



ATTORNEY GENERAL OF WASHINGTON

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October 5, 2018

SENT VIA WUTC WEB PORTAL

Mark L. Johnson
Executive Director and Secretary
Washington Utilities and Transportation Commission
1300 S. Evergreen Park Dr. SW
P. O. Box 47250
Olympia, Washington 98504-7250

Re: Pacific Power & Light Company Electric Vehicle Supply Equipment Pilot Program and Schedule 45 Public DC Fast Charger Optional Transitional Rate
Docket UE-180757

Dear Mr. Johnson:

The Public Counsel Unit of the Washington State Attorney General's Office (Public Counsel) respectfully submits these comments in advance of the October 11, 2018, Open Meeting. These comments are in response to Pacific Power and Light's (Pacific Power) filing of a proposed Electric Vehicle Supply Equipment (EVSE) Pilot Program and Optional Transitional Rate pilots. We appreciate the opportunity to comment on this filing and commend the Company's willingness to work with Public Counsel.

Public Counsel's Recommendation

Public Counsel recommends the Commission approve Pacific Power's Electric Vehicle Supply Equipment Pilot Program and Schedule 45 DC Fast Charger Optional Transitional Rate with a few amendments.

I. GENERAL COMMENTS

Below are general comments regarding Pacific Power's filing.

A. Residential Charging

While Public Counsel believes that the Outreach and Education program will assist in educating residential customers (discussed below), we initially were concerned regarding the lack of residential charging infrastructure offerings. Public Counsel, however, understands that there may be economic barriers that prevent customers from purchasing the charging infrastructure,

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and acknowledges Pacific Power's unique service territory, with less than 200 of Washington's nearly 28,000 electric vehicles registered in the service area.¹ Based on the state of electrification in Pacific Power's territory, Public Counsel supports the Company's strategy for increasing education and awareness rather than providing residential charging equipment and services.²

B. Customer Benefits

Pacific Power did not identify any customer benefits in the filing, as suggested in the Commission's Policy Statement on EVSE (Policy Statement).³ Public Counsel recommends that the Company either (1) identify and include customer benefits of the pilots in this filing, or (2) explicitly state that the Company will identify and report customer benefits achieved in the duration of the pilot.

C. Reporting

Public Counsel supports Pacific Power's addition to update the Commission annually on program activities, projects selected for funding, participation levels, customer savings, usage information, and the inclusion of the final report at the end of the pilot program. We believe this is consistent with the reporting requirements outlined in the Policy Statement.⁴ However, Public Counsel recommends that the Company be explicitly directed to file the annual updates to the Commission in this docket. We would like to ensure that all interested stakeholders have access to the annual updates and are informed of the progress of the pilot programs and the Transitional Rate.

D. Cost Recovery

Public Counsel supports Pacific Power's plan to submit a petition for deferred accounting treatment of the costs associated with the programs.

II. OUTREACH AND EDUCATION PILOT PROGRAM

The Company's EVSE Pilot is broken into three components. One is the Outreach and Education Pilot Program, which is a three-year pilot program that aims to increase awareness and understanding of electric transportation within Pacific Power's service territory. This program contains four main elements, which are (1) Customer Communications, (2) Self Service Resources, (3) Community Events, and (4) Technical Assistance. Public Counsel believes this

¹ Advice Letter at 2.

² Advice Letter at 3.

³ *In re: Amending and Adopting Rules in WAC 480-100 Rulemaking to Consider Policy Issues Related to the Implementation of RCW 80.28.360, Electric Vehicle Supply Equipment*, Docket UE-160799, Policy and Interpretive Statement Concerning Commission Regulation of Electric Vehicle Charging Services ¶ 93. (June 14, 2017) (hereinafter "Policy Statement").

⁴ Policy Statement ¶ 92.

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program aligns with the Commission's Policy Statement addressing education and outreach and therefore, supports this program.⁵

III. DEMONSTRATION AND DEVELOPMENT PILOT PROGRAM

Another component of the EVSE Pilot is the Demonstration and Development Program, which, like the Outreach and Education Program, the Company proposes to run for three years. This program focuses on providing competitive grant funding to non-residential customers, such as non-profits and local government agencies, to help offset the upfront cost of EVSE and to help develop more customer-driven transportation electrification projects in Pacific Power's service territory. Through this program, the Company will also be able to collect useful data that will assist the Company in developing a better understanding of market barriers, solutions to these barriers, utilization patterns for EVSE, and the demand for EVSE project funding.

Finally, Pacific Power has proposed that 25 percent of funds be made available and reserved for projects with a focus on providing service to low-income customers each quarter.⁶ While Pacific Power did not create a separate low-income pilot, Public Counsel supports this element of the Demonstration and Development Program and believes it aligns with the Commission's Policy Statement.⁷

IV. OPTIONAL TRANSITIONAL RATE

The third component of Pacific Power's EVSE Pilot is an Optional Transitional Rate for customer-owned charging sites under Schedule 45. The transitional rate has been proposed for 13 years and includes two charges: a Demand Charge and an On-Peak Energy Charge. The Company proposes to start with no discount to the On-Peak Energy Charge and a 100 percent Demand Charge discount for the first three years. After that, the On-Peak Energy Charge discount increases by 10 percent each year, with the Demand Charge discount decreasing by 10 percent annually. The schedule would end in November 2030 with a 100 percent discounted On-Peak Energy Charge and no demand charge discount. While Public Counsel is generally supportive of the new schedule, we have two comments regarding the Transitional Rate.

A. 13- Year Timeline

Initially, Public Counsel considered the 13-year timeline for the pilot as too long and advocated for a 7-10 year timeline. We understand the Company intends to gather data and information from this pilot and recognize that the limited number of EV customers in the Company's service territory may require a longer pilot program to gather sufficient data. However, Public Counsel

⁵ Policy Statement ¶ 96.

⁶ Advice Letter, Attachment C at 3.

⁷ Policy Statement, paragraph 86, states, "We therefore will require utilities to provide direct services to low-income customers as part of the public interest and fairness determination for EV charging service programs."

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believes sufficient information could be gained with a shorter pilot. The intent of a pilot program is to gather data on which to determine whether a larger, more robust program should and could be constructed. A lengthy pilot program that adjusts over time ceases to be a “pilot” and is functionally a full-blown program.

Given that the Company has added language in the annual reports stating, “If found necessary at that time, the company will propose any potential changes to the rate structure,”⁸ Public Counsel is more comfortable accepting the rate structure with a 13-year timeline. It is unclear, however, whether stakeholders will have any input or ability to analyze the data resulting from the pilot program. Public Counsel would like to ensure that the transitional rate actually provides the correct price signals and that no cross-subsidization occurs. For this reason, as stated above, Public Counsel recommends that the Company be directed to file the annual reports in this docket to allow stakeholders to assess the pilot program. While Public Counsel did not support the 13-year timeline, we are willing to accept the timeline given this condition.

B. On- Peak Energy Charge

Public Counsel recommends the Company maintain an On-Peak Energy Charge throughout the course of the pilot. We believe keeping this charge will assist with influencing customer behavior and with load management, as stated in the Policy Statement.⁹ We believe the On-Peak Energy Charge is required to continue influencing customer behavior.

If you have any questions about this filing, please contact me at (206) 389-3879 or via e-mail at SarahL2@atg.wa.gov.

Sincerely,

/s/ Sarah Laycock

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cc: Etta Lockey, PacifiCorp (via E-mail)
Ariel Son, PacifiCorp (via E-mail)

⁸ Advice Letter at 7.

⁹ Policy Statement ¶ 71.