



Agenda Report

19-297

Agenda Date: 9/17/2019

REPORT TO COUNCIL

SUBJECT

Action on the Funding Agreement between Peninsula Clean Energy, San Jose Clean Energy, Silicon Valley Clean Energy, City of Palo Alto Utilities, and the City of Santa Clara dba Silicon Valley Power and the California Energy Commission and Center for Sustainable Energy to Fund the Regional Electric Vehicle Infrastructure Incentive Project Under the California Electric Vehicle Infrastructure Project Program

BACKGROUND

In January 2019, the City of Santa Clara dba Silicon Valley Power (SVP) joined with Silicon Valley Clean Energy (SVCE), Peninsula Clean Energy (PCE), San Jose Clean Energy (SJCE) and City of Palo Alto Utilities (CPAU) in a joint letter of intent to create a regional electric vehicle infrastructure incentive project under the California Electric Vehicle Infrastructure Project (CALeVIP) program with additional funding through the California Energy Commission (CEC) and in support from the CALeVIP implementer, Center for Sustainable Energy (CSE).

CALeVIP offers incentives for the purchase and installation of electric vehicle supply equipment (EVSE) at publicly accessible sites throughout California including but not limited to multi-unit dwellings, mixed use commercial/residential, businesses, etc. The CALeVIP program works with local partners to develop and implement electric vehicle (EV) charger incentive projects that meet regional needs for Level 2 and Direct Current (DC) fast chargers. The goal of this project is to develop a regional EV infrastructure incentive program for customers in San Mateo and Santa Clara Counties. A unified program in Santa Clara County reduces confusion between jurisdictions and can lead to ease of implementation and adoption throughout the Bay Area. The CALeVIP program will administer the EV infrastructure incentives and provide additional supporting programs including technical assistance, vehicle promotions and rebates, workforce development, and EV education and awareness.

DISCUSSION

On August 13, 2019, the California Energy Commission (CEC) held a community workshop announcing \$21million dollars in additional funds to the Santa Clara County partners to enhance each communities' Electric Vehicle Infrastructure program. For the City of Santa Clara, this is expected to include \$4 million dollars towards DC fast charger installations and matching funds of up to \$4 million dollars over four years for Level 2 charger installations.

SVP is recommending that the City Council authorize inclusion of \$1 million per year for four years from SVP's Low Carbon Fuel Standards Program (LCFS) funding, for a total of \$4million dollars, to support the regional EV infrastructure incentive project under the CALeVIP program. Inclusion of this funding will allow Santa Clara to maximize the CEC matching dollars for Level 2 charging infrastructure and potentially build up to \$12 million dollars in EV charging infrastructure within the City.

This funding does not impact customers' rates or the General Fund. Participation in the program meets the mandated requirements of the LCFS funds to be used to install EV charging infrastructure at public and/or shared parking throughout the Santa Clara community. Funding administration, allocation and additional logistics are currently being negotiated with the California Energy Commission.

The CALeVIP program supports the City's sustainability pillar by encouraging transportation electrification and EV adoption through access to public EV charging stations. This program will help reduce the cost to deploy public electric vehicle infrastructures throughout the City, and will replace SVP's current non-profit, schools, and multi-dwelling housing rebate. All funds contributed to the program from the City of Santa Clara will be only for the benefit of the businesses and residents of the City of Santa Clara. The individual residential electric vehicle supply equipment rebate will remain in effect.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(b)(5) in that it is a governmental organization or administrative activity that will not result in direct or indirect changes in the environment.

FISCAL IMPACT

Funding for this project will be from LCFS program credit proceeds and is currently budgeted in the Electric Operating Grant Trust Fund. SVP would contribute \$1.0 million per calendar year (\$4.0 million total) after the annual LCFS sale of credits for the next four years.

COORDINATION

This report has been coordinated with the Finance Department and City Attorney's Office.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

RECOMMENDATION

1. Authorize the City Manager to finalize negotiations with the California Energy Commission on behalf of the City of Santa Clara and enter into the resulting Funding Agreement between Peninsula Clean Energy, San Jose Clean Energy, Silicon Valley Clean Energy, City of Palo Alto Utilities, and the City of Santa Clara dba Silicon Valley Power and the California Energy Commission and Center for Sustainable Energy to Fund the Regional Electric Vehicle Infrastructure Incentive Project under the California Electric Vehicle Infrastructure Project Program; and
2. Authorize the City Manager to adjust the funding up to \$1.0 million annually as needed to support Electric Vehicle Charging Stations in the City of Santa Clara through the CALeVIP program.

Reviewed by: Manuel Pineda, Chief Electric Utility Officer

Approved by: Deanna J. Santana, City Manager

ATTACHMENTS

1. Letter of Intent dated February 14, 2019
2. Statement of Work