



City of Arts & Innovation

City Council Memorandum

City of Arts & Innovation

TO: HONORABLE MAYOR AND CITY COUNCIL **DATE: DECEMBER 18, 2018**
FROM: PUBLIC UTILITIES DEPARTMENT **WARD: ALL**
**SUBJECT: PROPOSED CHANGES TO THE APPLICABILITY OF ELECTRIC SCHEDULE EV
DOMESTIC ELECTRIC VEHICLE SEPARATELY METERED TO INCLUDE
ADDITIONAL DOMESTIC RATE OPTIONS**

ISSUE:

Adopt a resolution approving the changes to the applicability of Electric Schedule EV Domestic Electric Vehicle Separately Metered to include additional domestic rate options.

RECOMMENDATIONS:

That the City Council adopt a resolution approving the changes to the applicability of Electric Schedule EV Domestic Electric Vehicle Separately Metered to include additional domestic rate options.

BOARD RECOMMENDATION:

After the requisite public hearing on November 26, 2018, the Board of Public Utilities, with one member absent and one member abstained, unanimously voted to adopt a resolution establishing the changes to the applicability of Electric Schedule EV Domestic Electric Vehicle Separately metered, recommend that the City Council adopt a resolution approving the changes to the applicability of Electric Schedule EV Domestic Electric Vehicle Separately Metered, and directed staff to return with residential EV information at a Riverside Public Utilities (RPU) Customer/Finance Relations Committee meeting followed by a Board Workshop in March 2019.

BACKGROUND:

The growth in the number of electric vehicles (EV) in California is well underway and is expected to continue. A recent report produced by Next 10 released in January 2018 reported that 4.5% of California's light-duty vehicle fleet were comprised of EVs. By the end of 2017, there were over 300,000 EVs in California. In Riverside, there are an estimated 2,000 light-duty EVs owned by residents and businesses.

Transportation electrification has become a priority for the State to meet its near- and long-term climate change goals for reducing greenhouse gas emissions to 40% below 1990 levels by 2030. Executive orders have been issued by Governor Jerry Brown over the past several years

(Executive Orders B-16-2012, B-32-15 and B-48-18) establishing goals for deployment of light-duty EVs in the State, including:

- 1.5 million electric vehicles on the road by 2025, and
- 5 million electric vehicles on the road by 2030.

On May 22, 2018, the City Council approved changes to the electric and water rates for fiscal years 2018/19 through 2022/23 with the first year of electric rates effective January 1, 2019. The electric rate changes included approval of the new Electric Schedule EV Domestic Electric Vehicle Separately Metered (Schedule EV) rate, also effective January 1, 2019.

Schedule EV is an optional time of use rate specifically for residential customers to meter qualified EV charging separately from their household energy consumption. This rate option allows residents to have their household energy consumption remain on a standard domestic electric rate while the EV charging is separately metered and billed based on time of use pricing under Schedule EV. The off-peak pricing, under Schedule EV, encourages residential customers to charge their EVs late at night and in the early morning when system load is lower and there is typically lower overall demand on the electric distribution system.

DISCUSSION:

Upon adoption of Schedule EV, RPU restricted the household energy consumption meter to be on the standard domestic electric rate of Schedule D Domestic Service. At the time, it was not anticipated that residential customers on time of use rates or qualifying under net energy metering (NEM) would be interested in a separately metered rate for their EV charging since customers on time of use rates could already choose to charge their EV in the off peak period and customers with solar, under net energy metering, could offset their EV energy consumption with solar production.

Since approval of Schedule EV, residential customers either already on or considering changing to domestic time of use or net energy metering rates have inquired about applying for Schedule EV. In response to customer inquiries RPU has considered and recommends changing the applicability of Schedule EV to include all domestic rate schedules as an option for the residential home usage meter. This will allow customers on domestic time of use rates, which have two tiers in each time period, to apply the EV energy consumption to Schedule EV instead of their home usage meter and avoid reaching tier two of the household time of use rate. Offering Schedule NEM for the household energy usage, allows customers with existing solar, or limited solar capacity, to separately meter new EV energy consumption rather than add supplementary solar production.

The recommended changes also clarify that the separately metered EV cannot be served under Schedule NEM. The metering equipment and adapter to separately meter the EV energy consumption is intended solely for the capacity of the EV charger and cannot accommodate additional capacity.

RPU has provided the appropriate notification of the public hearing by publishing the notice twice prior to the public hearing. The proposed changes to Schedule EV will go into effect on January 1, 2019 following adoption by the Board of Public Utilities and approval by City Council.

FISCAL IMPACT:

There is no known fiscal impact associated with the recommended action. Domestic electric customers electing to receive service under Schedule EV will also receive service under an electric domestic rate schedule for household energy consumption.

Prepared by: Todd Corbin, Utilities General Manager

Certified as to

availability of funds: Edward Enriquez, Interim Chief Financial Officer/City Treasurer

Approved by: Al Zelinka, FAICP, City Manager

Approved as to form: Gary G. Geuss, City Attorney

Attachments:

1. City Council Resolution with Board Resolution attached (including revised Electric Schedule EV Domestic Electric Vehicle Separately Metered)
2. Recommended Electric Schedule EV Domestic Electric Vehicle Separately Metered (red-line and clean)
3. Notice of Public Hearing
4. Draft Minutes for the 11/26/18 Public Utilities Board Meeting
5. Presentation