

**SPECIAL MEETING MINUTES
RENEWABLE ENERGY COUNCIL
July 31, 2017**

Roll Call - The meeting was called to order at 7:04 p.m. Present were Renewable Energy Council Members Andrew Eaton, William Glauz, Kim Hughes, Carl Marziali and Daniel Snowden-Ifft. Absent were Chair William Kelly and Renewable Energy Council Members Alexander Kung, and Charles Li. Staff Liaison Jenna Shimmin, Mayor Cacciotti (arrived at 7:09 p.m.), and City Councilmember Dr. Schneider (arrived at 7:07 p.m.), were present.

1. Minutes – Minutes from the May 16, 2017 meeting were approved (Eaton, Marziali, 5-0).

2. Presentation on Edison’s Efforts to Support Transportation Electrification– Staff introduced Jose Torres, the Government Affairs Representative for Southern California Edison (SCE). Mr. Torres began by giving a disclaimer that as the Investor Owned Utility (IOU), Edison is CCA neutral and is unable to opine, comment or answer questions on that matter. He is able, however, to provide factual information upon request.

Mr. Torres began his presentation on Transportation Electrification by explaining that most of SCE’s programs are paid for with distribution side fees, meaning that CCA customers can qualify for them. He then went on to give a brief background on what’s driving SCE’s initiative, which are Senate Bill (SB) 350, which requires 50% of electricity to be generated from renewable resources by 2030; as well as SB32, which requires California to reduce emissions to at least 40% below 1990 levels by 2030. Currently transportation makes up 36% of California’s Green House Gas (GHG) emissions. One way SCE is helping to meet these goals is by fueling vehicles with electricity. Electric Vehicles (EV) help reduce GHG emissions by up to 70%, and emit 85% fewer ozone-forming air pollutants. One of the biggest hurdles to transportation electrification is incentivizing drivers, and providing alternatives at reasonable prices.

Mr. Torres went on to explain that one EV’s energy needs is equivalent to that of a 4 person residential property. The EV charging load is uniquely flexible and may provide significant grid benefits, one of which is potential downward pressure on rates. SCE is trying to promote users to charge off peak hours, when there is plenty of clean energy available. They are also trying to incentive EV users to push electricity back onto the grid by storing the off peak energy and putting it back into the grid during peak hours.

In January 2017, SCE asked the California Public Utility Commission to approve a plan to expand transportation electrification in Southern California. This plan spans all transportation sectors, with particular focus on targeting pollution in disadvantaged communities (DAC) that are most impacted by medium, heavy-duty and non-road transportation.

Mr. Torres stated that EV adoption has been slow, but the pace is starting to pick up with more models becoming available, increased ranges and faster charging. With the price of fuel being roughly \$3 a gallon, EVs are becoming more competitive with electricity costing around \$1.50 for the same. Based on the rapid advancements in the EV sector, it is estimated that 12,000 EV chargers will be needed to fulfill future needs. If we don’t act quickly, we won’t be able to meet California’s environmental goals.

Mr. Torres admitted that grid reliability is another consumer barrier, and SCE is working to modernize the grid. There are three main barriers to address: availability, affordability, and awareness. SCE's role in addressing these three things will be done through their infrastructure, rate design and innovative collaborations.

Another issue SCE is addressing is air quality. Currently SCE's service area spans one-third of the state, and overlaps two air basins, the South Coast and San Joaquin basins. They are the only two basins in the nation with extreme non-attainment for ozone. The goods movement industry is prominent in Southern California, and many DACs exist in the goods movement corridors with the worst air and most transportation. Because 45% of the state's DACs are in SCE's service area, this makes it pivotal for them to meet their goal to electrify transportation and clean up the air in this sector.

Mr. Torres concluded by highlighting some of the proposed programs that SCE has submitted to the California Public Utilities Commission (CPUC) include rebates for customer installation of residential charging stations, building urban DC fast charger clusters, and incentives to ride sharing services and drivers. Ride sharing services have helped shift perspective of EV vehicles. They allow riders to experience the vehicles firsthand, and ask questions of owners. A huge benefit is the high return on investment to this sector.

Renewable Energy Councilmember Glauz asked if there are more options available for the transportation sector versus 10 years ago. He also asked about the options available for light transportation. Mr. Torres responded that for ports, supply yards, and train yards there are more options, but the hard part is electrifying the vehicles used in between those places. The big push is for buses, but battery storage is an issue. With the price for larger capacity batteries just starting to come down, it becomes less of a technical issue and more of an economics issue.

Mr. Torres reviewed the timeline for the current and future applications to the CPUC.

Current Application:

- January 20 – Application filed
- September 2017 – Expected decision for Priority Projects
- 4th Quarter 2017 – Expected hearings for Standard Programs
- 1st Quarter 2018 – Expected decision for Standard Programs

Future Application:

- 2nd Quarter – Regulatory and strategy teams develop Phase 2 for light-duty vehicles
- 1st – 2nd Quarter 2018 – File application for Phase 2

Renewable Energy Councilmember Hughes asked if South Pasadena was in line for any EV charger incentives. She explained that with the recent 710 decision it would make sense to make this corridor an EV corridor. Mr. Torres responded that South Pasadena was not included in SCE's initial program, but hopes that the CPUC decision will help provide more funds to allow for EV charger programs to return.

Renewable Energy Councilmember Snowden-Ifft stated that he was concerned with solar and the ability to store energy. He asked when it could be expected to see vehicles and chargers that can store and transfer power to the grid. Mr. Torres responded that there are

already some available, but they have seen a push back in focus groups. This is most likely due to range anxiety. SCE hopes to see vehicles with larger batteries in the near future. They will then incentivize users to store solar energy in their vehicles around lunch time, and then return it to the grid after about 4pm.

Renewable Energy Councilmember Glauz asked how rate incentives will work. Mr. Torres responded that for SCE residential customers to being Time of Use customers, with a rate called Super Off Peak, where they would only be charged delivery costs from 8am-2pm. SCE is trying to make it as cheap as possible to keep the energy in California.

Dr. Schneider stated that due to potential and frequent power outages, it makes it difficult to go 100% EV in your home. If you're without power for a few days, you won't have a vehicle to get around in. Mr. Torres explained that is an issue SCE is working on through as they address grid readiness and reliability.

Mr. Torres explained that SCE is looking for stakeholders to support their plan with the CPUC and ask the REC to consider making a recommendation to the City Council to support SCE's plan that is currently under review by the CPUC. Staff was directed to draft a letter of support for the REC to review. Staff was also asked to find out what other entities have given their support.

- 3. Update on the Renewable Energy RFP** – Staff Liaison Shimmin explained that the Request for Proposals regarding Renewable Energy projects had some push back from City Council regarding the contract language with Climatec. That has been worked through and the audit phase will go for formal Council approval on August 16th. Climatec estimates that it will take 6 weeks to complete the investment grade audit and finalize the financial analysis. Once the report has been received by staff, a REC meeting will be scheduled to review the results, and prioritize projects for submission for City Council approval.

- 4. Council Communications –**

Renewable Energy Councilmember Snowden-Ifft advised the REC that he would call the California Energy Commission regarding deadlines for financing/funding under the Energy Conservation Assistance Act.

Renewable Energy Councilmember Huges advised the REC that she would be representing the City of South Pasadena at the first meeting of the Los Angeles Consumer Choice Energy board of directors, as she is the alternate should Councilmember Diana Mahmud be unable to attend meetings/events.

- 5. Staff Liaison Communications** – Staff Liaison Shimmin advised the REC members that on August 26th a Household Hazardous Waste and E-waste event would be occurring; she also advised them that on September 10th the City's annual Clean Air Car Show and Green Living Expo would be held at Garfield Park from 10:30 a.m. to 2:30 p.m.
- 6. Next Meeting Date**– It was decided to have the next meeting on Wednesday, August 30th, 2017 at 7 p.m., before the Natural Resources and Environmental Commission meeting.

7. **Adjournment** – Renewable Energy Councilmember Snowden-Ifft motioned to adjourn the meeting at 8:17 p.m., Renewable Energy Councilmember Eaton seconded. Ayes: All, Nays: None.

William J. Kelly
William Kelly, Chair

Aug. 31, 2017
Date