

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



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Order Instituting Rulemaking
to Establish Energization Timelines

Rulemaking 24-01-018
(Filed January 25, 2024)

**REPLY COMMENTS OF POWERING AMERICA'S COMMERCIAL
TRANSPORTATION ON THE PROPOSED DECISION ESTABLISHING
TARGET ENERGIZATION TIME PERIODS AND PROCEDURE FOR
CUSTOMERS TO REPORT ENERGIZATION DELAYS**

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I. Introduction

Powering America’s Commercial Transportation (“PACT”)¹ submits these Reply Comments in accordance with Rule 14.3, subdivision (a) of the California Public Utilities Commission (“Commission”) Rules of Practice and Procedure,

II. Summary of Recommendations

In response to comments filed by other parties, PACT recommends that the Commission:

- Adopt the decision tree approach and energization timelines are grounded in the regulatory compliance obligations and business needs of the commercial transportation industry
- Reject the Large IOU proposed amendments to the energization timelines and not exempt Small and Multi-Jurisdictional Utilities (SMJUs) from energization timelines
- Create an Energization Work Group structured similarly to the Rule 21 Work Group.

¹ PACT membership comprises ABB E-mobility, Amazon, Alpitronic, BC Hydro, Burns & McDonnell, Chateau Energy Solutions, Cummins, Daimler Truck North America, EV Realty, Forum Mobility, Geotab, Greenlane, InductEV, J.B. Hunt Transport, Inc., Mortensen, Navistar Inc., Penske, Pilot Flying J, Pioneer eMobility, PittOhio, Prologis, Voltera, Volvo Group North America, WattEV, and Zeem Solutions.

III. Discussion

PACT and numerous other parties provided detailed analyses in Opening Comments to support legal findings that the PD does not comply with either the requirements or legislative intent of SB410. In response, PACT details the following approaches to improve the target energization timelines.

A. One Size Does Not Fit All: The Commission Should Adopt the Decision Tree Approach

As identified by PACT and several parties in Opening Comments, the PD fails to recognize the unique timelines for transportation projects that are critical for meeting California and federal regulatory compliance obligations and addressing the commercial transportation industry's needs. The Opening Comments of several customer groups demonstrate that a one-size-fits-all approach accommodates no one's needs.

- The Bay Area Housing Advocacy Coalition (p. 3) contends that the average target timeline to energize residential properties (e.g., simple connections projects) should be 30 days.
- CTIA (pp. 1-3) and California Broadband Association (p. 2-3) state that the target timelines for Tariff Rules 15, 16 will have little effect for most customers, may yield “worse” outcomes for some, and fail to distinguish between large and small projects or projects with varying degrees of complexity. They urge the Commission to adopt “substantially shorter” timelines in Phase 2, consistent with their industry's unique needs.
- Auto Innovators, representing manufacturers of light and medium duty vehicles, states that while the proposed target timelines will benefit some small TE projects (p. 3), there should also be aggressive target timelines for the larger and more complex customer projects that require upstream capacity upgrades” (p. 6).

Given the dissatisfaction across the spectrum of customer types, PACT urges the Commission to reconsider adopting the Decision Tree approach first outlined at the Feb. 2, 2024 workshop,² described in NRDC/EDF's Opening Comments on the Scoping Memo and endorsed by PACT at p. 5, fn. 17. The premise of this framework is that while customer energization

² Administrative Law Judge's Ruling Admitting the February 2, 2024, Workshop Slides into the Record and Presentation by Aravind Kailas, Volvo Group, Energizing Electric Truck Transport, p. 87.

projects vary in size and complexity, they can be sorted into a relatively small number of categories for the purpose of setting target energization timelines. In addressing the comments identified above, that while the “universe” of projects is diverse, most fall into four categories:

- Simple Rule 15 - Most basic residential and broadband projects: **30 days**
- Complex Rule 15 and Rules 16, 29/45 and 15+16 - Relatively straightforward projects with some challenges that are within the utilities’ control: **125 days**
- Complex, Partial Solution Possible - Projects including feeder upgrades, new feeders, and possible upgrades to substations: **125 days** (maximum) for loads under 5MW; **2 years** for loads above 5MW
- Highly Complex, Limited Options - Complex projects listed above and new substations: **2 years** (maximum)

This framing supports adoption of a variation of the classic 80/20 approach: 95/5. Based upon the available utility data, PACT believes that the first two categories account for the vast majority (95%) of the energization requests. The Commission should order the utilities to energize these within 30 or 125 days, and set guidelines for improvements so that in 5 years time, the timelines are reduced to 60 days from 125 days. The remaining 5% of projects (the last two categories) are the complex ones that affect mostly M/HD transportation electrification and are of the highest concern for PACT members. PACT suspects that such projects were erroneously classified as outliers and discarded from the data set used to assess the IOUs’ historic performance.³ Instead, these projects merit the Commission’s highest level of attention.

B. The Large IOUs Proposed Changes to the Targets and Timelines Should Be Rejected

The Large IOUs’ recommendations to modify the proposed targets and timelines would only compound the PD’s erroneous approach to SB410 and AB50, and should not be adopted.

³ PACT disagrees with how these projects were identified by Guidehouse in the PD, Appendix A, page 9, as there is no methodology identified in the report on how they were deemed outliers and removed from the dataset, nor were parties given the opportunity they requested to seek clarification via a workshop. PACT is concerned that many of these outliers could be the more complex M/HD projects.

In their Opening Comments, SCE argues that “excessive reporting requirements that go beyond the statutory framework will divert IOU resources from expediting energization and increase ratepayer costs” (p.7). The need for all these reporting requirements emerges because the utilities are not able to meet their customers’ current and expected future needs. PACT acknowledges these requirements could be construed as “excessive”, but if the utilities improved their timeliness and performed to their customers’ needs for an end-to-end timely performance, we can look at these detailed reporting requirements being minimized or even eliminated. PACT is also amenable to the most detailed reporting requirements focused on the above listed Complex and Highly Complex categories.

PACT strongly disagrees with PG&E’s proposal for a *de facto* two-track timeline with one timeline for energization and another for upstream capacity additions. PACT disagrees with this approach because it needlessly complicates the solution to a simple problem: progressively shorter end-to-end timelines.

SDG&E proposes a more measured approach to reporting requirements, focusing initially on the data that is most useful for purposes of informing future revisions to targets. (p.2). PACT agrees to that approach if the primary target of future revisions is upstream capacity additions because that is where there is a significant gap between current timelines and industry/customer needs, and that capacity takes the longest to build. PACT opposes any delay in filing reporting requirements.

SDG&E recommends that “the tariff-based portion of required upgrades be exempted from the energization timeline targets since completion of the upstream distribution capacity upgrade will be the controlling element from a timeline standpoint. It is illogical to subject the tariff-based portion of upgrades to timeline targets when the upstream distribution capacity upgrade controls when project energization can occur.” PACT strongly opposes this conclusion and recommends an end-to-end approach. If the utility fails to justify the need for these upstream capacity upgrades in its General Rate Case (GRC), it must be responsible for that outcome: utilities have the unique obligation to plan for their customers’ future needs and propose outcomes appropriately in the GRC. If they do that, the Commission has the responsibility to approve them.

C. The Adopted Targets and Timelines SHOULD Be Extended to the SMJUs.

The Scoping Memo deferred consideration of targets and timelines for the Small and Multi-Jurisdictional Utilities (SMJUs) to Phase II. In their Opening Comments these SMJUs contend that the energization targets in the PD for the Large IOUs should not extend to them. PACT disagrees. The service territories of two of the SMJUs are bisected by highways designated by the California Transportation Commission as Priority Freight Corridors for electrification⁴: I5-- Pacific Power and I-80—Liberty. SMJUs should not be exempt from energization timelines, however, given that they lack the resources of the Large IOUs, it is reasonable to require less extensive data reporting requirements.

D. An Energization Working Group Should Be Established Immediately

The Commission should order the creation of an Energization Work Group structured similarly to the successful Rule 21 Work Group. PACT provides a proposed charter for this Work Group in Attachment A. Numerous parties have supported creation of such a work group from the start of this proceeding⁵ and several reiterated this request in their Opening Comments on the PD.⁶ CalCCA recommends the “immediate establishment of a working group to ... inform the Phase 2 proceedings” (p. 14). The Work Group should be given a focused six-month charge to produce a report providing data, best practices, and target recommendations. (AEU pp. 4-5) It should be facilitated by either Commission staff or a third-party (IREC, p. 15) and result in a report summarizing consensus recommendations and highlighting areas of continued disagreement between stakeholders. After a round of opening and reply comments on the report, the Commission could then consider how to amend the established energization targets. (IREC, p. 15).

IV. Conclusion

PACT appreciates the opportunity to provide these Reply Comments. PACT is committed to supporting the deployment of reliable M/HD charging infrastructure and looks forward to engaging further in this proceeding with the Commission, other parties and interested stakeholders.

⁴ SB671 Report, at <https://catc.ca.gov/-/media/ctc-media/documents/programs/sb671/sb671-final-clean-freight-corridor-efficiency-assessment-dor.pdf>; CEC Service Territory maps, at <https://cecgis-caenergy.opendata.arcgis.com/documents/c69c363cafd64ad2a761afd6f1211442/explore>

⁵ See Opening Comments of IREC on Proposed Decision, footnote 61.

⁶ See Opening Comments of IREC pp. 14-15, AEU pp.4-5, NRDC/EDF p. 13, CalCCA pp. 13-14, Auto Innovators p. 11, AEU, pp 4-5.

Dated: September 4, 2024

Respectfully Submitted,

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ATTACHMENT A

PROPOSED CHARTER FOR JOINT UTILITY-INDUSTRY WORKING GROUP

The Working Group should conduct outreach and engagement to receive feedback from representatives and organizations of key utility customers that will contribute to significant future load growth increases, including customers and industries that importantly are required to electrify significant aspects of their current operations, such as fleet customers complying with the Advanced Clean Fleets rule.

Membership: Large IOUs, SMJUs whose service territory includes any of the priority freight corridors designated in the SB671 Report, Energy Division Staff, representatives from the California Energy Commission and Air Resources Board, representatives from the buildings and transportation sectors, and other sectors.

Facilitation: Qualified Third-Party Facilitator (paid for with CPUC consulting budget or by the Large IOUs).

Scope of Activities:

1. Develop a standardized process to be used across the utilities for energizing new service. The working group would attempt to achieve consensus on:
 - A set of energization steps, including preliminary site assessments and other pre-application processes and project queue handling;
 - Definitions and start/end points of the sub-steps, tasks and stages involved in energization processes;
 - Identify utility responsibilities in “dependencies;”
 - Determine which steps to the energization process can and should be completed in parallel;
 - Standardized conveyance of Electric Service Requirements, tariffs, and procurement schedules for utility owned equipment required to take electric service.
2. Develop a mechanism to use California’s decarbonization goals to inform the pace of energization and adjust established energization targets moving forward. Engage with other agencies such as the California Energy Commission and Air Resources Board, and possibly an outside consultant to develop a model of how to track whether energization is proceeding at the rate required by the state’s electrification goals and mandates. Discuss how this model should inform modifications to the energization targets moving forward.
3. Identify and recommend best practices that can minimize delay, by assessing the numerous innovative ideas presented in this proceeding.
4. Consider methods to accelerate the planning for and construction of upstream capacity that is needed prior to customer requests for energization.

5. Refine and document data definitions to ensure complete and consistent reporting across the utilities and transparency for stakeholders.
6. Formulate the Energization Target Reporting Template.
7. Provide stakeholders visibility and input into data analysis and modeling by the CPUC's consultant(s).

Deliverables:

- Meetings and workshops
 - By 10/31/24: Facilitated workshop on enhanced customer engagement procedures
 - By 10/31/24: Facilitated workshop on standards and criteria for utility data used to support the IOUs' reporting requirements and analyses conducted by the Commission's consultant, i.e. which customer projects are included/excluded, data cleaning procedures, availability of certain fields (e.g. project type, unique ID(s) for any necessary upstream grid upgrade(s))
 - Facilitated meeting at least once a month (workshops may take the place of the monthly meeting). Subgroup meetings and exchanges of drafts may be required for parties working to collaborate on consensus proposals.
- Enhanced customer engagement procedures to be included in the Large IOUs' Tier 1 Advice Letters
- Data standards, criteria, definitions and reporting requirements
- Final report providing data, best practices, and target recommendations by 3/31/2025