

Application: A.19-10-012

Exhibit No.: _____

Witness: Brittany Applestein Syz

PREPARED REBUTTAL TESTIMONY OF

BRITTANY APPLESTEIN SYZ

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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**PREPARED REBUTTAL TESTIMONY OF
BRITTANY APPLESTEIN SYZ**

I. OVERVIEW AND PURPOSE

My prepared rebuttal testimony responds to the opening testimony submitted by intervening parties in the Application (“A.”) of San Diego Gas & Electric Company (“SDG&E”) to Extend and Modify the Power Your Drive Pilot (A.19-10-012).¹ SDG&E appreciates the input from parties on the proposed Power Your Drive Extension Program (“PYD Extension Program” or “Program”).

II. SUMMARY OF REBUTTAL TESTIMONY

Rebuttal testimony chapters are organized as follows:

- Chapter 1: Policy (Brittany Applestein Syz)
- Chapter 2: Program Design (Randy Schimka)
- Chapter 3: Program Costs (John Black)
- Chapter 4: Bill Impacts (Jennifer Montanez)
- Chapter 5: Revenue Requirement (Casey Butler)

Note that SDG&E’s rebuttal testimony does not attempt to address each and every contention by other parties, and that our rebuttal does not address an issue raised by other parties does not imply any agreement by SDG&E.

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 **III. CERTAIN INTERVENORS IGNORE THAT THE PROGRAM IS VITAL TO**
2 **MEETING THE STATE’S POLICY GOALS**

3 The California Public Utilities Commission (“Commission”) approved SDG&E’s Power
4 Your Drive Pilot (“PYD Pilot” or “Pilot”) in Decision (“D.”) 16-01-045. As part of the PYD
5 Pilot, SDG&E designed and installed over 3,000 charging ports at multi-unit dwellings
6 (“MUDs”) and workplaces and developed an innovative electric rate designed to integrate
7 electric vehicle (“EV”) load into the grid. The PYD Pilot met its goals: as noted by the prepared
8 testimony of Natural Resources Defense Council, the Coalition Of California Utility Employees,
9 Sierra Club, Union Of Concerned Scientists, Enel X North America Inc., and EVBox Inc.
10 (collectively, the “Joint Parties”), “[n]o other program has been as successful as the PYD pilot in
11 increasing access to charging at multi-unit dwellings and shifting EV load to match grid
12 conditions.”² SDG&E’s application proposes to build upon the success of the PYD Pilot by
13 installing approximately 2,000 additional charging ports at approximately 200 additional MUD
14 and workplace sites, and will leverage SDG&E’s experience gained through implementing the
15 PYD Pilot by making a few modifications to the Program.

16 Achieving California’s aggressive goals to reduce greenhouse gas (“GHG”) emissions
17 will require significant and consistent investment to decarbonize the transportation sector, which
18 contributes to over 40% of statewide GHG emissions.³ Further action is urgently needed to meet
19 these goals. The California Energy Commission (“CEC”) has determined that “the sum of
20 existing and expected future charging ports will not be sufficient to meet the state’s goals ... []

² Joint Parties (Baumhefner) at 4:13-15.

³ See California Air Resources Board, *2019 Greenhouse Gas Emission Inventory*, available at, <https://www.arb.ca.gov/cc/inventory/data/data.htm> compare with California Air Resources Board, *California Greenhouse Gas Emissions for 2000 to 2016, Trends of Emissions and Other Indicators* at 4, Figure 3, available at https://ww3.arb.ca.gov/cc/inventory/pubs/reports/2000_2016/ghg_inventory_trends_00-16a.pdf

1 by 2025”.⁴ It is with this gap in mind that SDG&E proposes to build upon the success of the
2 PYD Pilot to provide additional support through deployment of EV charging infrastructure that
3 meets customer demand to support the widespread adoption of EVs.

4 **IV. INTERVENORS IGNORE THE EFFECT OF THE PANDEMIC**

5 Most intervenors’ testimony ignored the impact of recent events that reinforce the need
6 for the Program – both to focus on communities that are impacted disproportionately by air
7 emissions and by providing jobs. My prepared direct testimony describes how the PYD Pilot was
8 notably successful at enabling otherwise underserved communities to benefit from driving
9 electric. The Pilot extended access to EV charging to residents of apartments and condos, as 39%
10 of PYD Pilot sites located in MUDs.⁵ In addition, the Pilot exceeded its installation target in
11 Disadvantaged Communities (“DACs”), which are also referred to as communities of concern.⁶
12 The PYD Pilot also supported employment in the San Diego region by providing high quality
13 jobs. All Pilot sites were installed by International Brotherhood of Electrical Workers (“IBEW”)-
14 affiliated contractors and Electric Vehicle Infrastructure Training Program (“EVITP”)-trained
15 electricians.

16 Since SDG&E filed its application for the PYD Extension Program, the necessity of
17 ensuring that transportation electrification (“TE”) creates stable, high paying local jobs has
18 become even more apparent. The testimony of the Utility Reform Network (“TURN”) argues
19 that the economic situation caused by the COVID-19 pandemic calls for an increased

⁴ California Energy Commission, *Draft Staff Report 2020-2023 Investment Plan Update for Clean Transportation Program* (March 2020) (“Draft CEC Staff Report”) at 6.

⁵ Prepared Direct Testimony of Brittany Applestein Syz on behalf of SDG&E (October 28, 2019) (“Syz Direct Testimony”) at BAS-7.

⁶ *Id.* at BAS-8.

1 Commission focus on affordability.⁷ Indeed, the ongoing pandemic has devastated the San Diego
2 region, contributing to an unemployment rate of over 30% in San Diego County as of early May
3 2020, the most recent date for which data was available.⁸ However, the pandemic's impact are all
4 the more reason to accelerate utility investments in TE. In this time of record unemployment
5 SDG&E is helping the San Diego region recover by opening new hiring, training and
6 apprenticeship programs, including for trained tradespeople to install EV infrastructure⁹ –
7 including potentially the PYD Extension Program. The economic effects of the COVID-19
8 pandemic will linger and utility investments in TE infrastructure creates forward-looking clean
9 energy jobs and are a vital component of the state's economic recovery. California must ensure
10 that COVID-19 and the ongoing economic recession does not derail our progress towards state
11 climate goals and the creation of a new and more equitable clean energy economy.

12 **V. THE PYD EXTENSION PROGRAM IS A BRIDGE PROGRAM AND AS**
13 **PROPOSED IS NECESSARY TO MAINTAIN THE MOMENTUM OF THE PYD**
14 **PILOT**

15 SDG&E appreciates party comments regarding the size and scope of the PYD Extension
16 Program¹⁰ but urges the Commission to approve the Program as proposed and without
17 modifications, as the proposal follows state and Commission guidance and supports California's
18 climate and equity goals. Indeed, as described further in the prepared rebuttal testimony of
19 Randy Schimka the Extension Program was designed as a compromise position that balanced

⁷ TURN (Borden) at 1.

⁸ KPBS, *San Diego County's Unemployment Rate Reaches Record-High 30.1%* (May 21, 2020) available at <https://www.kpbs.org/news/2020/may/21/san-diego-regions-unemployment-rate-reaches/>

⁹ NBC San Diego, *SDG&E To Begin Job Recruitment Campaign for Entry-Level Positions* (June 11, 2020) available at <https://www.nbcsandiego.com/news/local/sdge-to-begin-job-recruitment-campaign-for-entry-level-positions/2344991/>

¹⁰ NDC (Bautista) at ii, TURN (Borden) at 2, and UCAN (Charles) at 3.

1 important elements such as EV Supply Equipment (“EVSE”) ownership, program size, and
2 existing demand for infrastructure.¹¹ As proposed the PYD Extension Program is a modest
3 program that will serve as a bridge as we await the final Transportation Electrification
4 Framework (“TEF”) being developed in Rulemaking (“R.”) 18-12-006. This bridge program will
5 maintain the momentum of the PYD Pilot, avoid further costly disruptions to third-party
6 suppliers and contractors, and continue offering otherwise-inaccessible charging infrastructure in
7 MUDs and workplaces, including in communities of concern. Without this program, it is unclear
8 if the San Diego region will see significant infrastructure gains in MUDs and workplaces for
9 years.

10 TURN recognizes the importance of consistent program offerings but argues that the size
11 of the PYD Extension Program should be reduced because ratepayers should not be burdened
12 with expenditures “based on a ‘build it and they will come’ philosophy.”¹² However, building
13 charging infrastructure in order to encourage EV adoption – particularly those from underserved
14 communities or who are otherwise not early adopters – is vital to widespread transportation
15 electrification. As the CEC notes, “...it is vital to front load funding to ensure the public
16 adoption of electric vehicles is not stymied by lack of charging infrastructure.”¹³ The CEC also
17 recognizes that it expects additional (and significant) public funding is still appropriate and
18 necessary to meet the needs of prospective EV buyers through 2025.¹⁴ SDG&E agrees with the
19 CEC’s assessment. The PYD Extension Program is designed to invest ratepayer funds to build

¹¹ All EVSE installed by the PYD Pilot were owned and maintained by SDG&E.

¹² TURN (Borden) at 4:7-8.

¹³ Draft CEC Staff Report at 32.

¹⁴ *Id.* at 37.

1 upon the PYD Pilot to support the immediate and forecasted demand for charging infrastructure
2 in the near term while waiting for final Commission guidance on a new TEF.

3 TURN alleges that the PYD Extension Program is not a bridge program due to its size
4 and cost and suggests cutting the Program size by half.¹⁵ This recommendation is not consistent
5 with California policy goals and invents an unreasonably strict definition for a bridge program.
6 The PYD Extension Program budget is comparable to the PYD Pilot, which itself was approved
7 as a pilot program at a significantly smaller cost than what was originally proposed by
8 SDG&E.¹⁶ Indeed, the modest size of the PYD Extension Program is not sufficient to meet
9 California’s policy goals as is. Once the TEF is finalized, SDG&E does not anticipate having an
10 opportunity to file another application for a MUD and workplace charging program until 2023 at
11 the earliest.¹⁷ Such a program would not begin construction until late 2024 at the earliest. The
12 PYD Pilot closed construction in 2019. If anything, the size and budget proposed in the PYD
13 Extension program is insufficient for a program to bridge a gap of *five years* between utility
14 programs – a gap over twice as long as the planned duration of the Program. In this context, calls
15 to reduce the Program make no sense.

16 **VI. THE PYD EXTENSION PROGRAM MINIMIZES COSTS AND MAXIMIZES**
17 **BENEFITS**

18 The PYD Extension Program is designed to minimize costs and maximize benefits, as
19 directed by Senate Bill (“SB”) 350 and Public Utilities Code Section 740.12.¹⁸ The Utility

¹⁵ TURN (Borden) at 2 and 7.

¹⁶ D.16-01-045 at Ordering Paragraph 3.a. at 181.

¹⁷ See R.18-12-006, *Transportation Electrification Framework Energy Division Staff Proposal* (February 3, 2020) at 26.

¹⁸ Public Utilities (“P.U.”) Code Section 740.12(a)(1).

1 Consumers' Action Network ("UCAN") argues that the Program proposed by SDG&E does not
2 comply with SB 350 because it does not deliver "the desired new electric vehicle charging and
3 associated GHG emissions reductions as efficiently as possible (e.g. maximizes vehicle charging,
4 new vehicle deployments, and TE driven GHG reductions per dollar spent)," namely by
5 including MUDs and insufficient cost sharing at workplace sites.¹⁹

6 This is an incorrect reading of SB 350, which directs electrical corporations to file
7 applications for TE programs that "seek to minimize overall costs and maximize overall
8 benefits."²⁰ This is not synonymous with delivering new EV charging as "efficiently as
9 possible," as alleged by UCAN.²¹ SB 350 includes many other criteria for successful
10 transportation electrification, including increased access to zero-emission vehicles for
11 disadvantaged and low and moderate-income communities and creating high-quality jobs for
12 Californians. The PYD Extension Program is specifically designed to minimize *overall* costs and
13 maximize *overall* benefits by furthering equity goals, not simply minimizing program costs. For
14 example, as noted above the PYD Pilot was notably successful at reaching residents of MUDs, a
15 traditionally underserved and hard to reach market that makes up only 12% of Clean Vehicle
16 Rebate Program rebate recipients between 2016 and 2017.²² The PYD Extension Program plans
17 to build on this success – but UCAN's recommendation to eliminate the Program's MUD
18 component entirely would abate this success.²³ Continued utility investments are vital to

¹⁹ UCAN (Charles) at 7:6-9.

²⁰ P.U. Code Section 740.12(b).

²¹ UCAN (Charles) at 7:7.

²² California Clean Vehicle Rebate Project, *Final Report FY 2015-2016* (2018) at 27, available at https://cleanvehiclerebate.org/sites/default/files/attachments/CVRP_FY2015-16_FinalReport.pdf

²³ UCAN (Charles) at 22.

1 ensuring that MUD residents have equal access to the benefits of EVs as those who can afford
2 single-family homes. Now is the moment to continue, not abandon, this work.

3 Similarly, TURN recommends that the PYD Extension Program be significantly cut and
4 limited to a \$15,000 per port average cost.²⁴ This recommendation similarly misunderstands the
5 direction of SB 350 and State policy. The goal is not to simply install EV charging infrastructure
6 at the lowest possible cost to the detriment of deploying in hard to reach segments, communities
7 of concern, and other locations that support state policy. Again, SB 350 requires increased access
8 to TE in disadvantaged and otherwise underserved communities and calls for the creation of
9 high-quality jobs. Ensuring equitable access to EV charging infrastructure is precisely the role of
10 utility programs and cannot be fulfilled by purely private investments. Complying with TURN's
11 proposed average cost cap would likely require SDG&E to prioritize selecting the lowest cost
12 sites above all other considerations, including equity. Secondly, as shown in the prepared rebuttal
13 testimony of John Black, the proposed cost of the PYD Extension Program is based on the
14 experience implementing the PYD Pilot. Recommending a dramatic reduction in the per port
15 cost is not reasonable, and in fact the Program anticipates a slightly lower cost per port than the
16 PYD Pilot.

17 **VII. CONCLUSION**

18 SDG&E requests that the Commission approve the PYD Extension Program as proposed
19 and without modification. This concludes my prepared rebuttal testimony.

²⁴ TURN (Borden) at 11.