

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

INQUIRY INTO ISSUING A
POLICY-INTERPRETATIVE STATEMENT
DESCRIBING COMMISSION POLICY
RELATED TO UTILITY INVESTMENT IN
ELECTRIC VEHICLE SUPPLY EQUIPMENT
PURSUANT TO RCW 80.28.360.

DOCKET NO. UE-160799

THIRD COMMENTS OF PUBLIC COUNSEL

March 30, 2017

I. INTRODUCTION

1. On January 13, 2017, the Commission issued a Notice of Opportunity to File Written Comments on Draft Policy and Interpretive Statement Describing Commission Policy related to Utility Investment in Electric Vehicle Supply Equipment pursuant to RCW 80.28.360 and Commission Regulation of Electric Vehicle Charging Services. Public Counsel files these comments pursuant to this Notice.
2. Public Counsel also submitted comments in response to the August 16, 2016, Notice of Opportunity to File Written Comments in advance of the Commission's September 13, 2016, Recessed Open Meeting, as well as the October 31, 2016, Office of the Code Reviser a Preproposal Statement of Inquiry (CR-101) for supplemental inquiries into the need for a policy statement or adoption of a rule for the implementation of RCW 80.28.360. Those comments are not repeated here but remain relevant.
3. Public Counsel supports the Draft Policy and Interpretive Statement and offers the following comments.

II. GENERAL COMMENTS

4. While there are many matters considered in the Draft Policy Statement, Public Counsel's general comments are centered on: (1) consumer protections, (2) service quality, and (3) reporting requirements.

A. Consumer Protections.

5. Public Counsel commends the Commission's inclusion of consumer protections throughout both Part I and Part II of the Draft Policy Statement. Public Counsel believes that the development of consumer protections within the electric vehicle supply equipment (EVSE) proposals is particularly important in meeting the requirement of fair competition as required by RCW 80.28.360(1).

6. In regards to the consumer protections in Part I associated with removal of EVSE, the Draft Policy Statement proposes three options to the customer once an EVSE is fully depreciated, which are: "(a) the utility may "gift" a fully depreciated electric vehicle charging station to a willing customer, (b) the utility may replace the electric vehicle charging station with a new charging stations, or (c) the utility may remove the electric vehicle charging station, per its policies and procedures for removing depreciated distribution facilities."¹ Public Counsel agrees with the inclusion of this proposal in the Draft Policy Statement for the following reasons.

7. First, Public Counsel believes this proposal provides a foundation in which to begin addressing consumer protection issues relating to EVSE. Second, we agree that providing these options will remove the burden that may be placed on customers contemplating the installation

¹ Draft Policy Statement ¶ 45.

of EVSE.² Therefore, the three EVSE options should be placed in the customer agreement for an explicit explanation of the “gifting” process at the end of the depreciable life of the EV charging equipment. However, Public Counsel presumes that as EVSE programs develop and implementation commences, the proposed three options for “gifting” may need to be amended. We believe that this will most likely occur as EVSE program designs evolve and technology changes.

8. Part II of the Draft Policy Statement acknowledges that upon more experience in EVSE implementation, the need for more consumer protections may arise and a rulemaking proceeding may be required.³ Nevertheless, no direct guidance is given to utilities in addressing consumer protection issues that may arise during this interim period. Public Counsel believes that this gap between the EVSE implementation and a possible rulemaking proceeding requires more clarity in determining additional consumer protections within the Policy Statement. Public Counsel proposes one solution to this dilemma. We believe the role of stakeholders and their engagement in the EVSE joint stakeholder group may assist in developing solutions to any consumer protection issues within the development of EVSE proposals, such as on-bill repayment, equipment leasing and rentals, and other EV charging services proposed by utilities.

B. Service Quality.

9. Public Counsel firmly believes service quality standards should be created for EV charging services, regardless of whether the utility is the “provider” or the “manager.” Nonetheless, we do acknowledge that the service quality standards may vary based on the

² Draft Policy Statement ¶ 45.

³ Draft Policy Statement ¶ 83.

utility's role, as stated in the Draft Policy Statement.⁴ Public Counsel believes this discussion and the creation of service quality standards may benefit from a collaborative setting, such as the joint stakeholder group, as well as from additional Commission guidance in the Policy Statement.

C. Reporting Requirement.

10. As Public Counsel has stated in both its August 16, 2016, and its November 23, 2016, comments, reporting, and tracking requirements for EVSE are essential to proactively review issues related to participant behavior, reliability of the grid and infrastructure, and costs associated with EVSE. Public Counsel believes that it would be advantageous to add reporting of participation and direct benefits of low-income communities in EVSE. Furthermore, additional reporting of "real and tangible benefits" would be of value for a prudence review and potential cost recovery, as required by RCW 80.28.360(3). While Public Counsel understands that there is no industry-wide agreement on the benefits of EVSE, we do expect that there will be further discussion and quantifications of these benefits, which should be included in regular reporting to the Commission.

III. COMMENTS ADDRESSING REQUESTED ISSUES

11. The Commission requested comments to specifically address issues relating to: (1) the proposed portfolio approach to EV charging, (2) interoperability, and (3) stakeholder engagement. The following presents Public Counsel's view.

⁴ Draft Policy Statement ¶ 84.

A. Portfolio Approach.

12. Public Counsel agrees with the portfolio approach, as stated in the Draft Policy Statement, “[r]ather than a single “measure” or program offering, utilities should provide customers with multiple options for EV charging services, designed to serve a range of customer types, target multiple market segments, and evolve as technology changes.”⁵ With this approach to utility investments in EVSE, customers will have the ability to participate in a multitude of available options. Public Counsel also agrees that the utility’s EVSE portfolio should contain offerings in which the utility is both the “provider” and the “manager”. We believe that this is a foundational element to a balanced portfolio, and this approach complies with RCW 80.28.360(1).
13. There are several additional elements which we believe are necessary in developing and implementing a balanced EV portfolio. First, the portfolio should allow and encourage a competitive market. The proposed Policy Statement expresses an expectation that utilities offer services under which the utility serves as both “provider” and “manager.”⁶ Public Counsel believes this approach appropriately enhances the ability of third-party providers to participate in the EVSE market.
14. Second, Public Counsel believes that the EV portfolio should require some form of load management program for customers. We consider this an important aspect to proactively manage the influx of electric vehicles to the electric grid. Avista Corporation’s (Avista) quarterly updates on its pilot has already shown a pattern in usage that while at this time may not

⁵ Draft Policy Statement ¶ 73.

⁶ Draft Policy Statement ¶ 77.

have an effect on peak load, may result in system reliability and infrastructure issues as electric vehicle uptake continues. This pattern consists of higher consumption levels between 3pm and 10pm compared to off-peak periods.⁷

15. As the Draft Policy Statement noted, “Load management is essential to ensure that electric vehicle charging services provide benefits to non-participating customers, and do not undermine utility conservation efforts.”⁸ Public Counsel believes that there is flexibility in the type of program included in the EVSE proposal, such as direct load control, demand response, dynamic pricing, or tiered and time-of-use rates. As has been witnessed in other jurisdictions, customers are responsive to incentives and price signals in shifting their load from peak load periods.⁹

16. Third, program(s) for the direct participation of low-income customers and/or communities should be mandatory in each utility EVSE proposal. Public Counsel has stated in past comments and continues to support the notion that benefits from EVSE should flow to all customers, as all ratepayers will bear the burden of the costs to implement EVSE programs.¹⁰ This cannot be achieved without the inclusion of low-income programs in the utility’s EVSE proposal.

⁷ *Wash. Utils. & Transp. Comm’n v. Avista Corp.*, Docket UE-160082, *Quarterly Report on Electric Vehicle Supply Equipment Pilot Program* (Feb. 1, 2017).

⁸ Draft Policy Statement ¶ 78.

⁹ Mike Salisbury & Will Toor, *How Leading Utilities Are Embracing Electric Vehicles* (Feb. 2016); Dr. John Cook et al., *Final Evaluation for San Diego Gas and Electric’s Plug-in Electric Vehicle TOU Pricing and Technology Study* (Feb. 20, 2014).

¹⁰ Public Counsel Comments at 11 (Aug. 16, 2016); Public Counsel Comments at 7 (Nov. 23, 2016).

17. Finally, Public Counsel believes that EVSE proposals and/or the individual programs will need to pass some form of a cost-effectiveness test or total resource cost test. While Public Counsel does not have a recommendation of which type of test is suitable for EVSE or EV charging service, we look forward to working with Commission Staff, utilities, and other stakeholders on evaluating an appropriate test.

B. Interoperability.

18. Public Counsel does not have any direct comments regarding issues on interoperability. Nonetheless, we support the Commission’s requirement for utilities to include an interoperability analysis with their EV charging proposals.¹¹ We look forward to further discussions and stakeholder engagement on this topic.

C. Stakeholder Engagement.

19. Public Counsel supports the Commission’s proposed policy of a single joint stakeholder group for EVSE planning and the 60-day review period for EVSE proposals. We believe a single joint stakeholder group will allow for a more fluid collaborative setting for effective statewide implementation of EVSE. While the Draft Policy Statement does not describe the depth of stakeholder engagement, Public Counsel believes that this process would benefit from a similar practice as the Conservation Advisory Groups, pursuant to WAC 480-109-110.

20. With more participation and stakeholder involvement prior to the 60-day filing date, interested parties and utilities can discuss program design and implementation method with transparency and candor. We look forward to participating in the stakeholder group, as well as reviewing the utilities’ proposed programs.

¹¹ Draft Policy Statement ¶ 87.

IV. CONCLUSION

21. Public Counsel appreciates the opportunity to submit these comments. Overall, we are supportive of the Commission's Draft Policy and Interpretive Statement. We look forward to reviewing comments of other stakeholders and further discussions with interested parties.