



August 5, 2011

To: Mr. Bob Fletcher
Mr. Mike Waugh
Ms. Renee Littau
Ms. Carolyn Lozo
California Air Resources Board

From: Eileen Wenger Tutt, Executive Director

Re: **Comments of the California Electric Transportation Coalition on the July 2011 Low Carbon Fuel Standard Workshop**

The California Electric Transportation Coalition (CalETC) appreciates this opportunity to provide comments on the July 11 Electricity Workgroup meeting, and at the July 22 Air Resources Board (ARB) workshop on the Low Carbon Fuel Standard (LCFS). CalETC is a non-profit association promoting clean air and working to combat climate change through the transition of the transportation sector to electricity. CalETC is committed to the successful introduction and large-scale deployment of all forms of electric transportation including plug-in electric vehicles, transit buses, port electrification, off-road electric vehicles and equipment and rail. The members of CalETC include: Southern California Edison, Sacramento Municipal Utility District; San Diego Gas & Electric Company; Pacific Gas & Electric Company, and the Los Angeles Department of Water & Power.

CalETC utility members are substantially and proactively working to support the state's goals and the customer demand for plug-in electric vehicles (PEVs). CalETC utility members are making significant investments to support the PEV market, promote innovation and ensure that this new demand for electricity does not in any way harm the safety, reliability, affordability and efficiency of the electricity grid. These actions include:

- Conducting outreach and education to customers regarding the choices, methods and best practices of home-based PEV charging as well as the environmental benefits of PEVs connecting to the California grid.
- Investing in upgrades to the grid to support the new PEV market. The utilities work with their customers, auto makers, 3rd party providers and local government representatives to ensure that PEV owners have a positive experience installing charging systems and that community transformers do not fail as a result of PEV electricity demand.
- Offering time-of-use electricity rates and communicating the benefits of off-peak charging.
- Working to meet renewable portfolio standard requirements and cap-and-trade obligations which are more burdensome as a result of increased PEV load.
- Providing personal hands-on customer technical assistance, including special call center support, direct visits to customers' homes and/or businesses to evaluate wiring and meter



needs, discussing rate options, charging interests (e.g., 120v or 240v), and tailoring this assistance to address specific vehicle options each customer is considering.

- Partnering with infrastructure providers to support a seamless and satisfying experience for customers as they get their homes and businesses PEV ready.
- Integrating future PEV energy management measures (e.g., vehicle/grid communication standards, controlling the time and rate of charge at the circuit level and future energy storage alternatives) with the “Smart Grid” systems (e.g., maximizing the use of renewable energy during off-peak periods).

CalEETC utility members fully support the LCFS policy objectives and believe that the success of the LCFS regulation is linked with the availability of credits in the marketplace. The utilities can be relied upon to track and verify credit generation in a transparent and robust way. They have a compelling interest in the value of the credits, a business model that is very stable and the regulatory oversight that facilitates transparency and ease of enforcement.

CalEETC believes the utilities are in the best position to return the value of the LCFS credits to customers. There are a number of ways this can be done including direct incentives to for PEV owners and beneficial rate structures. The California Public Utilities Commission, in the case of investor-owned utilities, and the governing Boards, in the case of publicly-owned utilities, would ultimately have jurisdiction over the utilities use of any revenue generated from LCFS credits. CalEETC would like to work with the ARB to formulate some agreed-upon recommendations for consideration by these governing bodies.

In conclusion, CalEETC thanks ARB staff for their willingness to work through these complex issues with stakeholders. We look forward to continuing to work with you.

Thank you for your consideration.

Sincerely,

Eileen Wenger Tutt
Executive Director