



BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

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Application of Pacific Gas and Electric Company
(U39M) for Approval of its Proposal for a Day-
Ahead Real Time Rate and Pilot to Evaluate
Customer Understanding and Supporting
Technology

Application 20-10-011
(Filed October 23, 2020)

**OPENING COMMENTS OF ENVIRONMENTAL DEFENSE FUND
ON PROPOSED DECISION AUTHORIZING PACIFIC GAS AND ELECTRIC
COMPANY TO IMPLEMENT AN OPTIONAL DAY-AHEAD REAL TIME RATE FOR
COMMERCIAL ELECTRIC VEHICLE CUSTOMERS**

November 8, 2021

Megan M. Myers
Attorney for Environmental Defense Fund
Law Offices of Megan M. Myers
110 Oxford Street
San Francisco, CA 94134
Telephone: (415) 994-1616
Email: meganmmyers@yahoo.com

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Environmental Defense Fund (EDF) respectfully submits these Opening Comments on the Proposed Decision Authorizing Pacific Gas and Electric Company to Implement an Optional Day-Ahead Real Time for Commercial Electric Vehicle Customers (Proposed Decision), mailed in this proceeding (Application (A.) 20-10-011) on October 18, 2021. These Opening Comments are timely filed and served pursuant to Rule 14.3 of the Commission's Rules of Practice and Procedure and the instructions accompanying the Proposed Decision.

**I.
BACKGROUND AND SUMMARY OF EDF'S POSITION**

Overall, EDF supports the Proposed Decision because it represents an important step in the advancement of dynamic rates for commercial electric vehicles (CEVs). What initially began as a limited 50 customer pilot is now being adopted as an optional rate for any Pacific Gas and Electric Company (PG&E) customer that is eligible to enroll in PG&E's Business Electric Vehicle (BEV) rates.¹ EDF applauds the Commission making the important decision to broaden the reach of the rate, which can ultimately make owning and operating CEVs more affordable while mitigating potentially costly grid impacts prompted by substantial new load and providing

¹ Proposed Decision, at p. 2.

environmental benefits. To that end, EDF strongly recommends adoption of the Proposed Decision with a few modifications, as discuss in more detail below.

II. THE PROPOSED DECISION CORRECTLY DIRECTS PG&E TO OFFER AN OPTIONAL DYNAMIC RATE

Throughout this proceeding, EDF argued that the size of PG&E’s Day-Ahead Hourly Real Time Pricing Pilot for CEV customers (DAHRTP-CEV Pilot or Pilot) should be expanded.² As such, EDF agrees with the Proposed Decision finding that “[a] limited pilot of 50 highly variable customer sites is unlikely to provide results that could be adequately evaluated to determine customer responsiveness, or the effectiveness of the real-time pricing rate design being implemented.”³ The Proposed Decision acknowledges that “EDF recommended the Commission require PG&E to expand its pilot so that customer data can be utilized to evaluate and improve on the rate’s design in a timely manner.”⁴ The Proposed Decision also notes that EDF’s suggestion that the pilot be expanded beyond 50 customers was echoed by Enel X North America, Inc. (Enel) and Small Business Utility Advocates (SBUA).⁵ As such, based on EDF’s advocacy, the Proposed Decision ordered PG&E to offer an optional, day-ahead, hourly real-time pricing rate to all its BEV customers.⁶

EDF is pleased that the adopted policy consists of an optional rate rather than a pilot. However, in order to avoid losing a valuable opportunity to deepen collective understanding of how commercial vehicle electrification can be part of a modernized grid, , structured steps should be taken to sufficiently enable lessons learned from the optional dynamic rate. This will

² See, e.g., EDF’s Opening Brief, at pp. 5-7.

³ Proposed Decision, at p. 40 (Finding of Fact 17).

⁴ *Id.*, at p. 24.

⁵ *Id.*, at p. 24.

⁶ *Id.*, at p. 42 (Ordering Paragraph 1).

require PG&E to pursue tailored outreach to effectively recruit customers into the rate, track approaches used and the subsequent response to price signals, as well as the extent to which customers stay on the rate, and evaluate which methods are most effective.

It is essential to evaluate how receptive customers are to the tariff, and imperative that PG&E reach out and test numerous customer segments. There is not just one customer type that this rate would appeal to; there are many different customer segmentations. As recommended in EDF’s testimony, the Commission should direct PG&E to recruit rate adopters in at least 10 customer segments with a minimum of 1,000 drivers.⁷ To support this effort, EDF encourages the Commission to order PG&E to meet customer enrollment targets by customer segment, as discussed above, which would be approximately 100 customers in each segment as a target. This will ensure that enough populations are enrolled in the rate to develop information about what elements were more successful than others. EDF recommends that an Interim Report and Final Report be developed to include this specific information.

Table One⁸
Proposed Pilot Segments, Participants, and Analytical Frame

<i>Segment</i>	<i>Potential Institutional Partners</i>
Public Sector Fleets	Public works, water departments
Public Transportation	School and/or municipal bus fleets.
Medium Duty Delivery	Amazon, FedEx, Ryder, UPS, U.S. Post Office
Medium Duty Agricultural	J.G. Boswell Company, Wonderful, Sysco
Transportation Network Companies	Cruise, Lyft, Uber
Heavy-Duty Transit/Delivery Nodes	Truck stops, ports
Public/Workplace Charging	ChargePoint, PG&E
Community Choice Aggregators	Marin Clean Energy, East Bay Community Energy
Recreational facilities, residential developments	Golf courses, amusement parks, adult communities

⁷ EDF Opening Brief, at p. 7.

⁸ *Id.*

Lastly, EDF recommends that the Proposed Decision be modified to direct PG&E, when it provides its proposal for rolling out and structuring the dynamic rate, to consult with other interested entities, such as consumer advocates, environmental groups, environmental justice advocates, and large and small business, to shape this proposal. The Proposed Decision states that there should be consultation with SBUA and consumer groups, and EDF suggests that should be available to all of the parties in this proceeding. This will lead to the most robust and transparent rate.

II. CONCLUSION

For the reasons detailed above, EDF strongly supports the Proposed Decision. However, EDF requests that the changes described above and embedded in Appendix A hereto (Proposed Findings of Fact, Conclusions of Law, and Ordering Paragraphs) be included in the Commission's Final Decision.

Respectfully submitted,

November 8, 2021

 /s/ MEGAN M. MYERS
MEGAN M. MYERS
Attorney for Environmental Defense Fund
110 Oxford Street
San Francisco, CA 94121
Telephone: (415) 994-1616
Email: meganmmyers@yahoo.com

APPENDIX A

ENVIRONMENTAL DEFENSE FUND PROPOSED FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDERING PARAGRAPHS FOR THE PROPOSED DECISION ON REMAINING ISSUES

Environmental Defense Fund (EDF) proposes the following modifications to the Findings of Fact, Conclusions of Law, and Ordering Paragraphs in the Proposed Decision Authorizing Pacific Gas and Electric Company to Implement an Optional Day-Ahead Real Time for Commercial Electric Vehicle Customers (Proposed Decision), issued in (Application (A.) 20-10-011) on October 18, 2021.

- A page citation to the Proposed Decision is provided in brackets for each Finding of Fact, Conclusion of Law, or Ordering Paragraphs for which a modification is proposed.
- Added language is indicated by **bold type**; removed language is indicated by **bold strike-through**.
- A new or added Finding of Fact, Conclusion of Law, or Ordering Paragraph is labeled as “NEW” in **bold**, underscoring capital letters.

PROPOSED ORDERING PARAGRAPHS:

NEW. Pacific Gas and Electric Company shall test this optional dynamic rate on at least 10 customer segments with a minimum of 1,000 drivers.

NEW. Pacific Gas and Electric Company shall meet customer enrollment targets by customer segment.

NEW. Pacific Gas and Electric Company shall coordinate and work with other interested entities when it rolls out this dynamic rate.