

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

Order Instituting Rulemaking Regarding
Transportation Electrification Policy and
Infrastructure

Rulemaking 23-12-008
Filed December 14, 2023)

**CLEAN COALITION REPLY COMMENTS ON ADMINISTRATIVE LAW JUDGE'S
RULING INITIATING TRACK 1 AND INVITING PARTY COMMENT**

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I. INTRODUCTION

Pursuant to Rule 6.2 of the California Public Utilities Commission (“the Commission”) Rules of Practice and Procedure, the Clean Coalition respectfully submits these comments on the *Administrative Law Judge’s* (“ALJ”) *Ruling Initiating Track 1 and Inviting Party Comment*, issued at the Commission on June 3, 2024. Clean Coalition continues to support dispersal of transportation electrification funds and notes that there is consensus amongst parties about the importance of rolling out the funding at the levels initially adopted by the Commission. Only the investor-owned utilities (“IOUs”) support complete cancellation of the transportation electrification rebate program, with the utility reform network (“TURN”) also raising affordability concerns. In response, the Clean Coalition points to our opening comments which noted the myriad of other more impactful spending decisions that can be revisited to help reduce rates, including transmission spending, nuclear-related costs, undergrounding of wires, etc.... Electrification-related spending is essential, particularly in disadvantaged communities and at multi-unit dwellings. Therefore, we continue to support moving forward with the transportation electrification rebate and LITE program as initially approved by the Commission and reject claims that additional measures to support timely energizations cannot be taken alongside the dispersal of funds.

- The IOUs illogical claims about other sources of funding for transportation electrification and better ways to utilize funding should be rejected by the Commission.
- The Clean Coalition agrees with parties that the record does not support a discussion on cancelling or pausing the Transportation Electrification Rebate.
- A diverse coalition of parties—including the Clean Coalition—support continuing the transportation electrification rebate and associated programs.

II. DESCRIPTION OF PARTY

The Clean Coalition is a nonprofit organization whose mission is to accelerate the transition to renewable energy and a modern grid through technical, policy, and project development expertise. The Clean Coalition drives policy innovation to remove barriers to procurement and interconnection of DER—such as local renewables, demand response, and energy storage—and we establish market mechanisms that realize the full potential of integrating these solutions for optimized economic, environmental, and resilience benefits. The Clean Coalition also collaborates with utilities, municipalities, property owners, and other stakeholders to create near-term deployment opportunities that prove the unparalleled benefits of local renewables and other DER.

III. COMMENTS

A. **The IOUs illogical claims about other sources of funding for transportation electrification and better ways to utilize funding should be rejected by the Commission.**

The IOUs continue to replay tired arguments the Commission did not find persuasive when adopting the Proposed Decision approving the transportation electrification rebate program. The Commission should not find these arguments to be any more compelling at this point. For example, San Diego Gas & Electric (“SDG&E”) suggests that it is more appropriate to allocate funding through non-ratepayer sources, “such as the General Fund of the Clean Transportation Program.”¹ This argument ignores the fluctuations with the state budget resulting in the reduction of funds originally appropriated for energy programs due to a state budget deficit. As a result, counting on the General Fund is not a realistic option if the Commission wants to guarantee funding for transportation electrification. The Energy Commission’s Clean Transportation Program is a source of funding but cannot be considered sufficient given the magnitude of the transition required to achieve the state’s transportation electrification goals in the required timeframe. Multiple sources of funding and targeted programs are needed to ensure that all Californians are on track to electrify; under the status quo the pace of change is not quick enough, which is why effective policymaking and regulation is needed. Cancelling the transportation electrification rebate with the hope that other funds may be available or other programs will be sufficient is wishful thinking.

Southern California Edison (“SCE”) argues that “there are likely more effective and financially prudent actions to address the concern and mitigate energization delays,” but cannot provide certain that the other proposed actions will be more effective than continuing the

¹ SDG&E Opening Comments on ALJ Ruling, at p. 2-3.

transportation electrification rebate program.² The other options SCE proposes (process improvements, creative technological solutions, and collaborating with stakeholders and other governmental entities) are non-unique issues that can be conducted in addition to transportation electrification programs. SCE makes no argument about why the Commission must choose between one or the other. As a result, this argument should be disregarded. Instead, the Commission should seek to coordinate with the High DER proceeding (“R. 21-06-017”), and the energizations proceeding (“R. 24-01-018”) rather than focusing on pausing or cancelling transportation electrification programs.

Similar to SCE, Pacific Gas & Electric (“PG&E”) suggests the, “the need for utility-side infrastructure investment as well as capital efficiency benefits of these investments,”³ which makes sense given the fact that PG&E is unable to complete the necessary investments in distribution infrastructure under the current project workload, let alone the influx of projects that will be associated with projects as the transportation electrification rebate (and associate programs) is rolled out. The recent Staff Paper in the High DER proceeding revealed that a PG&E has a significant backlog in distribution capacity projects, with at least 277 projects totaling \$1.1 billion unfunded, due in large part to wildfire mitigation projects and other repairs.⁴ While the backlog is unfortunate, the need for additional investments in capacity-related upgrades on the distribution system does not negate the need for substantial investment to spur transportation electrification throughout the IOU service territories. Likewise, capital efficiencies and effective program administration are both subjects that the Commission may consider addressing at a future point in this proceeding; neither is reason to cancel a program previously adopted by the Commission entirely. In totality, the IOU’s statements are less of insurmountable issues than concerns that can be addressed in concert with the rollout of funding. The Commission should not find any of these arguments to be persuasive, nor argument about affordability reason enough to pause or cancel the program.

B. The Clean Coalition agrees with parties that the record does not support a discussion on cancelling or pausing the Transportation Electrification Rebate.

Advanced Energy United notes that the ALJ ruling does not ask for evidence for or against the need for a pause/cancellation, stating, “In contrast, the proposed pause is not based on any

² SCE Opening Comments on ALJ Ruling, at p. 3.

³ PG&E Opening Comments on ALJ Ruling, at p. 3.

⁴ Staff Paper for the High DER proceeding, at p. 27.

public process to date, nor has vetted evidence been marshalled to support it. There is no timeframe identified for the pause, nor criteria identified to determine when or if the program would be resumed.”⁵ Green Power Institute concurs, asserting, “at the least the Commission should provide more detailed data and arguments for such a pause. The Ruling has very little data or argumentation to support the proposal, and the same generally holds true for the April 2024 scoping memo that first raised the notion of canceling the TE Rebate Program.”⁶ Clean Coalition maintains that while there are other issues that need to be addressed, briefly mentioned in the ALJ ruling—such as energization timelines and affordability concerns—the record does not support that these issues are so significant as to nullify the value that the transportation rebate will provide to the ratepayers, especially in equity communities. The Commission should not consider a pause or cancellation until the record properly supports the need to do away with the already-adopted programs.

C. A diverse coalition of parties—including the Clean Coalition—support continuing the transportation electrification rebate and associated programs.

The County of Los Angeles suggests, “It is critical that the Commission continue to authorize funding for programs that invest in underserved community TE adoption in order to support equitable access to the benefits of TE and to avoid interrupting momentum towards critical state electrification and climate goals.”⁷ CALSTART concurs, arguing that pausing the program, “would imperil California’s ability to achieve its ambitious decarbonization goals and neglect to take needed action to ensure equitable access to the benefits of transportation electrification.”⁸ The Center for Sustainable Energy (“CSE”)⁹ urges the Commission to end the pause and Green Power Institute (“GPI”)¹⁰ notes that the intersection of resilience and energy has increased the need for funding.¹⁰ TURN concludes, “Reducing the barriers for renters to charge their EVs at home, and have less people rely on public fast charging, increases EV access and encourages EV adoption, which in turn improves equity and climate goals,” and Advanced Energy United identifies that 40% of multi-family parking spots in California need to be electrified.¹¹ Continuing funding and programs that benefit MUDs and disadvantaged communities are imperative to ensuring that all Californians can

⁵ Advanced Energy United Opening Comments on ALJ Ruling, at p. 2.

⁶ Green Power Institute Opening Comments on ALJ Ruling, at p. 3.

⁷ County of Los Angeles Opening Comments on ALJ Ruling, at p. 2.

⁸ CALSTART Opening Comments on ALJ Ruling, at p. 2.

⁹ CSE Opening Comments on ALJ Ruling, at p. 1.

¹⁰ GPI Opening Comments on ALJ Ruling, at p. 4.

¹¹ TURN Opening Comments on ALJ Ruling, at p. 7 and AEU Opening Comments on ALJ Ruling, at p. 3-4.

electrify in a timely manner. There is consensus that cancelling or further pausing the dispersal of funding will encumber the ability to achieve the transition to clean energy in an equitable fashion.

IV. CONCLUSION

The Clean Coalition appreciates the opportunity to submit these reply comments. We urge the Commission not to pause or cancel any of the transportation electrification programs.

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