

Docket No.: A.14-10-014

Exhibit No.: _____

Date: June 5, 2015

Witness: Janice Lin

**REBUTTAL TESTIMONY OF JANICE LIN
ON BEHALF OF THE CALIFORNIA ENERGY STORAGE ALLIANCE
CONCERNING APPLICATION OF SOUTHERN CALIFORNIA EDISON
COMPANY APPLICATION FOR APPROVAL OF ITS CHARGE READY
AND MARKET EDUCATION PROGRAM**

1 **Q: Please state your name and business address.**

2 **A:** My name is Janice Lin. I am Executive Director of the California Energy Storage
3 Alliance (“CESA”). I am also Managing Director of Strategen Consulting, LLC. My
4 business address is David Brower Center, 2150 Allston Way, Suite 210, Berkeley,
5 CA 94704

6 **Q: Please summarize your professional and educational background.**

7 In my capacity as Managing Partner of Strategen Consulting, LLC, and Co-Founder and
8 Executive Director of CESA, I am actively involved in helping clients market distributed
9 grid connected energy systems to a wide range of potential customers. I provide strategic
10 and technical support to CESA member companies and end users of energy storage to
11 deploy new energy storage projects, and accomplish their business objectives. Prior to
12 founding Strategen and CESA, I served as Vice President of Business Development and
13 Vice President of Product Strategy at PowerLight Corporation, a leading designer and
14 installer of large-scale grid-connected solar electric systems and energy efficiency
15 services (now SunPower Systems). I hold an MBA from the Stanford Graduate School
16 of Business, a BS from the Wharton School of Business and a BA in International
17 Relations from the University of Pennsylvania’s College of Arts and Sciences.

18 **Q.:** Have you ever testified before this Commission?

19 **A:** Yes.

20 **Q:** On whose behalf are you testifying?

21 **A:** I am testifying on behalf of CESA. CESA is a broad advocacy coalition comprised of
22 approximately 90 member companies that is committed to advancing the role of energy
23 storage to promote the growth of renewable energy and a more efficient, affordable,

1 clean, and reliable electric power system. CESA’s members are a diverse mix of energy
2 storage technology manufacturers, renewable energy component manufacturers,
3 renewable energy, fossil fuel and energy storage project developers, software developers,
4 electrical contractors and systems integrators. CESA is a technology-neutral and
5 business model-neutral association of members who share a common mission, the
6 advancement of energy storage solutions to optimize California’s energy infrastructure,
7 and is supported solely by the contributions and coordinated activities of its members.

8 **Q.** What is the purpose of your testimony?

9 **A:** The purpose of my testimony is to respond to rebut specific points raised in intervenor
10 testimony filed by The Utility Reform Network (TURN).

11 My rebuttal testimony focuses primarily on the prepared testimony of Garrick F. Jones,
12 sponsored by TURN. Mr. Jones’ testimony includes one particular comment that
13 warrants a response. Specifically, Mr. Jones’ testimony stated:

14 “If the Commission rejects all of TURN’s alternative recommendations
15 and authorizes SCE to earn its full rate of return on the proposed rebates,
16 then it should instead simply order SCE to build and own the charging
17 stations.” (Page 10, lines 14-16).

18 This statement by Mr. Jones opposing utility rebates of the installed cost of EVSE is
19 inconsistent with TURN’s position in other Commission proceedings, and he notably
20 prefaced his statement such that it was viewed as a last resort recommendation. The
21 statement is completely inconsistent with the Commission’s balancing test set forth in
22 D.14-12-079, and runs counter too much of the many of the comments filed by parties
23 and testimony served in (a) this proceeding, (b) and the AFV Rulemaking (R.13-11-007),
24 and (c) SDG&E’s VGI Pilot Program Application (A.14-04-014. Although CESA
25 anticipates that the Commission will certainly apply its balancing test in approval of

1 SCE's Application, and other comparable utility proposals, the specific purpose of this
2 testimony is to explain why a rebate based on a percentage of the installed cost of EVSE
3 is appropriate in the case of SCE's Application.

4 The SCE rebate proposal *reduces* stranding risk in the SCE case (unlike the SDG&E
5 or PG&E cases) for the following reasons:

6 (a) SCE is not requiring a specific untested or predetermined business model,
7 which means the EV charging station host and the EVSE operator/developer will be
8 choosing a model most advantageous for them from an array of competitive choices
9 available in the marketplace. The existence of such an array of competitive choices will
10 ensure the market places' ability to innovate rapidly and develop new solutions tailored
11 to the customer requirements, thus encouraging them to be well-utilized and to be
12 invested wisely on an ongoing basis.

13 (b) Hosts receiving a rebate have obligations to maintain the charging stations
14 and provide data to SCE for a period of ten years; failure to do so incurs penalties
15 including the requirement to partially or fully reimburse the rebate amount.

16 (c) The highest risk of stranding EVSE costs in workplace and multi-unit
17 dwellings will come from tenant turnover. The SCE business model, unlike SDG&E's or
18 PG&E's, does not require the tenant to become a utility customer but can allow shared
19 use across multiple potential users. This shared access will assure a much greater
20 utilization probability than dedicated stations for single vehicle charging models.

21 Maintaining an arm's length competitive business relationship between utilities
22 and third party EV charging market participants at the end point EVSE and business
23 model delivery to end drivers (through a clear dividing line between the utility's role and

1 that of third parties) substantially reduces the risk of market failure and stranded
2 infrastructure. This is because the business model innovation and diversity that third
3 party investment provides also reduces risk versus utility ownership of EV charging
4 stations. This is because of the substantial experience that unregulated third parties have
5 already developed in identifying profitable deployment models, rather than simply
6 ratepayer recoverable costs, which doesn't provide the same incentives for business
7 model innovation in satisfying EV driver and EV charging station host site needs.

8 On a second important topic related to program success, TURN's other witness,
9 Mr. Borden, suggests in his prepared testimony that a workshop should be held to further
10 evaluate potential data collection. (Page 3, lines 9-11). CESA does not view this as
11 necessary at this time, although CESA supports the general goal of optimizing the data
12 collected in the pilot. SCE will certainly need robust data from the pilot demonstrating
13 cost-effectiveness in order to support the second phase of its proposal. However, data
14 collection has already been a topic of significant comment by parties in this proceeding,
15 and others related to EV charging. Rather than hold separate workshops, possibly
16 delaying approval of SCE's Application, CESA recommends that the Commission
17 incorporate comments already filed by parties to determine any additional data reporting
18 that may be warranted.

19 While CESA strongly supports robust data collection on cost-effectiveness during
20 the course of Phase 1 in order to fully inform Phase 2, definitive proof of cost-
21 effectiveness should be a pre-requisite requirement of the Phase 1 pilot. As with all of
22 the utility-proposed AFV infrastructure programs, cost-effectiveness should be evaluated
23 during the course of the Phase 1 pilot and reported in a timely manner prior to the start of

1 Phase 2 so that the Phase 2 program can continue uninterrupted.

2 **Q:** Does this conclude your testimony?

3 **A:** Yes it does.