



CAP/ek4 1/24/2018

**FILED**  
01/24/18  
09:22 AM

**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

**ASSIGNED COMMISSIONER'S RULING PROVIDING GUIDANCE TO  
UTILITIES ELECTING TO SUBMIT APPLICATIONS  
PURSUANT TO ASSEMBLY BILLS 1082 AND 1083**

**Background**

Assembly Bill (AB) 1082 (Chapter 637, Statutes of 2007) and AB 1083 (Chapter 638, Statutes of 2007) became law in October 2017. The bills authorize, but do not require, any of the six electric utilities under California Public Utilities Commission (CPUC) jurisdiction to file additional applications with the CPUC to propose pilots to support the installation of electric vehicle charging stations at school facilities and other educational facilities (AB 1082) and state parks and beaches (AB 1083). The bills require the utilities to submit any applications by July 30, 2018 and for the CPUC to decide on the applications by December 31, 2018, in an expedited five-month review process.

AB 1082 authorizes each of the electric utilities to file an application to propose a pilot for the installation of electric vehicle charging stations at school facilities and other educational institutions. This could provide support for electrified school buses. The participating school or educational facility shall have the authority to establish guidelines for the use of charging stations installed through the pilot.

AB 1083 authorizes each of the electric utilities to file an application to propose a pilot for the installation of electric vehicle charging stations at state parks and beaches. Additionally, AB 1083 requires utilities to consult with the Department of Parks and Recreation (Parks), CPUC, California Energy Commission (CEC), and California Air Resources Board (ARB) if they file an application. Consistent with the legislation, Parks shall determine which parks or beaches are suitable locations for EV charging.

Both bills require that the pilots:

- Have a cost recovery mechanism that allows for cost recovery up to a CPUC-defined limit;
- Minimize costs and maximize benefits;
- Do not unfairly compete with nonutility enterprises;
- Include performance accountability measures;
- Are in the interest of ratepayers;
- Use workers paid the prevailing wage or employed by the utility to install charging stations;
- Require the site hosts to participate in a time-variant electric rate for the charging stations; and
- Prioritize sites located in disadvantaged communities.

The utilities already have several initiatives underway to support electric vehicles, including rates, rebates, and pilots to install charging infrastructure. This proceeding remains open to consider and provide guidance for additional utility proposals to support widespread transportation electrification pursuant to Senate Bill (SB) 350 (Chapter 547, Statutes of 2015).

## **1. Guidance to Utilities**

We take this opportunity to provide the guidance to any utility wishing to submit an application pursuant to AB 1082 and/or AB 1083. Unless specified, the guidance below applies to both AB 1082 and AB 1083 proposals.

### **1.1. Application submission**

Pursuant to §740.13(b) and §740.14(a), a utility must file any application by July 30, 2018.<sup>1</sup> If a utility develops pilot proposals pursuant to both AB 1082 and AB 1083, it should submit both proposals in one application. Proposals should be consistent with all provisions of the applicable statute.

### **1.2. Assessment**

Before developing an application, each utility should assess whether it would be appropriate to support electric vehicle charging at school facilities and other educational facilities as well as state parks and beaches within their service territories. We encourage coordination across all six utilities, but each utility's proposal should also explain why their proposal is appropriate in the context of the characteristics of their service territory. As part of the assessment, the utilities should collect data on school and park facilities, to the extent possible, to understand current charging behavior and demand for charging at these sites.

### **1.3. Coordination**

For pilots submitted pursuant to AB 1082, the utility should consult with the California Department of Education prior to submitting its application to understand the potential charging needs at school facilities under their jurisdiction. The utility should consult with other school and educational organizations as necessary.

For pilots submitted pursuant to AB 1083, the utility must consult with Parks, CPUC, CEC, and ARB prior to submitting its application (§740.14). Parks manages the State Parks and Beaches that are the subject of this bill; therefore, it

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<sup>1</sup> All references are to the Public Utilities Code unless otherwise stated.

is particularly important to develop a pilot in coordination with this department. Specifically, any pilot should help Parks meet its goals for fleet and employee charging pursuant to Executive Order B-16-2012<sup>2</sup> and its fleet acquisition plan.

Any of the three large utilities (San Diego Gas & Electric Company, Southern California Edison Company, Pacific Gas and Electric Company) interested in submitting an application should review their proposal with their respective Program Advisory Council or Advisory Board for their light-duty infrastructure pilot before submitting an application.

#### **1.4. Scope of pilots**

Each pilot may have a duration of up to two years. Although the statutes do not place a limit on pilot budgets, we suggest a budget for each pilot's direct costs not to exceed \$10 million, unless the utility provides clear evidence as to why a larger budget is necessary. The utility may support school facilities and other educational institutions as defined in §740.13(a)(2-3) and state parks and beaches that Parks have determined are suitable for charging stations as required in §740.14(a).

#### **1.5. Contents of application**

To ensure the Commission can make a decision on these applications in the expedited timeframe identified in the bills, each application should be as detailed as possible. The application and supporting testimony should clearly explain how the proposed pilot(s) meets all of the bill's requirements, and more specifically:

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<sup>2</sup> Executive Order B-16-2012 ordered that the state vehicle fleet increase the number of its zero-emission vehicles <https://www.gov.ca.gov/news.php?id=17472>.

- **Portfolio fit.** The utility should describe how its proposal aligns with its broader transportation electrification plans and portfolios, and how these proposed pilots compare to its other ongoing and proposed transportation electrification projects. The utility should describe any current transportation electrification projects at any school or park sites, and explain why an additional pilot would be necessary. The utility should explain the expected greenhouse gas (GHG) and air quality benefits of the pilot in relation to its other transportation electrification activities and investments. The utility should also explain how it has leveraged the lessons learned from ongoing transportation electrification work to develop the new pilots.
- **Project summary.** The project summary for each pilot should include the following: the number of sites, charging ports, and vehicles the utility expects to support; the capital costs and expenses associated with the pilots, and the rate and bill impacts associated with these costs; the process utilities will use to choose vendors for equipment, construction, and services; the process the utilities will use to select appropriate pilot sites; the projected number of incremental electric vehicles supported; the type and power level of charging equipment; and vehicle type (*e.g.* personal vehicle, fleet vehicle, school bus) that will use the charging equipment.
- **Charging equipment.** The utility proposal should include all of the infrastructure necessary for charging, including any necessary make-ready infrastructure,<sup>3</sup> and identify who will install, own and maintain the infrastructure. The utility should explain how it has considered the recommendation from the Commission’s Vehicle Grid Integration Working Group in development of its proposal.

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<sup>3</sup> Make-ready infrastructure refers to any utility-side infrastructure and customer-side infrastructure needed to support the charging stations.

- **Cost recovery.** The utility should propose an appropriate method for recovery of capital costs and expenses associated with its proposal. The utility should state the annual and cumulative revenue requirement associated with its proposal. To the extent feasible considering the needs of the site host facility, the utility should explore performance incentives compared to infrastructure ownership to make their business case.
- **Utilization of assets.** The utility should explain how it will ensure the charging infrastructure it plans to install is used and useful, especially given the seasonal nature of the school and park sites. The utility should identify any risks of stranded assets and how it will mitigate those risks, including through requirements for participating site hosts. For any proposal pursuant to AB 1082, the utility should address how it will consider the provision in §740.13(i), which allows a school facility to request removal of charging station after eight years of participation, in assessing the ratepayer benefits of installing infrastructure at these locations.
- **Benefits to Disadvantaged Communities.** The utility should identify its strategy for supporting disadvantaged communities, including its strategy to prioritize sites located in disadvantaged communities as required by §740.13(h) and §740.14(e).
- **Pilot outreach.** The utility should describe its plan to engage stakeholders and identify potential sites for charging infrastructure once the proposal is approved.
- **Data collection and evaluation.** The utility should propose a plan for data gathering, reporting, and evaluation, including how the utility will ensure it can receive the necessary data from site hosts. This plan should identify the performance accountability measures applicable to each pilot as required in §740.13(e)(4) and §740.14(b)(4).
- **Rates and load impacts.** Pursuant to §740.13(g) and §740.14(d), the utility should state which time-variant

electric rates could apply to the potential pilot sites. The utility should describe what additional requirements may be necessary of site hosts to manage charging load, given that AB 1082 and AB 1083 do not require site hosts to pass on the utility rate directly to drivers. The utility should estimate the resulting load impacts due to the pilot.

- **Competition.** The utility should explain how it will ensure it will not unfairly compete with the private market, as required in §740.13(e)(3) and §740.14(b)(3).
- **Leveraged funding and partnerships.** The utility should explain its plan to leverage funding to support the pilot. The utility should focus its investments on infrastructure, and not use ratepayer funds for vehicle incentives. The utility should also identify any project partners or state/local agencies that will provide guidance and expertise during pilot planning or implementation.
- **Labor.** The utility should explain how they will comply with the provisions to use the utility workforce or workers who are paid the prevailing wage to install and maintain the charging infrastructure as required in §740.13(f) and §740.14(c).
- **Safety.** The utility must include a plan to ensure worker, customer, and driver safety. This should be based on the draft safety checklist developed for the SB 350 priority review transportation electrification projects,<sup>4</sup> and contain any additional safety requirements specific to the proposed pilots. Utilities should work together to develop a safety plan.

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<sup>4</sup> Available at: [www.cpuc.ca.gov/sb350te](http://www.cpuc.ca.gov/sb350te).

**IT IS RULED** that any utility wishing to submit an application pursuant to AB 1082 and/or AB 1083 must follow the guidance set forth in Section 1 herein, and file such application no later than July 31, 2018.

Dated January 24, 2018, at San Francisco, California.

/s/ CARLA J. PETERMAN

Carla J. Peterman  
Assigned Commissioner