

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE AUTHORIZING THE CITY MANAGER, OR HER DESIGNEE, TO FILE AN APPLICATION TO THE CALIFORNIA ENERGY COMMISSION FOR ITS GRID-SUPPORTIVE TRANSPORTATION ELECTRIFICATION GRANT; AND IF AWARDED, NEGOTIATE AND EXECUTE A GRANT AGREEMENT AND RELATED DOCUMENTS FOR UP TO \$2,500,000 FROM THE CALIFORNIA ENERGY COMMISSION AND UP TO \$625,000 IN CITY MATCHING FUNDS FOR A TOTAL PILOT PROGRAM COST OF UP TO \$3,125,000, TO INSTALL 100 BI-DIRECTIONAL RESIDENTIAL ELECTRIC VEHICLE CHARGERS AND PILOT THEIR USE OVER A THREE YEAR PERIOD, COMMENCING UPON THE DATE OF THE CALIFORNIA ENERGY COMMISSION'S APPROVAL OF AWARD AND THE PARTIES' MUTUAL EXECUTION OF THE APPROVED AGREEMENT, WITH THE PILOT TO END BY NO LATER THAN DECEMBER 31, 2027**

**WHEREAS**, in August 2022, the California Air Resources Board established the Advanced Clean Cars rule that will rapidly scale down the availability of new cars that run on gas, and by 2035 only zero-emission cars and light trucks will be for sale in California; and

**WHEREAS**, in 2023, 42.4% of new vehicle sales in Santa Clara County were electric, and as electric vehicle adoption grows, demand for electricity for charging also grows; and

**WHEREAS**, San José Clean Energy ("SJCE") is focused on programs to manage customers' electric vehicle charging load, including shifting charging to the middle of the day to reduce the strain on the grid, lower costs, and help ensure abundant clean solar resources are fully utilized and, as technology matures, discharging vehicle batteries onto buildings or the grid to provide resiliency and help meet demand when electricity supply is strained; and

**WHEREAS**, in January 2024, the California Energy Commission (“CEC”) issued the Grid-Supportive Transportation Electrification grant opportunity, as part of the Electric Program Investment Charge 2021-2025 (EPIC 4) Investment Plan which supports technology demonstration and deployment projects to increase the value proposition of distributed energy resources to customers and the grid; and

**WHEREAS**, this grant is an opportunity to test vehicle-to-home technology in real-world conditions to inform future deployment through a pilot program that would install bi-directional chargers for 100 homes in San José with an existing electric vehicle, allowing customers to power their home using energy from the battery in their electric vehicle; and

**WHEREAS**, the bi-directional chargers would allow customers to use their battery on a daily basis to reduce their cost of energy by charging the battery from the grid during low-cost hours and discharging into the home during high-cost hours, as well as by taking advantage of load reduction or load shifting incentives, and would allow the battery in the customer’s vehicle to serve as a backup power source in the event of a grid outage; additionally, the shifts in energy use from the pilot program can be leveraged to reduce SJCE’s energy procurement costs related to resource adequacy; and

**WHEREAS**, if awarded, the City of San José (“City”) will enter into a grant award agreement(s) with the CEC under the terms and conditions incorporated into the grant program solicitation, the City would commit to provide up to \$625,000 from the San José Clean Energy Fund in order to be eligible to receive up to \$2,500,000 from the CEC, and the pilot program would end no later than December 31, 2027; and

**WHEREAS**, if awarded, the City would also hold a competitive procurement to select and contract with an implementer to administer the pilot that would be responsible for

managing the relationship with the bi-directional charger company, the equipment installer, and the distributed energy resource management platform to control the charger, and would also be responsible for ensuring that all agencies are abiding by the CEC grant rules; and

**WHEREAS**, the City desires to authorize the City Manager, or her designee, to apply for the CEC's Grid-Supportive Transportation Electrification grant funding and, if awarded, to negotiate and execute grant documents required by the CEC, in order to create a pilot program to install bi-directional electric vehicle charging infrastructure for 100 residential customers, test vehicle to home discharge in response to grid conditions, and explore the opportunity to lower resource adequacy costs;

**NOW, THEREFORE**, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SAN JOSE THAT:

The City Manager, or her designee, is hereby authorized to file an application to the California Energy Commission for its Grid-Supportive Transportation Electrification grant; and if awarded, negotiate and execute a grant agreement and related documents for up to \$2,500,000 from the California Energy Commission and up to \$625,000 in City matching funds for a total pilot program cost of up to \$3,125,000, to install 100 bi-directional residential electric vehicle chargers and pilot their use over a three year period, commencing upon the date of the California Energy Commission's approval of award and the parties' mutual execution of the approved agreement, with the pilot to end by no later than December 31, 2027.

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ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2024, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

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MATT MAHAN  
Mayor

ATTEST:

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TONI J. TABER, CMC  
City Clerk