

Agenda Date: March 25, 2021  
Item Number: A8

**Docket:** UE-210122  
**Company:** Puget Sound Energy

**Staff:** Andrew Rector, Regulatory Analyst

### **Recommendation**

Take no action, thereby allowing PSE’s proposed revisions to Schedule 551 – Electric Vehicle Non-Residential Charging Products and Services to become effective March 26, 2021, by operation of law.

### **Background**

On February 23, 2021, Puget Sound Energy (PSE or company) filed with the Washington Utilities and Transportation Commission (commission) proposed revisions to its electric vehicle (EV) non-residential charging products and services (Schedule 551). On March 16, the company filed a revised cover letter that addresses two concerns that commission staff (staff) had about the proposed revisions. These changes address reporting and the use of revenue earned from public charging infrastructure.

The purpose of this filing is to (1) transition from time-based pricing rates to energy-based rates for the company’s public electric vehicle supply equipment (EVSE), and (2) to institute an “idle fee”, a charge imposed upon customers that leave their vehicles in parking spots served by public EVSE after the vehicles are done charging, thus depriving other EV drivers of public charging infrastructure. The proposed changes impact both Level 2 public chargers and direct current fast chargers (DCFC). Table 1 sums up the proposed changes.

**Table 1: Current and Proposed Rates for Public EV Charging Under PSE Schedule 551**

	Current	Proposed
Level 2 Chargers	\$2.50/hour	\$0.28/kWh
DC Fast Chargers	\$7.50/30 minutes	\$0.42/kWh
Idle Fee	N/A	\$0.40/minute after 10-minute grace period

PSE’s EV charging services are currently considered a pilot program authorized in 2018 under docket UE-180877. The proposed rate changes are a modification to that pilot program. PSE currently only has one public charging site, in Lacey, but plans to add approximately seven more by the end of 2022.

## **Discussion**

### *Energy-Based Rates*

The first goal of this filing is to shift from per-minute rates for public EVSE to per-kilowatt hour (kWh) rates. When PSE began its public charging pilot in 2018, the company based its charging fees for public charging on the amount of time it took for customers to charge, rather than by the amount of energy consumed during a charging session. Today it is common for public charging companies, including both regulated utilities and unregulated third-party companies, to set their user fees on a per-kWh basis. In Washington, Avista Corporation (Avista) moved from a per-minute fee to a per-kWh fee for its DCFC infrastructure in early 2018.<sup>1</sup> PSE is now proposing a similar rate structure.

Both the DCFC and Level 2 charging rates were set by taking a weighted average of the rates charged by the third-party charging companies that have installed EVSE infrastructure in PSE's service territory. The rates do not take PSE's cost of providing public EVSE services into account. This is in keeping with the original language of the pilot program filing, when PSE agreed to charge "market-based rate[s], based on the average rate for chargers in PSE's electric service territory."<sup>2</sup> The reason for setting rates in this way is to promote the development of public EVSE infrastructure, but not undercut third-party providers in this nascent market.

### *Idle Fee*

The second aspect of this filing involves the imposition of an idle fee for public EVSE (both DCFC and Level 2), which would be a first among the three investor-owned utilities (IOUs) regulated by the commission. An idle fee would be imposed upon EV owners for occupying a parking space associated with an EV charger after their charging session has been completed. The fee would be \$0.40 per minute, after a 10-minute grace period that begins once the vehicle achieves a full charge. The grace period allows owners to move their vehicles without incurring any charges. Users of the company's "Up&Go" public EV charging smartphone app will be notified via app, text, and/or email that their vehicle has completed its charging session. Drivers that choose not to use the app will not receive any such notification. When a customer initiates a charging session, they will be notified of all rates and fees.

The company has several goals in instituting this new charge. The first is to encourage proper charging behavior. The second is to gather additional data on public EV charging behavior. In response to staff concerns around data collection and reporting, the company has agreed to collect and report the following in its twice-annual pilot reports to the statewide EV stakeholder group: how many charging sessions have incurred idle fees, the revenue PSE collected from those fees, and any insights drawn from the imposition of idle fees as part of the pilot program.

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<sup>1</sup> Docket [UE-160082](#), Order 02.

<sup>2</sup> Docket [UE-180877](#), "Attachment A EV Program Descriptions," p. 18. Avista took a similar approach when it updated its public DCFC charging rates in 2018. Docket UE-160082.

While PSE would be the first IOU with an idle fee in the state, some third-party charging companies already charge idle fees. Electrify America – which has nearly two-thirds (65 percent) of the public DCFC infrastructure in PSE’s service territory – charges a similar \$0.40 per minute idle fee.<sup>3</sup> The company will track any revenues accrued from the idle fee in the EV accounting petition approved by the commission in 2019.<sup>4</sup>

### **Staff Analysis**

Staff has reviewed the workpapers the company submitted in support of this filing and believes that the proposed per-kWh charges for both DCFC and Level 2 EVSE are reasonable and meet the goals and spirit of the pilot program.

After extensive discussions with the company, staff is supportive of the idle fee, as well. In supporting the idle fee, staff acknowledges that PSE is out in front on this issue. The company would be the first of the state’s IOUs to institute such a fee, and there is not yet any data to suggest that it is necessary. Staff is willing to accept the idle fee as a pilot so the company may gather and report data on its effectiveness, as it agreed to do in the revised cover letter filed March 16. If the data indicates that the idle fee is ineffective, counterproductive, or disadvantages certain drivers, it can be modified or removed as appropriate in a later public EV charging program. Staff recognizes the need to train EV drivers not to take up scarce public charging space when they are not charging their vehicles.

### **Stakeholder Outreach**

While the NW Energy Coalition (NWECC) supports the changes in this filing to move to a per-kWh rate, it has expressed some concerns with certain components. First, NWECC believes that the company should more seriously consider using time-of-use rates in its EVSE program. Second, NWECC has concerns around accessibility of charging options to customers, especially low- and moderate-income customers. In the current filing, NWECC is concerned about requiring customers to download and use a smartphone app to be notified about the status of their charge, when some customers may not have access to the app. While staff is sensitive to these concerns, staff also believes that the company’s imminent filing of a transportation electrification plan will be a more productive forum in which to address them, rather than doing so piecemeal in this and other tariff filings.

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<sup>3</sup> While not a part of PSE’s charging network, Tesla Superchargers also have per-minute idle fees, which reach as high as \$1.00 per minute, depending upon how full the Supercharger station is at the time.

<sup>4</sup> Docket [UE-190129](#).