

Agenda Item #12.1
For Council Meeting of: April 2, 2019

CITY OF SANTA ROSA
CITY COUNCIL

TO: MAYOR AND CITY COUNCIL
FROM: YURI KOSLEN, TRANSIT PLANNER
TRANSPORTATION AND PUBLIC WORKS DEPARTMENT
SUBJECT: AUTHORIZATION TO APPLY FOR PG&E FLEETREADY PROGRAM

AGENDA ACTION: RESOLUTION

RECOMMENDATION

It is recommended by the Transportation and Public Works Department that the Council, by resolution, authorize the Director of Transportation and Public Works to approve and submit a grant application under the PG&E's FleetReady program for electric vehicle charging infrastructure.

EXECUTIVE SUMMARY

With the Federal Transit Administration's 5339 award of \$2.9 million to the City of Santa Rosa for CityBus' first four battery-electric buses and charging equipment, Transportation and Public Works staff have identified the need for improvements to the electrical capacity available at the Municipal Services Center for vehicle charging. In early 2019, PG&E plans to initiate its FleetReady program, which will provide expertise and funding to upgrade the grid and provide a connection to chargers for heavy duty fleets, as well as a 50% contribution towards the cost of vehicle chargers. If approved by Council, the Transportation and Public Works Department will take the necessary steps to put forward a complete application early in the process.

BACKGROUND

In the past year the City of Santa Rosa has received two competitive grant awards from the Federal Transit Administration's 5339 Bus and Bus Facilities Program totaling \$2.9 million. These funds are expected to cover 85% of the cost of four battery-electric buses and 90% of the cost of the charging equipment for these vehicles.

In December 2018, the California Air Resources Board adopted the Innovative Clean Transit rule, which requires all public transit agencies in the state to adopt and implement a plan to transition their fleets to zero-emissions buses by 2040.

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A recent review by the City of Santa Rosa's Electrical, Fleet, and Transit Divisions found that given existing infrastructure and electrical supply, the City would currently be able to charge no more than three electric buses in the Municipal Services Center (MSC) yard at one time. Given that the electrical limitations of the MSC yard likely extend to limitations of the PG&E transformers and grid serving the yard, Transit Division staff reached out to PG&E to better understand the existing electrical infrastructure. PG&E referred staff to the FleetReady program, which will launch in early 2019 pending final California Public Utilities Commission (CPUC) approval. The FleetReady Program will support conversion of commercial and public fleets to electric by upgrading the grid and providing a "make-ready" connection to chargers for heavy duty fleets, as well as contribute up to 50% of the cost of vehicle chargers for transit agencies. The program has an estimated budget of \$236 million and plans to serve 700 sites supporting an estimated 6,500 new electric vehicles over five years from 2019-2023.

PRIOR CITY COUNCIL REVIEW

On October 23, 2018, zero-emissions buses were discussed during a Council study session reviewing progress implementing the City's Climate Action Plan.

On May 23, 2017 and June 15, 2018, the City Council approved the Transit Division's applications for FY 17 and FY 18 funds from the Federal Transit Administration's 5339 program for battery-electric buses and chargers.

ANALYSIS

As the Transit Division prepares to procure its first four battery-electric buses and begins to work toward meeting the mandate of the Innovative Clean Transit Rule, the FleetReady program has the potential to provide critical technical assistance and funding assistance to make the upgrades to the electrical infrastructure at the Municipal Services Center needed for the initial phase of transit fleet electrification.

Under the FleetReady Program, PG&E will conduct an evaluation of each customer's site and identify the necessary improvements to support the first five years of the customer's electrification plan. PG&E will construct and maintain all the make-ready infrastructure to the customer's meter. From the meter to the charger, PG&E proposes two options: either the customer provides the easements for PG&E to construct and maintain the necessary infrastructure, or the customer constructs and maintains the infrastructure itself and is then eligible for reimbursement of up to 80% of the infrastructure costs.

The City of Santa Rosa appears to meet the eligibility requirements for the FleetReady Program. The requirements include a commitment to procure at least two heavy-duty battery-electric fleet vehicles, and demonstration of a five-year vehicle electrification plan. If the City participates in the PG&E FleetReady Program the City will be expected to share charging data with PG&E. Finally, the City must demonstrate that it expects to maintain the battery-electric vehicles and chargers for a minimum of 10 years.

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With Council approval, staff will submit the necessary application package when the FleetReady program begins. If the City is accepted into the program, staff will return to Council for approval to enter into a contract with PG&E for delivery of program activities, including infrastructure to be provided through the program.

FISCAL IMPACT

There is no fiscal impact related to this application. If the City of Santa Rosa is a successful applicant to the FleetReady Program, staff will return to Council to seek authorization to enter into a contract with PG&E.

ENVIRONMENTAL IMPACT

This action is exempt from the California Environmental Quality Act (CEQA) because it is not a project which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, pursuant to CEQA Guideline section 15378.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable.

NOTIFICATION

Not applicable.

ATTACHMENTS

Resolution

CONTACT

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