

Application: A.19-10-012

Exhibit No.: _____

Witness: Randy Schimka

PREPARED REBUTTAL TESTIMONY OF

RANDY SCHIMKA

ON BEHALF OF SAN DIEGO GAS & ELECTRIC COMPANY

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA



JUNE 19, 2020

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1 **PREPARED REBUTTAL TESTIMONY OF**
2 **RANDY SCHIMKA**

3 **I. OVERVIEW AND PURPOSE**

4 The purpose of my rebuttal testimony is to respond to the opening testimony submitted
5 by intervening parties in the Application (“A.”) of San Diego Gas & Electric Company
6 (“SDG&E”) to Extend and Modify the Power Your Drive Pilot (A.19-10-012).¹ SDG&E
7 appreciates the input from parties on its proposed Power Your Drive Extension Program (“PYD
8 Extension Program” or “Program”). My rebuttal testimony addresses recommendations and
9 concerns presented by intervening parties directed at my prepared direct testimony served in
10 support of this application October 18, 2019.

11 **II. THE PYD EXTENSION PROGRAM IS APPROPRIATELY SIZED**

12 The California Public Utilities Commission (“Commission”) approved SDG&E’s Power
13 Your Drive Pilot (“PYD Pilot” or “Pilot”) in Decision (“D.”) 16-01-045. As part of the PYD
14 Pilot, SDG&E installed over 3,000 charging ports at multi-unit dwellings (“MUDs”) and
15 workplaces. SDG&E’s application for the Power Your Drive Extension Program proposes to
16 build upon the success of the PYD Pilot by installing approximately 2,000 additional charging
17 ports at approximately 200 MUD and workplace sites.

18 In opening testimony, some parties recommend reducing the size of the PYD Extension
19 Program. the National Diversity Coalition (“NDC”) recommends cutting the Program by at least

¹ Responsive testimony was served on May 18, 2020 by the following parties: ChargePoint, Inc., The Coalition of California Utility Employees, Enel X North America Inc., EVBox, Inc., National Diversity Coalition, The Natural Resources Defense Council, Public Advocates Office at the California Public Utilities Commission, Sierra Club, Small Business Utility Advocates, Tesla, Inc., The Utility Reform Network, Union of Concerned Scientists, and Utility Consumers’ Action Network.

Testimony is cited as follows: [Party name or nickname] (witness surname) at [page number(s)]:line number(s)].

1 25 percent to 1,500 ports and 150 sites² “to avoid the ‘foolhardy’ situation of ‘using ratepayer
2 money, without some **assurance** that electric vehicle [(“EV”)] drivers will use these site
3 installations and charging stations on a **frequent basis**, and that such a deployment **will result in**
4 **a widespread adoption** of EVs for everyday transportation.”³ The Utility Reform Network
5 (“TURN”) recommends that SDG&E’s Program be limited to 1,000 ports⁴ and the Utility
6 Consumers’ Action Network (“UCAN”) urges the Commission to reject the MUD portion of the
7 Program entirely.⁵

8 The PYD Extension Program is appropriately sized to help meet a portion of California’s
9 aggressive transportation electrification (“TE”) goals. The intent is to keep the momentum of the
10 PYD Pilot going while the Commission and stakeholders continue to develop the transportation
11 electrification framework (“TEF”).⁶ At the time of filing the PYD Extension Program, the
12 Transportation Electrification Framework Energy Division Staff Proposal (“Draft TEF”) had not
13 been issued. Parties now have the benefit of having reviewed the Draft TEF.⁷ It is more evident,
14 as expressed by several parties in the TEF proceeding, that freezes to investments and utility
15 programs will prove detrimental to meeting greenhouse gas reduction goals. While SDG&E
16 continues to support a 2,000-port program, a larger program may have been more effective in
17 avoiding gaps as the TEF and TE Plans (“TEP”) process continues.

² NDC (Bautista) at 10:4-6.

³ *Id.* at 9:20-10:3 (original emphases) (citation omitted).

⁴ TURN (Borden) at 10:23.

⁵ UCAN (Charles) at 12:7-8.

⁶ Prepared Direct Testimony of Randy Schimka on behalf of SDG&E (October 28, 2019) (“Schimka Direct Testimony”) at RS-1.

⁷ Rulemaking (“R”)18-12-006, Transportation Electrification Framework Energy Division Staff Proposal (February 3, 2020).

1 As far as progress towards the State’s EV charging goals, the 2019-2020 California
2 Energy Commission (“CEC”) Investment Plan Update report for the Clean Transportation
3 Program⁸ says that the CEC Clean Transportation Program staff estimates that the sum of
4 existing and expected future charging ports statewide will not be sufficient to meet the State’s
5 goal of 250,000 EV charging connectors by 2025, which includes 10,000 fast charging
6 connectors. The currently identified investments still leave a gap of nearly 80,000 Level 2
7 charging connectors, and 3,600 DC fast charging connectors statewide, by 2025. That is a gap of
8 8,000 Level 2 charging stations in SDG&E’s service territory by 2025.⁹ SDG&E believes that
9 reducing the size of the PYD Extension program would decrease the possibility of achieving
10 important State goals for EV charging stations in 2025 and ZEVs in 2030.¹⁰ Parties who
11 recommend a decrease in port deployments do not provide any suggestions or viable alternatives
12 as to how the State will meet its goals. The Commission should retain the program size at 2,000
13 charging ports.

14 **III. WORKPLACE CUSTOMER OWNERSHIP AND MUD UTILITY OWNERSHIP**
15 **ARE REASONABLE FOR THE PYD EXTENSION PROGRAM**

16 In direct testimony, SDG&E proposed to retain ownership at MUDs of the electric
17 vehicle supply equipment (“EVSE”), also known as EV charging stations, and to require the site
18 host to install, own, and maintain the EVSE in workplaces with a rebate for the EVSE. It is
19 viewed as a compromise solution for the PYD Extension Program moving forward and offers

⁸ California Energy Commission, *Revised Lead Commissioner Report, 2019-2020 Investment Plan Update for the Clean Transportation Program* (July 2019) at 7, available at <https://efiling.energy.ca.gov/getdocument.aspx?tn=229103>

⁹ Assumes that SDG&E’s territory represents approximately 10% of the State’s goals with respect to EVs.

¹⁰ California Governor’s Office of Business and Economic Development, *2018 ZEV Action Plan Priorities Update* (September 2018), available at <http://www.business.ca.gov/ZEV-Action-Plan>

1 several advantages, which I describe below and in my direct testimony.¹¹ Further, this approach
2 balances the positions of parties who want utility ownership of EVSE with those who oppose it.

3 A summary of party positions is as follows: UCAN states that MUD sites should be
4 subject to third party ownership.¹² Small Business Utility Advocates (“SBUA”) also
5 recommends that SDG&E own a selection of randomly-chosen workplace sites as an experiment
6 on the merits of utility ownership.¹³ TURN recommends that all sites have the option of owning
7 their infrastructure, subsidized by a rebate, and that 25% of sites receive this treatment.¹⁴ TURN
8 also recommends that the utility should only own low-income MUDs if the site host selects.¹⁵
9 The Public Advocates Office (“Cal Advocates”) states that the “Commission should allow MUD
10 customers the unbiased option between utility and customer ownership.”¹⁶ SBUA would like to
11 see utility ownership at workplaces, and they state that they would like to see randomly chosen
12 utility ownership with the remaining half of site hosts being required to select an EVSE vendor.¹⁷

13 SDG&E still feels that it is important to have utility ownership for the MUD segment.
14 First, even more so than at workplaces, it has been SDG&E’s experience that MUD hosts are
15 more price-sensitive when it comes to the cost and installation of EVSE. Without programs like
16 the PYD Pilot or the PYD Extension Program, MUD EV penetration in SDG&E’s territory has
17 historically been lower than workplaces. Second, it is SDG&E’s experience that no MUD site

11 Schimka Direct testimony at RS-3.

12 UCAN (Charles) at 22.

13 SBUA (Chernick & Wilson) at 18:19-24.

14 TURN (Borden) at 33.

15 *Id.* at 30.

16 Cal Advocates (Diaz) at 4-1:22-23.

17 SBUA (Chernick & Wilson) at 5.

1 hosts have been interested in owning their own EVSE with respect to SDG&E’s utility
2 transportation electrification efforts. They are interested in a turn-key solution where the drivers
3 pay the utility for their energy, and the HOA or property manager need not worry about
4 ownership issues such as billing complaints and maintenance. For these reasons, SDG&E sees no
5 compelling reason to change the ownership model in MUDs. Indeed, the turn-key ownership
6 model likely played a major role in the PYD Pilot’s success at reaching MUDs.

7 SDG&E proposed shifting the installation, ownership, and maintenance model for all of
8 the workplace sites to the site host to make it simpler and to move toward less utility ownership
9 and more site host involvement and “skin in the game” for workplace sites (see Section IX
10 below). This shift in the ownership model for workplaces should also provide plenty of data to
11 compare and evaluate the differences between this model of ownership in this Program vs. utility
12 ownership for workplaces in the PYD Pilot. Splitting ownership and assigning random utility-
13 owned sites, or other splits of ownership, as suggested by parties, overly complicates the
14 implementation process, isn’t practical to implement and isn’t necessary because data will be
15 available between the two programs to compare both styles of workplace ownership.

16 In addition, per the SB350 Assigned Commissioners Ruling,¹⁸ SDG&E believes that
17 these ownership choices help minimize overall costs and maximize overall benefits, and also
18 help address the competition issue with nonutility enterprises in a positive way. Because of this,
19 keeping the workplace customer ownership and MUD utility ownership as originally proposed is
20 reasonable for the PYD Extension Program.

¹⁸ R.13-11-007, *Assigned Commissioner’s Ruling Regarding the Filing of the Transportation Electrification Application Pursuant to Senate Bill 350* (September 14, 2016) at 6, available at <http://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M167/K099/167099725.PDF>

1 **IV. NON-DAC MUD CHARGING SITES ARE NEEDED**

2 UCAN advocates for the elimination of MUD sites not located in Disadvantaged
3 Communities (“DACs”) in the PYD Extension Program.¹⁹ They base this on a data request
4 response that shows workplace sites have been used approximately three times more than MUD
5 sites in the PYD Pilot on a total kWh basis. In UCAN’s opinion, this de-values the MUD
6 charging sites in the PYD Pilot. The Commission should not to jump to the false conclusion that
7 non-DAC MUD charging stations are not needed or do not have value based on early
8 consumption data.

9 From San Diego Association of Government (“SANDAG”) data, approximately 49% of
10 SDG&E’s residential customers are located in MUDs,²⁰ but these MUD residents have not
11 purchased EVs in the same numbers as single family home residents. The lack of accessible and
12 convenient charging equipment is likely a contributing factor in the MUD residents’ reluctance
13 to purchase EVs. The Center for Sustainable Energy (“CSE”) has published data²¹ that shows
14 75% of EV rebates in the State were claimed by EV drivers living in single family homes, while
15 only 23% of EV rebates were claimed by residents living in attached homes (townhomes,
16 duplexes, triplexes) and apartments/condos, and 2% chose not to answer the survey question or
17 chose “other”. This data reinforces the fact that there is a smaller number of EVs in MUD venues
18 in SDG&E’s territory (which represent approximately half of all dwelling types). The PYD

¹⁹ UCAN (Charles) at 12.

²⁰ SANDAG, *Data Surfer* (menu choices: Estimate, 2018, College, San Diego), available at <http://datasurfer.sandag.org/dataoverview>

²¹ Center for Sustainable Energy, *EV Charging and the Vehicle Purchase Process: Lessons Learned from Rebated Consumers*, 22nd Annual Energy, Utility & Environment Conference, San Diego (February 27, 2019) at 21, available at <https://cleanvehiclerebate.org/eng/content/presentation-%E2%80%9Cev-charging-and-vehicle-purchase-process-lessons-learned-rebated-consumers%E2%80%9D-0>

1 Extension Program in MUDs will help to improve these statistics and encourage more MUD EV
2 adoption.

3 When speaking to the public at EV events, the lack of MUD EV ownership is reinforced
4 frequently by MUD residents who express reluctance to purchase an EV because of a lack of
5 charging at MUD sites. By building out more charging at MUD sites, as proposed in the PYD
6 Extension Program, MUD residents will be encouraged to purchase EVs knowing that they will
7 have more access to convenient charging stations.

8 As SDG&E has stated and customers have discovered, when EV charging stations are
9 installed, cars and drivers will follow in workplaces and MUDs (the “build it and they will
10 come” concept).²² The installation of EV charging stations in a location that meets project
11 criteria but without a full initial complement of cars to use them sends a signal to potential EV
12 drivers saying that they will have a place to charge their vehicles. However, it takes time for
13 drivers to become aware of these charging stations and decide to make a purchase or lease
14 decision for a new EV to take advantage of them. IHS Markit’s Director of Global Automotive
15 Research Mark Seng says cars in the western US are 12 years old, on average.²³ Thus, there is
16 value in installing EV charging stations at both DAC and non-DAC MUD venues and sending
17 that signal to potential drivers that charging is available to support their purchase or lease of an
18 EV. Because of the time it takes for drivers to make the decision to upgrade their vehicle to an
19 EV so they can take advantage of the charging stations, SDG&E believes it would be a mistake

²² See story about the Power Your Drive Pilot at SDG&ENews.com, *Growing EV Charging Network Enables More People to Drive Electric* (December 10, 2019), available at <http://www.sdgenews.com/article/growing-ev-charging-network-enables-more-people-drive-electric>

²³ USA Today, *Old cars everywhere: Average vehicle age hits all-time high* (June 28, 2019), available at <https://www.usatoday.com/story/money/cars/2019/06/28/average-vehicle-age-ihs-markit/1593764001/>

1 to exclude non-DAC MUD sites from the program at this nascent stage of the market due to
2 lower usage. The usage at MUD sites will increase over time as more cars are purchased by
3 MUD residents.

4 **V. SDG&E IS WILLING TO REASONABLY INCREASE THE DAC TARGET BUT**
5 **THE DAC DEFINITION SHOULD STAY UTILITY-BASED**

6 Natural Resources Defense Council, the Coalition Of California Utility Employees,
7 Sierra Club, Union Of Concerned Scientists, Enel X North America Inc., and EVBox Inc.
8 (collectively, the “Joint Parties”),²⁴ Cal Advocates,²⁵ NDC,²⁶ and TURN²⁷ call for a higher DAC
9 target in the program. The Joint Parties claim that this will help to improve air quality where
10 such improvements are needed most. SDG&E agrees that reducing air pollution in DAC areas is
11 a valuable outcome of the program.

12 Some parties state that the PYD Extension Program’s DAC target should be higher.
13 SDG&E is willing to agree to a reasonable increase in the DAC target, but the Commission
14 should keep the utility DAC definition the same as in the PYD Pilot. My direct testimony²⁸
15 proposed keeping the DAC definition the same as in the PYD Pilot (which defines disadvantaged
16 communities on the basis of SDG&E’s service territory, not the entire state) to help maintain
17 continuity and minimize confusion caused by changing the DAC definition and the participation
18 payment criteria, especially for those customers already on the PYD interest list. The interest list
19 was started during the PYD Pilot and used as a recruiting tool, and has been reviewed and

²⁴ Joint Parties (Baumhefner) at 2.

²⁵ Cal Advocates (Dooley) at 3-1.

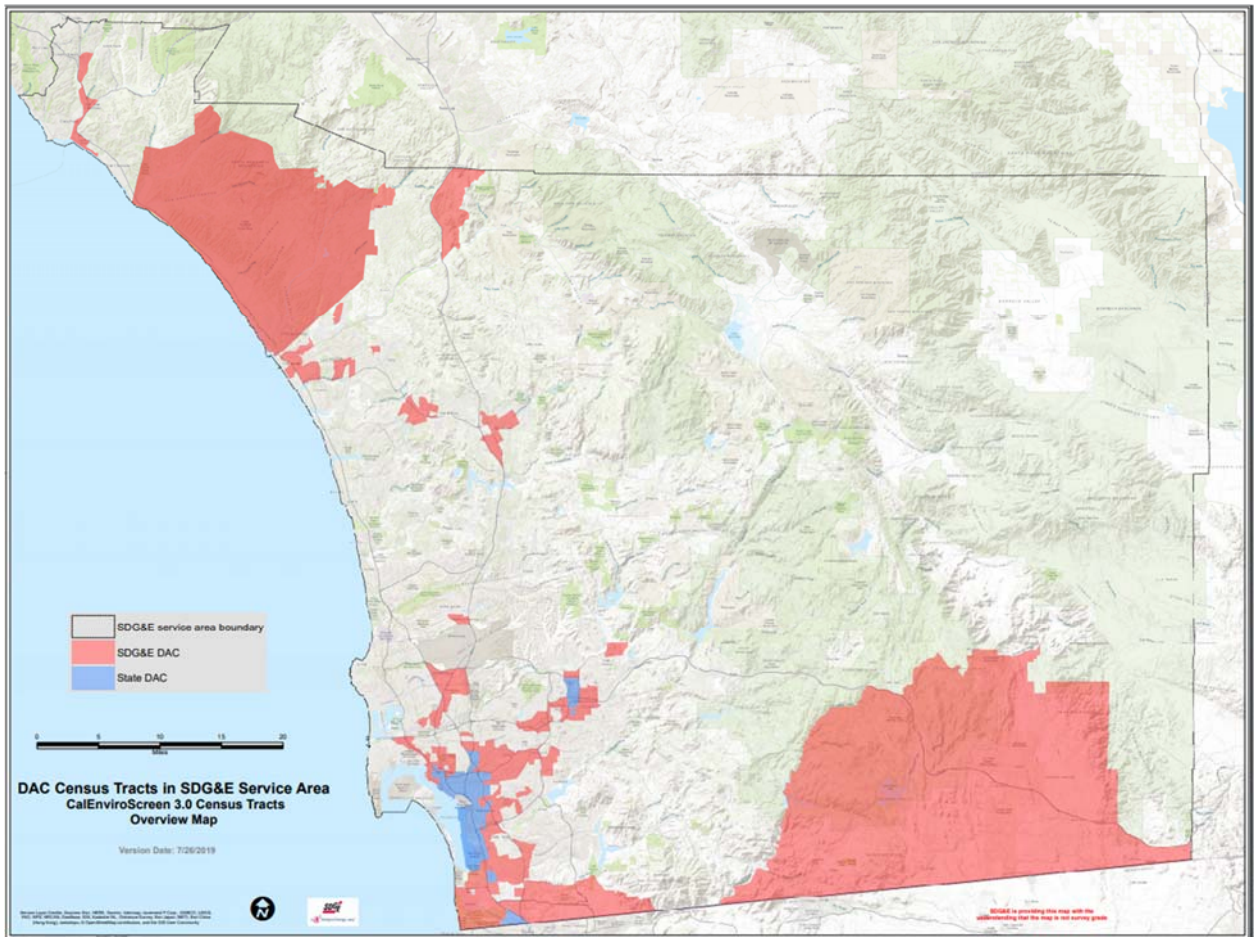
²⁶ NDC (Bautista) at 26.

²⁷ TURN (Borden) at 32.

²⁸ Schimka Direct testimony at RS-5.

1 refined since the PYD Pilot to keep track of still-interested parties. Currently, there are 240
2 workplace sites and 234 MUD sites on the refined PYD interest list.²⁹

3 Limiting the geographic scope by applying the statewide DAC definition in SDG&E's
4 territory understates the number of disadvantaged residents as compared to the results the
5 definition yields in the rest of the State. If required to use the statewide DAC definition, SDG&E
6 will be greatly limited in the geographic footprint of where to deploy infrastructure. This can be
7 seen in the geographic comparison below that illustrates the number of DAC census tracts under
8 both the utility and statewide definitions, as of mid-2019.



²⁹ R.18-12-006, *Electric Vehicle-Grid Integration Pilot Program (“Power Your Drive”) Eighth Semi-Annual Report of SDG&E* (April 1, 2020), Attachment A at 7, Figure 5, available at <https://www.sdge.com/sites/default/files/regulatory/R.18-12-006%20SDG%26E%20April%201%2C%202020%20PYD%20Report.pdf>

1 DAC census tracts calculated under the statewide definition are shown in blue, while
2 those calculated according to the utility definition are shown in red.

3 Applying the statewide DAC definition would require SDG&E to target census tracts
4 containing approximately seven percent of the population in SDG&E’s service territory to the
5 exclusion of all others. Using the State definition for DAC would treat the eighth and ninth
6 percentile most-polluted census tracts the same as the eightieth and ninetieth percentile census
7 tracts, while using the utility definition of DAC helps to aim the program at the “next set” of
8 most-polluted census tracts. If State policy intended DAC investments to be targeted at seven
9 percent of the population, then the statewide DAC definition would be set at seven percent of the
10 state, not 25 percent. Further, because SDG&E is situated differently than other regions of the
11 State regarding its make-up of statewide DACs, the State DAC definition limits SDG&E in a
12 way that it doesn’t impact the other utilities in the State. Changing the DAC definition to the
13 State definition while also increasing the DAC target percentage would make it difficult to find
14 qualifying sites in the short two-year time duration of the program and would result in a smaller
15 DAC deployment overall.

16 **VI. CHALLENGES TO THE ELECTRIC VEHICLE INFRASTRUCTURE**
17 **TRAINING PROGRAM COULD COMPROMISE SAFETY**

18 SDG&E places a high priority on safety when constructing and maintaining EV charging
19 infrastructure and charging stations. To ensure that the installations in the PYD Pilot were done
20 as safely as possible, SDG&E used Electric Vehicle Infrastructure Training Program (“EVITP”)-
21 trained contractor personnel as outlined in the Commission decision for the Pilot. The decision
22 stated “Construction, installation and maintenance contractors will have Electric Vehicle
23 Infrastructure Training Program (EVITP) certification...”³⁰

³⁰ D.16-01-045 at 28.

1 In my direct testimony³¹ for the PYD Extension Program, SDG&E proposed using
2 IBEW-affiliated contractors and EVITP-trained electricians for the installation of both the make-
3 ready infrastructure and the EVSE in the case of SDG&E-owned EVSE. In addition, for
4 workplace locations where the EVSE will be customer-installed and owned, SDG&E proposed
5 using IBEW-affiliated contractors and EVITP-trained electricians for the installation of the
6 make-ready infrastructure and requiring customers to use EVITP-trained electricians for the
7 installation of the EVSE. For maintenance, SDG&E will require EVITP-trained personnel for
8 utility-owned components, but will not require EVITP training for maintenance of any assets not
9 owned by SDG&E. SDG&E will utilize the Safety Requirements Checklist as a minimum for the
10 PYD Extension Program, as outlined in the Senate Bill (“SB”) 350 Priority Review Projects
11 Decision.³²

12 SDG&E would like to point out that the very first paragraph in the Safety Requirements
13 Checklist³³ states “These requirements are the *minimum* safety precautions the utilities should
14 meet.” One of SDG&E’s core values is our focus on safety.³⁴ Therefore, it is important to carry
15 the good safety record from the PYD Pilot forward into the PYD Extension program by
16 upholding the EVITP training requirements.

³¹ Schimka Direct testimony at RS-11.

³² See California Public Utilities Commission website for latest SB 350 TE reporting templates. California Public Utilities Commission, *Transportation Electrification Activities Pursuant to Senate Bill 350*, available at: <https://www.cpuc.ca.gov/sb350te/>

³³ Transportation Electrification Safety Requirements Checklist D.18-01-024/D.18-05-040, *Safety Requirements Checklist for CPUC-Approved Transportation Electrification Programs* at 1 (emphasis added), available at <https://www.cpuc.ca.gov/WorkArea/DownloadAsset.aspx?id=6442458882>

³⁴ Sempra Energy, *Vision, Mission & Values* (Corporate Values), available at <https://www.sempra.com/about-us/corporate-values>

1 The Coalition of California Utility Employees (“CUE”) states³⁵ that there is no shortage
2 of EVITP-trained personnel in California or in SDG&E’s service territory (which has also been
3 SDG&E’s experience). As outlined by CUE, “To date, there are approximately 1,400 EVITP-
4 certified electricians in California, 402 of which are in the SDG&E service territory.”³⁶ In 2018,
5 SDG&E installed hundreds of PYD Pilot charging stations utilizing six contracting firms. and at
6 no point was the availability of trained and qualified electricians to perform the work raised as an
7 issue by the contractors.

8 The safety aspects of the PYD Extension Program will continue to be kept at a high level
9 by maintaining the EVITP training requirements as proposed.

10 **VII. PROJECT MONITORING AND EVALUATION SHOULD USE ENERGY**
11 **DIVISION REPORTING TEMPLATES**

12 As part of the PYD Extension Program, SDG&E proposed to collect and periodically
13 report on project data to the Program Advisory Council (“PAC”) and the Commission using the
14 latest Energy Division reporting template.³⁷ In addition, SDG&E also proposed to use the Energy
15 Division’s updated final report template to issue a final project report to the PAC and the
16 Commission. Two parties testify they would like to see additional or enhanced data measurement
17 and evaluation, or third-party evaluators (TURN,³⁸ SBUA³⁹).

18 SDG&E is agreeable to providing reasonable project data as available and would suggest
19 that the Energy Division reporting templates be updated via a workshop / commenting process to

³⁵ CUE (Kotlier) at 7.

³⁶ *Id.* at 7:11-12.

³⁷ Schimka Direct Testimony at RS-20.

³⁸ TURN (Borden) at 34-35.

³⁹ SBUA (Chernick & Wilson) at 5.

1 reflect the additional data and reporting requirements desired. Parties could then vet these
2 proposed changes in a public process.

3 **VIII. SDG&E’S SITE SELECTION CRITERIA ARE REASONABLE**

4 My direct testimony⁴⁰ proposed the following factors, among others, for evaluating and
5 prioritizing interested sites for participation in the PYD Extension Program:

- 6 • MUD or workplace site categorization;
- 7 • DAC status;
- 8 • Current and expected volume of EV drivers;
- 9 • Number of charging ports desired;
- 10 • MUD deeded parking status;
- 11 • Type of installation (parking lot or parking structure);
- 12 • WiFi / connectivity signal strength;
- 13 • Distance between power source and new electric service point;
- 14 • Estimated cost for infrastructure and EV charging station installation; and
- 15 • Capability of complying with Americans with Disabilities Act (“ADA”)
16 accessible parking requirements.

17 NDC states that SDG&E should apply more stringent evaluation methods in the selection
18 of sites for the PYD Extension Program,⁴¹ and that SDG&E should work with the PAC to review
19 PYD Pilot data and develop criteria to better identify appropriate sites. Further, NDC states that

⁴⁰ Schimka Direct testimony at RS-8-RS-9.

⁴¹ NDC (Bautista) at 10.

1 SDG&E must ensure that selected locations should have at least one registered driver for every
2 port installed and must bear the average cost of each “non-utilized” port.⁴²

3 The list of criteria above will provide more than enough information to ascertain whether
4 a particular site is suited for participation in the PYD Extension Program. The PAC is not needed
5 to help develop additional criteria.

6 More troubling is NDC’s belief that participating sites should have one registered driver
7 for every charging port installed. Perhaps that would be more appropriate if electric vehicles
8 were already more widespread and groups of 10 or 20 drivers were waiting for charging stations
9 to be installed at their MUD or workplace. But the nascent electric vehicle market is not at that
10 point, and as mentioned earlier, MUD venues are not fully populated with EV owners yet. Also,
11 installing charging stations at sites in fewer numbers ends up costing more per port than sites
12 with more stations.

13 Further, NDC’s position assumes, with no foundation, that drivers are purchasing EVs
14 without having access to charging infrastructure. However, this is the exact “chicken and egg”
15 problem that infrastructure programs are intended to solve.

16 If NDC’s idea were to be adopted, fewer site hosts would be able to participate in the
17 Program because they would lack the number of drivers necessary to fully populate a typical
18 complement of charging stations. SDG&E is trying to be part of the solution by encouraging EV
19 driving and ownership, and not cause site hosts to postpone the installation of charging
20 equipment because they don’t have a 1-for-1 set of drivers ready to use the equipment. As
21 mentioned above, SDG&E has seen the “build it and they will come” philosophy work well in

⁴² *Id.*

1 several of the PYD Pilot sites already built and submits it will continue to work well in the PYD
2 Extension Program.

3 **IX. THE REBATE AMOUNT IS REASONABLE - WORKPLACE PARTICPANTS**
4 **WILL HAVE PLENTY OF “SKIN IN THE GAME”**

5 In the PYD Extension Program testimony for workplace sites, SDG&E proposed to
6 install the make-ready infrastructure up to the EVSE, with the site host being responsible for
7 purchasing the EVSE and having it installed. SDG&E also proposed an EVSE rebate after
8 energization of up to \$3,000 per Level 2 port for workplaces, not to exceed the purchase price.⁴³

9 TURN suggests that sites must contribute greater funds to increase their “skin in the
10 game.”⁴⁴ Cal Advocates argues that the Commission should reduce the size of the rebates.⁴⁵

11 Under the scenario envisioned in SDG&E’s application, workplace site hosts will have
12 more “skin in the game” than just the purchase of the EVSE. There are several items that a
13 workplace site host will be responsible for in a typical installation beyond just the EVSE, as
14 outlined below:

- 15 1. Purchase EVSE, including shipping charges
- 16 2. Purchase any external communications / gateway equipment, including shipping
17 charges, as needed, to relay charging data and other signals back to the Electric
18 Vehicle Service Provider (“EVSP”)
- 19 3. Hire a contractor / engineering firm to produce design drawings for the EVSE
20 installation portion of the job
- 21 4. Obtain and pay for City / County Permits for the EVSE installation portion of the
22 job
- 23 5. Hire a contractor to perform installation work at site (install concrete foundation
24 custom for their brand of EVSE that will incorporate utility-installed conduit stub-
25 up and wiring, perform EVSE installation and connect wiring, configure EVSE
26 and setup communications gateway equipment, and commission / test the EVSE)

⁴³ Schimka Direct Testimony at RS-3.

⁴⁴ TURN (Borden) at 26.

⁴⁵ Cal Advocates (Diaz) at 4-2.

- 1 6. Pay monthly billing fees to EVSP
- 2 7. Pay monthly network fees to EVSP
- 3 8. Pay maintenance costs for EVSE as needed

4 These items add up to a significant amount of “skin in the game” for workplace site hosts
5 above and beyond the cost of the EVSE. If the proposed rebates are reduced, SDG&E believes
6 that price-sensitive workplace hosts will simply end up not being able to participate, which will
7 make it more difficult to achieve the installation numbers needed to meet the State’s EVSE and
8 ZEV goals.

9 Finally, site hosts purchasing their own EVSE may pay a higher price compared to the
10 negotiated prices that utilities have paid for larger quantities of units. These reasons show that
11 the proposed rebate for the EVSE is reasonable and should be approved as part of the
12 application.

13 **X. CONCLUSION**

14 SDG&E appreciates the opportunity to address these issues and offer clarifying rebuttal
15 testimony. The Commission should approve the PYD Extension Program with the above-
16 discussed modifications. This concludes my prepared rebuttal testimony.