COMMENTS OF THE SONOMA CLEAN POWER AUTHORITY ON LOW CARBON FUEL STANDARD DRAFT REGULATIONS

The Sonoma Clean Power Authority (SCPA)[1] submits these comments in response to the October 24, 2016 Air Resources Board ("ARB") Low Carbon Fuel Standard ("LCFS") workshop. SCPA is a strong supporter of the State's GHG reduction efforts. As long as cars, trucks, and buses burn gasoline or diesel as their primary fuels, California will be limited in the extent to which it can meet the ambitious 2030 emissions goal. In Sonoma County, about 52% of GHG emissions are from transportation.[2] SCPA sees transportation electrification – shifting the primary vehicle power supply to electricity – as absolutely critical to California's GHG reduction efforts. By designing transportation electrification infrastructure to take advantage of the load-shifting (and storage) capabilities of large numbers of electric vehicles, shifting from gas/diesel vehicles to EVs can also facilitate the development of higher levels of renewable generation (particularly solar).

SCPA appreciates and supports the goals of the LCFS to drive innovation and deployment in EVs. SCPA also supports the ARB's efforts to update the LCFS program to account for current market trends. As SCPA noted in its previous comments, the proposed regulatory amendments would have the unintended consequence of limiting residential EV charging in the service territories of Community Choice Aggregators by solely crediting the electric distribution utility. We believe that this policy is a legacy from the original design of the program, when there was only one operational CCA in the State. Given the number of new CCAs that have or will shortly roll out service, and the fact that as much as 60% of investor owned utility load may shift to CCAs in the near future, it is time to revisit the ARB's historic policy choices in the electricity sector. As discussed below, SCPA encourages the ARB to continue to evaluate this issue, and outlines below two possible solutions the ARB should consider in this rulemaking.

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[1] SCPA is a California joint powers authority operating a CCA program in Sonoma County. SCPA is the second operational CCA program in California, and currently serves about 198,000 accounts encompassing a population of approximately 450,000, which includes all of Sonoma County except for the City of Healdsburg, which has its own municipal utility. SCPA is governed by a nine-member Board of Directors comprised of appointees from the participating cities and the County of Sonoma. SCPA provides its customers with stable and competitive electric rates, providing a power portfolio with a higher renewable content (and lower greenhouse-gas emissions) than the incumbent utility. The reduction of greenhouse gas emissions in Sonoma County is one of the primary reasons for SCPA's formation, under the joint powers agreement that formed SCPA. The electricity provided by SCPA to its customers exceeds the current Renewable Portfolio Standard requirements (supplied mainly by geothermal, wind, and photovoltaic sources), and almost 80% of the supply is from renewable or carbon free sources (such as large hydropower). SCPA has contracted for sufficient renewable sources to achieve 50% RPS in 2020, ten years ahead of the State's requirements.

[2] Climate Action 2020: Community Climate Action Plan, Public Draft at 2-12 (Sonoma County Regional Climate Protection Authority, March 2016).

There are two possible options for ensuring that the appropriate entity that actually serves electricity for EV charging is credited in the LCFS program. First, the ARB could revise Section 95483(e)(1) to clarify that both Electric Distribution Utilities and CCAs may earn credit for residential charging, so that CCAs may receive credit when CCA programs facilitate and incentivize the implementation of residential charging infrastructure. This would be the preferred option. Because CCAs are close to and familiar with the public agencies, businesses, and communities whose engagement is critical to the roll-out of EV charging programs, CCAs must lead the development and implementation of EV charging programs in CCA service territories. By providing credits directly to the CCAs, the CCAs will be better able to invest in their service territories, leading to greater EV deployment. Put simply, there is no policy rationale for limits in Section 95843(e)(1) to electric distribution utilities, and any new limits will have the unintended consequence of the state not fully realizing the potential EV deployment in CCA service territories.

One example of the need to credit where credit is due is SCPA's Drive EverGreen program. The program's goal is to put 10,000 electric vehicles on the road in Sonoma County by 2020, and 100,000 vehicles by 2030. Drive EverGreen is a multi-pronged program to facilitate and encourage residents to shift to electric vehicles and to participate in electrical vehicle demand response programs. SCPA has negotiated significant purchase and lease discounts from both Nissan and BMW, and has added additional SCPA customer incentives to encourage purchases and leases of new electric vehicles (with further SCPA incentives available for low income customers). The attached chart shows detailed incentive information. Through its Clean Charge program, SCPA also provides chargers and encourages customers to sign up for electric vehicle demand response charging programs. Significantly, SCPA's "CleanStart" default product is 77% carbon free, so that EV users in our territory are greatly reducing their carbon emissions. Driving on SCPA's "EverGreen" product, powered by 100% renewable energy produced in Sonoma County, makes an even larger impact. (See attached chart for verified GHG emissions for SCPA.) The details of all of these Drive EverGreen programs can be found on DriveEV.org. The generation of LCFS Credits would provide a significant boost to the Drive EverGreen program and equitably recognize SCPA's investment in the program.

Second, the ARB could create a new LCFS fuel pathway for CCA electrification program. The goal of the new program would be to recognize that credit should be provided when credit is due. The fuel pathway would not credit a CCA (and takeaway credits from the incumbent utility) until the CCA sets up a qualified vehicle electrification program. SCPA would be pleased to work with the ARB staff on the specifics for how such a CCA-specific fuel pathway could be implemented.

We appreciate the opportunity to make these comments, and look forward to working with ARB to help California's transportation sector make significant reductions in its GHG emissions.

Dated: November 21, 2016

Respectfully submitted,

Steven S. Shupe
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Electric Vehicle Savings

Purchase Option	2017 BMW i3	2016 Nissan LEAF
Time of purchase savings		
Manufacturer purchase credit	$8,500	$10,000
Dealer purchase credit for SCP customers	$2,000	$ -
SCP customer incentive[a]	$2,500	$2,500
SCP customer low-income bonus[b]	$2,500	$2,500
	$8,500 - $15,500	$10,000 - $15,000

Lease Option	2017 BMW i3	2016 Nissan LEAF		
Time of purchase savings	Base	S (w/Quick Charge)	SV	SL
Manufacturer lease credit[c]	$7,500	$11,625	$11,250	$10,875
Dealer lease credit for SCP customers	$2,000	$ -	$ -	$ -
SCP customer incentive[a]	$2,500	$2,500	$2,500	$2,500
SCP low-income customer bonus[b]	$2,500	$2,500	$2,500	$2,500
	$7,500 - $15,500	$11,625 - $16,625	$11,250 - $16,250	$10,875 - $15,875

Post-purchase / lease rebates and tax credits	
California rebate[d]	$2,500
California Rebate Bonus for Low-Moderate Income Residents[e]	$2,000
Federal tax credit[f] (up to)	$7,500
Northern Sonoma County 3-2-1 Go Green![g]	$3,000
Northern Sonoma County 3-2-1 Go Green! Low-income rebate[h]	$1,000

a. Available while funds and vehicle inventories last. Limit two per electric account.
b. Must be enrolled in California Alternate Rates for Energy (CARE) or Family Electric Rate Assistance (FERA) programs.
c. Monthly lease price to reflect amount of dealer / manufacturer purchase credit.
d. Effective 11/1/16, California rebate not available for purchasers having gross annual incomes greater than $150,000 for single filers, $204,000 for heads of household, or $300,000 for joint filers. **See cleanvehiclerebate.org for income limits.**
e. Household incomes must be less than or equal to 300% of Federal Poverty Level.
f. Tax credit may not exceed amount of federal taxes owed; federal tax credits maybe included in lease credits from manufacturer and/or dealer.
g. Must reside in the Northern Sonoma County Air Pollution Control District, see **http://tinyurl.com/APCD321**
h. See income qualifications on details at **http://tinyurl.com/APCD321**

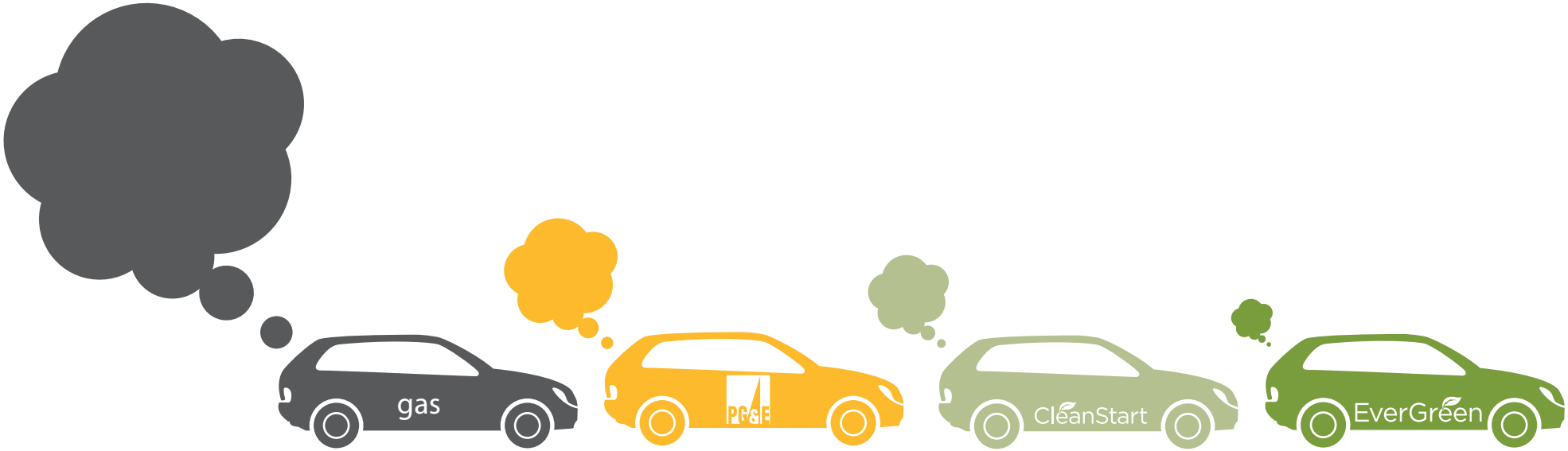
Customers are responsible for ensuring that dealers accurately reflect the dealer/manufacturer credits and the SCP customer incentive in the purchase documents. Customers are responsible for applying for and providing necessary documentation for all state and local rebates and federal tax credit.

Sonoma Clean Power

Local. Renewable. Ours.

Annual CO2 emissions from average Sonoma County vehicles

Gas vs. electric vehicle using different power options



Gas car
11,247 lbCO2/year

EV (PG&E)
1,586 lbCO2/year

EV (CleanStart)
793 lbCO2/year

EV (EverGreen)
208 lbCO2/year

-The average light duty vehicle in Sonoma County is projected to travel 12,795 miles in 2016 according to the Emission Factors (EMFAC) 2014 model maintained by the California Air Resource Board. The same model estimates that these light duty vehicles averaged 22.02 miles per gallon in 2016.
-The gasoline transport fuel emission factor used is 8.78 kg CO2/gal from Table 13.1 of the 2016 Climate Registry Default Emission Factors April 2016.
-The average electric vehicle efficiency used is 28.5 kWh/100 miles.
-The 2014 PG&E Electricity Emission Factor (434.92 lb CO2/MWh) is third party verified through The Climate Registry. PG&E's 2015 emission factor was not available at the time of printing.
-The 2015 Sonoma Clean Power Electricity Emission Factors for CleanStart (217.57 lb CO2/MWh) and EverGreen (57 lb CO2/MWh) are third party verified through The Climate Registry.