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December 10, 2018

**SENT VIA UTC WEB PORTAL**

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

Re: Puget Sound Energy Revisions to Tariff No. WN U-60,  
Docket UE-180877

Dear Mr. Johnson:

The Public Counsel Unit of the Washington State Attorney General's Office (Public Counsel) respectfully submits this letter in advance of the Commission's December 13, 2018 Open Meeting. This letter concerns Docket UE-180877, Puget Sound Energy's (PSE) electric vehicle product and services pilot programs. PSE is proposing a portfolio of pilot programs (products and services) for the market transformation of electric transportation in its service territory. Specifically, the Company plans to offer: (1) an Education and Outreach Program, (2) a Residential Charging and Off-Peak Program, (3) Workplace/Fleet Charging, (4) Multifamily Residential Charging, (5) Direct Service to Low-Income Customers, and (6) Public Charging.

**I. PUBLIC COUNSEL RECOMMENDATION**

Public Counsel has reviewed the filing and believes it is in consistent with the Commission's Policy Statement. We recommend that the Commission approve the filing without conditions.

**II. BACKGROUND**

As suggested in the Commission's Policy Statement on Electric Vehicle Supply Equipment (EVSE), PSE has openly engaged with stakeholders regarding its proposal for its products and

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services to promote market transformation and electric transportation in its territory.<sup>1</sup> Public Counsel initially reviewed and submitted informal comments to the Company's proposal in July 2018, before the Company previewed the filing to the EVSE Workgroup in August 2018. Throughout this process and before the Company's October 26, 2018 filing, Public Counsel and the Company had several follow-up calls and meetings to discuss the contents of the proposal in its proposed portfolio. Initially, Public Counsel had some concerns regarding the lack of consumer contribution in the Residential Charging Program, the method of cost recovery for expenses associated with the pilot, and the use of banded rates for public charging. However, due to the stakeholder process prescribed in the Policy Statement, Public Counsel no longer has concerns with the filing and recommends the Commission approve the filing without conditions. We appreciate the time and effort the Company undertook to understand and incorporate stakeholder comments into the filing.

### III. CONSISTENT WITH THE POLICY STATEMENT

Public Counsel believes that the Company is in compliance with the Commission's Policy Statement. While the Policy Statement discusses many considerations and provisions for promoting fair competition of electric vehicle charging service, we would like to highlight three provisions included in the Company's filing.

First, the Company has presented a portfolio approach of programs that is intended to reach several customer segments and offers customer choice in charging options, as suggested in the Policy Statement.<sup>2</sup> We applaud PSE's effort to reach as many customers and market segments as possible in this pilot offering.

Second, the Policy Statement considers load management as "essential to ensure that electric vehicle charging services provide benefits to non-participating customers, and do not undermine utility conservation efforts".<sup>3</sup> PSE is offering a residential off-peak loading pilot and will also consider adding a load management aspect to its workplace and multifamily charging programs after the initial two-year pilot period.<sup>4</sup> We believe the information and data from the load management programs will be foundational to future program planning and efficient integration of electric vehicle load on the grid.

Finally, the Company has agreed to biannual updates and reporting of the pilot programs to the EVSE stakeholder group. These updates will include the required reporting criteria of "participation levels, expenditures, revenues for each service offered, locations of publicly accessible charging stations (utility-owned and customer-owned/utility managed), utilization of charging services, and the amount of overall fixed and variable costs recovered through user

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<sup>1</sup> *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 ¶ 91 (June 14, 2017).

<sup>2</sup> *Id.* at 33-34.

<sup>3</sup> *Id.* ¶ 78.

<sup>4</sup> Attachment A at 6, 23, 28.

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payments.”<sup>5</sup> Public Counsel considers these updates necessary for transparency and effective engagement of the stakeholder group.

#### IV. PUBLIC COUNSEL’S INITIAL CONCERNS

Public Counsel supports the Company’s decision to defer both capital and non-capital expenses of the EV pilots to a future cost-recovery proceeding. Originally, we had some concerns regarding the recovery of expenses associated with the program from all ratepayers (participating and non-participating customers), especially considering the lack of identifiable benefits. We are now comfortable that costs will be recovered at a future time, when benefits can be attributable to the programs.

Additionally, Public Counsel strongly supports the Company’s proposal of including some customer contribution for participating in its Residential Charging and Off-Peak Pilot Program. In our initial review of PSE’s proposal, we commented that it was important to have at least a portion of the residential charging program costs be paid by the participant. The Company has proposed a reasonable customer contribution of 25 percent of the installation costs per participant,<sup>6</sup> which will reduce the overall costs of the program and the amount to be recovered from ratepayers in a future proceeding.

Furthermore, Public Counsel supports the Company’s calculation and methodology of its Public Charging program’s market-based rate. PSE states “The rate for use of the chargers will be a market-based rate, based on the average rate for chargers in PSE’s electric service territory. PSE will survey usage costs for fast chargers in its service territory regularly and update rates where PSE is not priced at the market average.”<sup>7</sup> Initially, the proposal contained a banded rate, with no specific price. We were concerned that there may be customer confusion without a set price for public charging. However, with the new proposed price, which Public Counsel considers a reasonable calculation of the true market rate, we believe any customer confusion will be eliminated. Furthermore, we agree with the Company’s proposed updates to ensure that Public Chargers are at the market average for the service area.

Finally, Public Counsel would like to mention one more amendment from PSE’s original proposal, which is a shorter two-year timeline for the pilot programs. We believe a two-year pilot offers the Company flexibility in managing and adapting the pilot programs to the needs of the market and its customers. It is Public Counsel’s understanding that at the end of the two year pilot, PSE will file a tariff revision to continue and/or amend the programs.

#### V. CONCLUSION

Public Counsel supports PSE’s revisions to Tariff No. WN U-60 to provide a portfolio of products and services to promote market transformation and electric transportation.

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<sup>5</sup> *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 ¶ 92 (June 14, 2017).

<sup>6</sup> Attachment A at 9.

<sup>7</sup> Attachment A at 18.

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If you have any questions about these comments, please contact Carla Colamonici at (206) 389-3040 or at [CarlaC@ATG.WA.GOV](mailto:CarlaC@ATG.WA.GOV). We look forward to the discussion at the December 13, 2018, Open Meeting regarding this proposal.

Sincerely,

/s/ Nina Suetake, signing for

CARLA A. COLAMONICI  
Regulatory Analyst  
Public Counsel  
(206) 389-3040