication standard for the SB 350 investments, but instead asked the Commission to encourage innovation in smart charging by “remaining open to innovative communication pathways that offer benefits to customers and the grid.”² The BMW Opening Comments directly addressed this issue of whether a single standard is appropriate at this time:

“While BMW supports the development efforts for this standard, at this time we do not believe that it is appropriate for the Commission to endorse this standard, or any other communication standard, as the exclusive way for conducting VGI communication. Additional research and implementation experience is required to understand the effectiveness of a single standard in this area. It is more appropriate for the utilities to pursue multiple communication avenues that do not limit or direct the technology in ways that might prove to be counterproductive. While a single standard may offer the best benefits in the long-term, it is not clear that a single standard is necessary to support broad scale adoption of vehicle-grid integration at this time.”³

II. KnGrid’s opening comments unfairly suggest that the ISO 15118 standard is the only communication pathway to avoid a “fragmented charging station ecosystem environment.”⁴

BMW does not agree with KnGrid’s assertion that ISO 15118 is the only way to provide a seamless charging environment that supports ubiquitous smart charging opportunities. The Electric Power Research Institute (EPRI) is leading an effort to develop a communication

¹ KnGrid October 24, 2016 Opening Comments in Response the October 3, 2016 Proposed Decision in R. 13-11-007 at page 3.

² BMW of North America, LLC May 18, 2016 Opening Comments to Amended Scoping Memo and Ruling of the Assigned Commissioner and Administrative Law Judge for Rulemaking 13-11-007 at page 5.

³ BMW of North America, LLC May 18, 2016 Opening Comments to Amended Scoping Memo and Ruling of the Assigned Commissioner and Administrative Law Judge for Rulemaking 13-11-007 at page 6.

⁴ KnGrid October 24, 2016 Opening Comments in Response the October 3, 2016 Proposed Decision in R. 13-11-007 at page 5.

platform that allows utilities to work with VGI resources using numerous different communication standards. EPRI's Open Vehicle-Grid Integration Platform (OVGIP) provides a seamless way for utilities to interact with different automakers, charging networks, and other entities that can facilitate grid services from electric vehicles. As a participant in EPRI's development process, BMW believes EPRI's approach to developing a technology-neutral platform can help accelerate VGI implementation without waiting for a single standard to emerge.

III. KnGrid's unfairly suggest that the ISO 15118 will result in lower infrastructure investment costs and will avoid stranded assets.

KnGrid suggests the use of the ISO 15118 standard will avoid the need to "invest twice" in charging infrastructure and will avoid stranded assets.⁵ The ISO 15118 standard is currently only available in one vehicle model and is not used in any existing charging standards in California, outside of limited research projects. A requirement to use the ISO 15118 standard would prevent nearly all existing charging stations and existing vehicles from participating in smart charging. The Commission can avoid this outcome by allowing stakeholders to continue to develop innovative smart charging communication pathways. The EPRI OVGIP pathway is one way to incorporate existing vehicles and charging stations in a network that supports smart charging.

BMW believes that vehicle telematics is a potential communication option to avoid higher infrastructure costs and stranded assets. The BMW ChargeForward pilot, which BMW is currently conducting with PG&E, has demonstrated that vehicle telematics is a viable method for accomplishing vehicle-grid integration. The BMW-PG&E pilot does not require any communication with a charging station – demand response events are communicated via the OpenADR standard through the BMW software system to the vehicle and the driver, using the on-board vehicle telematics system to receive messages and manage the vehicle's charging. This pilot requires no modifications to the vehicle or a host site in order to participate, which reduces program costs. BMW believes that vehicle telematics are a promising pathway for this

⁵ KnGrid October 24, 2016 Opening Comments in Response the October 3, 2016 Proposed Decision in R. 13-11-007 at page 5.

communication as they leverage a customer's existing investment in communication functionality in the vehicle.

IV. CONCLUSION

In emphasizing the use of 15118, the Commission is dampening innovation in smart charging technologies at a time when innovative is critical to creating long-term value for ratepayers. BMW asks the Commission to clarify that other standards-based communication approaches are encouraged to be included in utility SB 350 investment plans. The primary obstacle to smart charging in California is not the need for a single smart charging standard, but rather the uncertainty around the grid value of smart charging and lack of clear contracting opportunities to access this value. We suggest that the Commission focus its efforts in addressing these questions, rather than picking interoperability standards that impose a business model on smart charging and limit opportunities for innovation by stakeholders in the vehicle charging value chain.

Dated: October 31, 2016

Respectfully submitted,

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