

California Public Utilities Commission 505 Van Ness Ave., San Francisco

FOR IMMEDIATE RELEASE Media Contact: Terrie Prosper, 415.703.1366, <u>news@cpuc.ca.gov</u>

PRESS RELEASE Docket #: Res E-5192

1

CPUC SUPPORTS TRANSPORTATION ELECTRIFICATION WITH APPROVAL OF PG&E VEHICLE-GRID INTEGRATION PILOT PROGRAMS

SAN FRANCISCO, May 5, 2022 - The California Public Utilities Commission (CPUC), in continued efforts to promote rapid and widespread transportation electrification, today approved three vehicle-grid integration (VGI) pilot programs for Pacific Gas and Electric Company (PG&E).

As electric vehicles (EVs) become increasingly prevalent in California, it is critical that they charge at times and locations that do not unduly stress the grid, save consumers money, and create grid benefits. The broad set of measures designed to encourage such charging behavior is called VGI. Sending electricity back to the grid—"vehicle-to-grid" or bidirectional charging—can provide power during outages caused by climate or wildfires and help meet peak power needs when solar production wanes.

Today's decision approves three VGI pilots totaling \$11.7 million for PG&E to overcome barriers to deployment of EVs and EV charging equipment capable of bidirectional charging. The approved pilot programs include:

- Vehicle-to-grid Residential Pilot Program for \$7.5 million: A three-year pilot program focused on increasing adoption of light-duty EVs for 1,000 single-family residential customers. Participants will receive rebates starting at \$2,500 with an additional \$500 for customers in Environmental and Social Justice (ESJ) communities. Participants can also receive ongoing performance-based incentives of up to \$2,000.
- 2. Vehicle-to-grid Commercial Pilot Program for \$2.7 million: A three-year pilot program focused on increasing adoption of medium- and heavy-duty EVs that charge at commercial buildings. Participants will receive incentives to help off-set up-front equipment purchase and ongoing participant incentive levels of approximately \$151 per EV per month (or \$1,812 per year). PG&E will increase incentives by 20 percent in ESJ communities.

3. Vehicle-to-microgrid Public Safety Power Shutoff (PSPS) Pilot for \$1.5 million: A pilot program that allows up to 200 residential and commercial EVs to charge/discharge to a microgrid, supporting community energy needs during PSPS events. Participants will receive incentives between \$3,750 to \$5,000.

Pursuant to Senate Bill 676 (Bradford, 2019), the CPUC established 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. <u>Decision 20-12-029</u> adopted recommendations from the CPUC's VGI Working Group and directs utility engagement on interconnection, rate reform, and the pilot programs approved today. Last year the CPUC ordered utilities to launch a ground-breaking VGI pilot program this summer as part of the <u>Emergency Load Reduction Program</u> (ELRP) ensuring reliability during extreme weather events, including wildfire-related utility PSPS events. ELRP will pay EV owners to export power to the grid, or reduce EV charging load, when demand on the statewide grid peaks.

"The pilot programs authorized today are a continuation of the CPUC's efforts to expand avenues to ensure grid reliability while also encouraging technologies that reduce greenhouse gas emissions and improve air quality," said CPUC President Alice Busching Reynolds. "The programs advance the exploration of the integration of electric vehicles into the grid in a cost-effective manner to improve how and when customers use electricity in innovative ways."

"These pilots can help us unlock the many benefits of vehicle to grid charging," said Commissioner Clifford Rechtschaffen. "This technology can provide backup power and resiliency benefits, and drive down the costs for people to own electric vehicles."

"These pilots will be important in helping us understand and address the barriers to VGI, including providing an opportunity for us to better understand how we can leverage vehicles as a resource for backup power," said Commissioner Darcie L. Houck.

The proposal voted on is available at https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M473/K817/473817565.PDF.

More information on the CPUC's VGI activities is available at www.cpuc.ca.gov/vgi.

cpuc.ca.gov | 415-703-2782 | 800-848-5580 | 💟 存 🞯 🖸 🛅

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 <u>www.cpuc.ca.gov</u>.

###