



California Public Utilities Commission
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PRESS RELEASE

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CPUC APPROVES TRANSPORTATION ELECTRIFICATION INITIATIVES TO HELP ACCELERATE ELECTRIC VEHICLE ADOPTION

SAN FRANCISCO, December 17, 2020 - The California Public Utilities Commission (CPUC) today approved several measures to accelerate electric vehicle (EV) and infrastructure deployment in California, including strategies to help EVs charge in ways that are beneficial for the electrical grid, and new rate structures to help commercial EV customers save money. Today's decisions mark important progress toward meeting the state's ambitious clean transportation goals, including Governor Gavin Newsom's recent Executive Order phasing-out the sale of new internal combustion engines in California by 2035.

As EVs become increasingly prevalent in California, it is critical that they charge at times and locations that do not unduly stress the grid and indeed create grid benefits. The set of measures designed to encourage such charging behavior is called [Vehicle Grid Integration \(VGI\)](#). Pursuant to Senate Bill 676 (Bradford, 2019), a CPUC Decision approved today adopts strategies, metrics, and near-term objectives to encourage VGI and further the integration of EVs as an energy resource that can help meet the needs of the grid. The Decision adopts recommendations from the CPUC's VGI Working Group and directs utility engagement on interconnection and rate reform, pilot programs, including the use of VGI for resiliency purposes, such as using EVs as emergency backup power for buildings during wildfire-related utility Public Safety Power Shutoffs, and more. The Decision prioritizes investment in low-income and disadvantaged communities with targeted pilot programs, higher incentives, and community engagement. The proposal voted on (R.18-12-006) is available at <https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M355/K104/355104591.PDF>.

To help accelerate the adoption of EVs in the commercial sector, the CPUC approved a special rate for San Diego Gas and Electric (SDG&E) customers. This customer-friendly rate with a new



subscription pricing plan will replace peak demand charges that can make charging costs prohibitive. The Decision follows previously approved programs that provide similar commercial EV rate options for customers of Pacific Gas and Electric Company and Southern California Edison. The proposal voted on (A.19-07-006) is available at

<https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M354/K592/354592847.PDF>.

Also in R.18-12-006, the CPUC authorized utility investment of money generated by the sale of Low Carbon Fuel Standard (LCFS) credits on a variety of EV projects, with a strong focus on low-income and disadvantaged communities starting in 2021. By 2024, the large electric utilities will allocate at least 75 percent of their so called “LCFS holdback credits”—funds not previously allocated by a CPUC decision—for projects that serve underserved communities, including electrification and battery swap programs for school or transit buses, investment in public EV charging infrastructure, additional rebates and incentives for low-income individuals, and more. Additional funds not invested in these communities will largely go towards projects with resiliency benefits. It is estimated that such holdback funds could be up to \$100 million per year for the regulated utilities. The LCFS is a critical greenhouse gas reduction measure, which incentivizes the use of electricity and hydrogen as low carbon transportation fuels to promote transportation electrification in the state. The proposal voted on is available at

<https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M355/K123/355123667.PDF>.

“These decisions will advance California on its path toward a zero-emission transportation future,” said Commissioner Clifford Rechtschaffen. “They will help with rates, charging behavior, infrastructure, and investment in underserved communities.”

Documents related to proceeding R.18-12-006 are available at:

https://apps.cpuc.ca.gov/apex/f?p=401:56:0::NO:RP,57,RIR:P5_PROCEEDING_SELECT:R1812006.

Documents related to proceeding A.19-07-006 are available at:

https://apps.cpuc.ca.gov/apex/f?p=401:56:0::NO:RP,57,RIR:P5_PROCEEDING_SELECT:A1907006.



Today's decisions are the latest in a series of actions that the CPUC has taken to accelerate adoption and deployment of electric vehicles in California. Other actions are described at www.cpuc.ca.gov/zev.

On September 23, 2020, Governor Newsom issued Executive Order N-79-20, requiring all new cars and passenger trucks be zero-emission vehicles by 2035 and directing the CPUC and other state agencies to accelerate deployment of affordable fueling and charging options for zero-emission vehicles to serve all communities, including low-income and disadvantaged communities.

The CPUC regulates services and utilities, protects consumers, safeguards the environment, and assures Californians' access to safe and reliable utility infrastructure and services. For more information on the CPUC, please visit www.cpuc.ca.gov.

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