BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Establish Energization Timelines.	Rulemaking 24-01-018 (Filed January 25, 2024)

Opening Comments of the Alliance for Automotive Innovation on the Administrative Law Judge's Ruling Directing Parties to Respond to Questions on Energization Issues.

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I. Introduction

Pursuant to the Administrative Law Judge's Ruling Directing Parties to Respond to Question on Energization Issues, issued in Rulemaking 24-01-018, The Alliance for Automotive Innovation respectfully submits these "*Opening Comments of the Alliance for Automotive Innovation on the Administrative Law Judge's Ruling Directing Parties to Respond to Questions on Energization Issues*."

II. About The Alliance for Automotive Innovation

Auto Innovators is a 501(c)(6) non-profit trade association. From the manufacturers producing most vehicles sold in the U.S. to autonomous vehicle innovators to equipment suppliers, battery producers and semiconductor makers – the Alliance for Automotive Innovation represents the full auto industry, a sector supporting 10 million American jobs and five percent of the economy. Active in Washington, D.C. and all 50 states, the association is committed to a cleaner, safer and smarter personal transportation future. (see www.autosinnovate.org).

III. Interest in this proceeding

Timely energization of charging infrastructure is a vital concern to Auto Innovators' members. They are investing billions in developing electric vehicles (EVs) and in the coming years will introduce electrified models in most light duty market segments. To comply with California's Advanced Clean Cars II regulation (ACC II), our members must sell or lease millions of EVs by 2030, and beyond. ACC II sets firm targets and deadlines, and it offers much less compliance flexibility for OEMs than earlier versions of the ZEV regulation. Beginning in 2026, OEMs will be subject to penalties of up to $20,000 per vehicle if they do not meet their obligations. Because ACC II offers considerably less flexibility than the original ACC program, CARB's projections of annual BEV sales projections more closely approximate the actual number of BEVs that will be sold than was the case in the past.[1] *CARB's ZEV adoption projections are not aspirational forecasts: that should be considered firm for the purposes of grid planning.*

Ubiquitous, reliable, and affordable public charging is essential to support the expansion of EV sales in California. Consumers simply will not choose EVs over conventional vehicles if they lack confidence that they can charge when, where and how they need to do so. Several members are also deploying public charging stations in California and beyond.[2] Delays in energization harm the business case for the build-out for these much-needed facilities. For OEMs and third-party EV Service Providers (EVSPs) alike, timely energization is essential to ensure that their investments in EV charging infrastructure, equipment, real estate, structures, and amenities translate into much-needed range confidence for prospective EV drivers.

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[1] A. Bui, D. Hall and S. Searle, "Advanced Clean Cars II: The Next Phase of California's Zero Emission Vehicle and Low Emission Vehicle regulations," ICCT Policy Update, Nov. 2022, pp. 2-3. Retrieved from: https://theicct.org/wp-content/uploads/2022/11/accii-zev-lez-reg-update-nov22.pdf.

[2] Capparella, Joey, "Seven Automakers Will Open a Vast EV Charging Network Together in 2024, Car and Driver, July 26, 2023. Available at https://www.caranddriver.com/news/a44649909/automakers-ev-charging-network-joint-venture/

Some of Auto Innovators' member companies also manufacture medium duty vehicles and are subject to the Advanced Clean Trucks (ACT) rule. In turn, some of their customers are subject to CARB's Advanced Clean Fleet (ACF) regulation. Fleet operators must be able to upgrade the electricity service to their depots in a timely manner to integrate EVs into their operations. Unfortunately, delays in securing access to the grid have proven to be a persistent barrier. Many operators are adding EVs to their fleets for the first time. If the process to access the grid does not go well, or get done in time, the results may be postponed or cancelled EV projects and plans. For MDEV adoption to cross over into the early majority-stage it is imperative that the first movers have positive experiences.

The responses below were provided by one of Auto Innovators' members based upon its experience working with a partner company to deploy charging infrastructure in California.

Response to questions posed by the ALJ

1. **Please provide the time necessary for different energization steps for project(s) related to your industry using the five steps described below.**

a. **Customer Initiation/Intake (energy service upgrade or new service line application filing and IOU acceptance)**

- Application filing is generally straightforward. Most applications are electronic. Utility feasibility tends to be a challenge and the timeframes tend to delay project starts.
    - SDG&E: Times have increased over time. Takes 60 days on average.
    - SCE: FVR (Feasibility Study) takes 60 days on average.
    - PG&E: Upfront process takes roughly 40 days.
        - Rule 29 projects tend to provide some time relief.

b. **Engineering & Design (IOU review of project and proposal for completion) - Preliminary UDP (Utility Design Plan) and Final UDP.**

    - SCE: Average for Preliminary UDP is 40 days and for Final UDP is 25 days.
    - PG&E: Takes up to 6 months for larger projects for final UDP.
    - SDG&E: Takes over 8 weeks in many cases for final UDP.
    - LADWP: Takes up to 12 months.

c. **Dependencies (fulfillment of local jurisdictional requirements, permitting, customer response to IOU's requests)**

    - Majority of the energization process is running smoothly with PG&E, SCE, and SDG&E. However, there are growing concerns over ROW (Right of Way) work given permit challenges, especially in LADWP's territory. We have also had issues with municipal utilities requiring permitted designs before proceeding with activity.

d. **Site Readiness (evaluation of work necessary to complete the engineering design and customer availability for work to begin)**

    - Some CA utilities have stopped accepting redlines on easements which creates challenges with our site hosts. One possible path forward is to simplify easement language in site design contracts. In certain cases, there have been conflicts between internal departments, including the land department. Transformer lead times are also creating project delays.

e. **Construction (length of time necessary for IOU and/or contractors to complete construction of the project.**

    - SCE - No major challenges.

- SDG&E - No major challenges.
- PG&E - No major challenges.

2. **Please provide the time necessary for different upstream capacity project(s) related to your industry using the three project types defined below. Identify which steps have required incremental time from the IOU involved and include additional project types as necessary.**

a. **New and upgraded circuit (could be a new service line, or an upgrade to an existing service line**)

- We have generally heard back that this will take up to 2-3 years. This has led to us to pausing or cancelling sites in our development pipeline.

b. **Upgrade Substation (upgrading a substation to support new or upgraded service for one or more new/upgrade service requests)**

- We have generally heard back that this will take up to 2-3 years. This has led to us pausing or cancelling sites in our development pipeline.

4. **What issues have you encountered when seeking permits or other approvals from local permitting authorities in California that have delayed energization projects?**

a. **Please outline any reason(s) that delayed your project, the extent of the delay, and how many instances you experienced this type of delay.** –

- Permitting has improved in CA, much to the credit of recent legislation which requires municipalities to streamline and standardize their EV charging permitting process. However, some AHJs (Authority Having Jurisdiction) we work with have little experience reviewing EV charging projects, which leads to construction delays. EV specific codes can be helpful too. In California, we have experienced permit review timelines of up to 9 months.

b. **Please break out your response by individual instances if you have experienced delays for multiple projects and/or in multiple local jurisdictions**. –

- AHJs that do not comply with AB1236 - Irvine, Huntington Beach, Duarte, Inglewood, City of San Diego, Healdsburg, Imperial County, CA Coastal Commission

V. Conclusion

Auto Innovators appreciates the opportunity to comment on the Administrative Law Judge's Ruling Directing Parties to Respond to Questions on Energization Issues. We thank the Commission for moving swiftly to meet the statutory deadline for adopting timelines and reporting requirements. We reiterate our interest in encouraging the CPUC in the PD to order additional measures, such as the industry working group and more frequent and detailed tracking, to speedily initiate a collaborative effort to maintain a cycle of continuous improvement.

Respectfully submitted,

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