

Cal Pub Util Code § 740.16

Deering's California Codes are current through the 2024 Regular Session Ch 1

*Deering's California Codes Annotated > PUBLIC UTILITIES CODE (§§ 1 — 240323) > Division 1
Regulation of Public Utilities (Pts. 1 — 6) > Part 1 Public Utilities Act (Chs. 1 — 11) > Chapter 4 Regulation
of Public Utilities (Arts. 1 — 14.5) > Article 2 Rates (§§ 726 — 758)*

§ 740.16. Legislative findings and declarations; Electric vehicle grid integration

(a)

(1) The Legislature finds and declares all of the following:

(A) State policy incentivizes and encourages the increased use of electric vehicles, and relies, in part, on the ratepayers of electrical corporations to fund policies intended to increase the usage of electric vehicles.

(B) Changes in electrical demand and generation have created escalating peak and low periods of electrical supply and demand, and the cost of wholesale electricity and electricity delivery during peak demand periods is typically greater than during other periods.

(C) It is feasible and practicable to adjust the period during which an electric vehicle charges, in part or in full, to reduce its cost impact during periods of peak demand or grid congestion, to utilize available renewable electric generation, to avoid curtailments of renewable electric generation, and to provide reliability services.

(D) Time-of-use rates for customers with electric vehicles can reduce costs or mitigate cost increases for all ratepayers due to increased usage of electric vehicles by incentivizing electric vehicle charging at periods of low demand and low grid congestion.

(2) It is, therefore, the policy of the state and the intent of the Legislature to maximize net ratepayer and grid benefits from transportation electrification and reduce costs or mitigate cost increases for all ratepayers due to increased usage of electric vehicles by accelerating electric vehicle grid integration and by ensuring that any investments in transportation electrification do not foreclose the electric vehicle grid integration potential of these investments.

(b)

(1) For purposes of this section, “electric vehicle grid integration” means any method of altering the time, charging level, or location at which grid-connected electric vehicles charge or discharge, in a manner that optimizes plug-in electric vehicle interaction with the electrical grid and provides net benefits to ratepayers by doing any of the following:

(A) Increasing electrical grid asset utilization.

(B) Avoiding otherwise necessary distribution infrastructure upgrades.

(C) Integrating renewable energy resources.

- (D) Reducing the cost of electricity supply.
 - (E) Offering reliability services consistent with Section 380 or the Independent System Operator tariff.
- (2) Electric vehicle grid integration strategies shall not require the use of any specific technology.
- (3) Electric vehicle grid integration may be achieved using multiple strategies, including, but not limited to, the adoption of an electrical rate design, a technology, or a customer service, if that adoption helps provide net benefits to ratepayers pursuant to paragraph (1).
- (4) The commission may adopt a revised definition for “electric vehicle grid integration” through a new or existing proceeding to replace the definition in paragraph (1). Any revised definition of “electric vehicle grid integration” adopted by the commission shall be applicable to load-serving entities, as defined in Section 380.
- (c) By December 31, 2020, in an existing proceeding, the commission shall establish strategies and quantifiable metrics to maximize the use of feasible and cost-effective electric vehicle grid integration by January 1, 2030, consistent with all of the following:
- (1) The electric vehicle grid integration strategies shall account for the effect of time-of-use rates on electricity demand from electric vehicle charging.
 - (2) Expenditures on electric vehicle grid integration shall be in the best interests of ratepayers, as defined in Section 740.8, and consistent with Section 451.
 - (3) The electric vehicle grid integration strategies shall reflect electrical demand attributable to electric vehicle charging, including from existing approved rates and programs.
 - (4) Electric vehicle grid integration shall be consistent with the transportation electrification goals described in Section 740.12.
 - (5) The commission shall consider incorporating the National Institute of Standards and Technology’s reliability and cybersecurity protocols, or other equally protective or more protective cybersecurity protocols, into the electric vehicle grid integration strategies.
- (d) As part of each local publicly owned electric utility’s integrated resource plan update adopted on and after January 1, 2020, pursuant to Section 9621, the local publicly owned electric utility shall consider both of the following:
- (1) Establishing electric vehicle grid integration strategies that are in the best interests of ratepayers and that reflect the local publicly owned electric utility’s estimated electrical demand attributable to electric vehicle charging, as applicable.
 - (2) Evaluating how its existing and planned electric vehicle grid integration programs, including its electrical rates and investments in transportation electrification, to the extent feasible, further the electric vehicle grid integration strategies it has established, as applicable.
- (e) In carrying out its responsibilities pertaining to transportation electrification, including, but not limited to, pursuant to Sections 740.2, 740.3, 740.8, 740.12, 740.13, and 740.14, the commission shall reference the electric vehicle grid integration strategies established pursuant to subdivision (c) in relevant ongoing and subsequent proceedings that address issues of transportation electrification in any part and shall identify how programs and investments that the commission may approve will advance the achievement of the strategies.
- (f) In executing its responsibilities on transportation electrification, including, but not limited to, pursuant to Sections 740.2, 740.3, 740.8, 740.12, 740.13, and 740.14, the commission shall

consider how, or if, electric vehicle grid integration can mitigate any generation, transmission, or distribution costs, or increase the economic, social, or environmental benefits associated with transportation electrification, and shall not foreclose future utilization of electric vehicle grid integration.

(g) Each community choice aggregator shall, one year after the commission establishes electric vehicle grid integration strategies pursuant to subdivision (c), report annually to the commission describing how its current and planned programs, rates, and investments in transportation electrification are expected to further the electric vehicle grid integration strategies.

(h) Each electrical corporation shall, in each of its applications to the commission for transportation electrification programs and investments filed pursuant to Section 740.12, quantify how the investments described in the application are expected to further the electric vehicle grid integration strategies adopted pursuant to subdivision (c).

(i) Each electrical corporation that files an application for programs and investments to accelerate widespread transportation electrification pursuant to Section 740.12 shall, in each of its load research report compliance filings or alternative compliance filings submitted to the commission, report the electrical corporation's annual measurable progress in furthering the electric vehicle grid integration strategies adopted pursuant to subdivision (c).

(j) The commission shall, in an existing proceeding, review each load-serving entity's annual measurable progress in furthering the electric vehicle grid integration strategies adopted pursuant to subdivision (c), and may, if appropriate, issue recommendations to ensure reasonable progress toward achieving vehicle grid integration.

(k) Nothing in this section authorizes a delay of any new rate or program for electric vehicle charging or electric vehicle grid integration as to which consideration or approval is pending before the commission on or before January 1, 2020.

(l) As regards electrical corporations, this section shall only apply to electrical corporations that are required to file an integrated resource plan pursuant to Section 454.52.

History

Added Stats 2019 ch 484 § 1 (SB 676), effective January 1, 2020.