

February 19, 2019

Honorable Chair Mary D. Nichols Honorable Board Members California Air Resources Board 1001 I Street P.O. Box 2815 Sacramento, CA 95812

Submitted online to the asb19 online comment submittal form

Re: Item 19-2-6: Public Hearing to Consider the Proposed Zero-Emission Airport Shuttle Regulation

Dear Chair Nichols and Honorable Board Members:

Southern California Edison (SCE) appreciates the opportunity to comment on the proposed Zero-Emission Airport Shuttle Regulation.

SCE is proud to be a partner with the customers and communities in our service territory to facilitate zero-emissions (ZE) technologies, improve air quality in our region and make meaningful progress towards reaching our climate targets. As an infrastructure provider and facilitator of ZE technologies, SCE is proud to be a long-standing partner with the State of California and customers and communities in our service territory to help accelerate technologies that make meaningful progress on important climate change and air quality efforts.

The economics for medium- and heavy-duty vehicles are increasingly growing more favorable with state funding opportunities and incentives, utility programs for electrical infrastructure needs, and innovative new rate designs that support vehicle electrification. Utility programs for infrastructure can help to pay for all the costs of installing electrical upgrades to vehicle charging depots as well as all of the trenching and cable installation to the chargers. For qualified customers, SCE also provides a rebate toward the cost of the qualified charging stations. Innovative new utility rate designs such as our approved commercial EV rates, described below, along with additional revenue from Low Carbon Fuel Standard (LCFS) credits create strong incentives for using electricity as a fuel.

SCE's program and rates can help facilitate and ease challenges in implementation. SCE's recently approved programs and rates can help cut costs for customers, while our advisory services can help facilitate in the transition to new technologies by identifying challenges and needs and working together with our customers to find solutions.

SCE's soon to launch Charge Ready Transport, a medium- and heavy-duty (MDHD) charging infrastructure program, can help cut costs for customers electrifying fleets.

Last year, SCE was approved for \$356 million over five years (2019-2023) to support infrastructure investments at 870 sites to support the electrification of 8,500 medium- and heavy-duty vehicles. SCE's Charge Ready program will help in sharing installation and infrastructure costs with customers who own or operate fleets to ease the process of installing charging infrastructure. SCE also provides a rebate toward the cost of the qualified charging stations for eligible customers.

<u>SCE's recently approved commercial EV rates makes "fueling" with electricity more affordable.</u>

Along with approval for Charge Ready Transport, last year SCE also received CPUC approval for a new commercial EV rate to reduce costs to commercial fleet customers interested in "fueling" with electricity. The new rate, targeted to launch in March 2019, would waive demand charges for the first five years and then gradually re-introduce them in a graduated manner over the subsequent five years. The rate would also provide price signals to create opportunities for maximizing savings while charging during low-price periods. Additional incentives, such as revenues from Low Carbon Fuel Standard (LCFS) credits, can serve as an offset to the costs of fueling with electricity, making a big, positive impact.

SCE provides resources and assistance in helping customers electrify vehicle fleets.

SCE has been supporting and will continue to support customers in electrifying vehicle fleets. SCE offers fleet assessments that provide customers with reports of EV options for fleets, associated GHG benefits and potential LCFS credit revenues for going electric, customized rate analyses to help customers understand potential "fuel" cost and find optimum rate tiers, along with additional information on utility and non-utility programs and incentives. SCE is also working onsite with customers walking sites to offer an assessment of the feasibility of installing infrastructure to serve potential electric vehicle fleet deployments. By providing consultation on infrastructure needs and siting, rates, charging needs and optimal siting of required charging infrastructure, SCE stands ready to help support customers' business needs in electrifying fleets.

SCE stands ready to facilitate ZE technologies across all transportation segments. SCE looks forward to supporting customers through the transition to modes of transportation that align with the shared goal and vision of a sustainable transportation network, with increasing numbers of electric vehicles on the road, improving air quality while cutting greenhouses gases for our region and helping to meet California's goals.

Thank you for considering our comments regarding this important regulation.

Sincerely,

Laura Renger

Principal Manager, Air & Climate Policy

Laura Renger/VK

Southern California Edison