

Agenda Date: April 22, 2021
Item Number: A1

Docket: UE-210182
Company: Avista Corporation

Staff: Andrew Rector, Regulatory Analyst

Recommendation

Take no action, thereby allowing Avista’s proposed revisions to Schedule 77 – Electric Transportation, and the proposed Schedule 13 – Optional Commercial Electric Vehicle Rate – General Service, and Schedule 23 – Optional Commercial Electric Vehicle Rate – Large General Service, to all go into effect April 26, 2021, by operation of law.

Background

Avista Corporation (Avista or company) ran an electric vehicle supply equipment (EVSE) pilot program from 2016 through June 2019. Avista filed with the Washington Utilities and Transportation Commission (commission) its Schedule 77 in early 2016 to govern the pilot.¹ The pilot was followed by a transportation electrification plan (TEP) filed by the company in July 2020 and acknowledged by the Commission the following October.²

The current docket contains three tariff filings designed to implement the TEP. First, it updates the language in Schedule 77 to incorporate the programs envisioned in the TEP. Second, it proposes two new schedules – Schedules 13 and 23 – that would govern rates for EVSE services for commercial customers. All three schedules were filed with the commission on March 18, 2021. After discussions with commission staff (staff) and stakeholders, the company filed updates to the customer site agreements (Attachments A and B to the filing) for Schedule 77 on April 2 and April 15, 2021; and a revised cover letter on April 15, 2021.

Discussion

Schedule 77

The revisions to Schedule 77 will govern the company’s EVSE activities in six broad program areas:

- Charging infrastructure and maintenance (including residential, commercial, and public direct current fast charging [DCFC])
- Education and outreach
- Community and low-income support
- Commercial and public fleet support

¹ Docket UE-160082.

² Docket UE-200607.

- Load management, planning, and grid integration
- Program reporting

These program areas were laid out in the TEP; the tariff update fleshes out the particulars for how these programs will be implemented. Staff reviewed these details prior to the tariff being filed and believes all of its initial questions have been addressed.

Schedules 13 and 23

New optional Schedules 13 and 23 are applicable to non-residential customers, specifically those with EVSE used for charging commercial fleet vehicles, and employees' and visitors' vehicles, but potentially also the general public as well. Schedule 23 is directed at large general service customers, while Schedule 13 is designed for smaller general service customers.

Currently, non-residential customers hosting EVSE are billed through Schedules 11 and 21. The proposed optional schedules would meter EVSE separately, which is necessary to implement time of use (TOU) rates. The purpose of TOU rates is to more closely match the system costs and benefits. The traditional demand charge is a proxy for such costs and benefits, while TOU rates more accurately match costs and benefits. The TOU rate proposed here eliminates the need for a demand charge, and instead charges based on the time of day a customer uses kilowatt hours. The schedules also establish on- and off-peak periods, with lower per-kWh rates during off-peak periods. The on- and off-peak energy rates were set to derive the same amount of revenue as currently generated through Schedules 11 and 21, with the on-peak rates being roughly 2.5 times as high as the off-peak prices. The on-peak periods are 7-10 a.m. and 5-8 p.m. in the winter (November through March), and 3-7 p.m. during the summer (April through October).

Tables 1 and 2 outline the differences between the existing and proposed tariff rates.

Table 1: Current and Proposed Rates for Non-Residential EV Charging Under Avista Schedule 11 and Proposed Schedule 13

	Current Schedule 11	Proposed Schedule 13
Basic Charge	\$20/meter	\$20/meter
Demand Charge >20 kW	\$7.00/ k wkW	
Energy Charge:		
<i>1st 3,650 kWh</i>	\$0.1169/kWh	
<i>All Additional kWh</i>	\$0.0859/kWh	
<i>Off-Peak kWh</i>		\$0.0859/kWh
<i>On-Peak kWh</i>		\$0.2111/kWh
Sample Bill Comparison³	\$315.32	\$110.12

³ Assumes 50 kW load and 730 kWh with 30 percent on-peak usage.

Table 2: Current and Proposed Rates for Non-Residential EV Charging Under Avista Schedule 21 and Proposed Schedule 23

	Current Schedule 21	Proposed Schedule 23
1st 50 kW of Demand	\$550	\$550
Demand Charge >50 kW	\$7.00/ k <u>kw</u>	
Energy Charge:		
<i>1st 250,000 kWh</i>	\$0.0754/kWh	
<i>All Additional kWh</i>	\$0.0674/kWh	
<i>Off-Peak kWh</i>		\$0.0674/kWh
<i>On-Peak kWh</i>		\$0.1633/kWh
Sample Bill Comparison⁴	\$76,629.04	\$61,825.40

As with Schedule 77, staff reviewed Schedules 13 and 23 with the company prior to filing, raising several concerns about the initial proposal. The company made significant revisions and staff's concerns have been addressed.

Stakeholder Comments

The NW Energy Coalition (NWECC) has raised two concerns with the updates to Schedule 77. First, it voices concerns around the accessibility of public charging. In this instance, NWECC is concerned that the smartphone application that Avista offers as one way to initiate a charge at a public charging station requires a membership and a minimum balance. The revised cover letter submitted on April 15 reflects language agreed to by both parties to resolve this concern. Staff is satisfied with this outcome, though staff also believes the topic is ripe for additional discussion with other stakeholders in the statewide EVSE stakeholder group, and suggests the topic be put on the agenda for the next stakeholder group meeting.

Second, NWECC is concerned that Avista does not intend to use demand response-capable EVSE for its residential EVSE as a standard offering. NWECC believes that without demand response-capable EVSE with multiple load management options, the company's load management success would hinge too much on the effectiveness of a residential time of use rate. NWECC opposes letting the revisions in Schedule 77 go into effect in this docket without some additional changes to address this concern.

Staff appreciates NWECC raising this issue, but opposes requiring any additional revisions to the filing to address it. The commission does not dictate that specific technologies be used by the companies it regulates, and staff does not recommend changing that approach. However, staff does ask Avista to keep staff advised of any cost reductions or reliability improvements for networked EVSE that it sees in the market, and to ensure that it is accounting for all applicable costs and benefits in its load management analyses. Staff also believes that this topic should be addressed in the advisory group.

⁴ Assumes 4,500 kW load and 637 thousand kWh with 30 percent on-peak usage.

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