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April 26, 2022

Filed Via Web Portal

Ms. Amanda Maxwell, Executive Director and Secretary
Washington Utilities and Transportation Commission
621 Woodland Square Loop SE
Lacey, WA 98503

RE: Advice No. 2022-13
Puget Sound Energy's Electric Tariff Revision

Dear Ms. Maxwell:

Pursuant to RCW 80.28.060, and WAC 480-80-101 and -105, please find enclosed for filing the following proposed revisions to the WN U-60, tariff for electric service of Puget Sound Energy ("PSE" or "the Company"):

2nd Revision	Sheet No. 552	Electric Vehicle Residential Charging Products and Services
2nd Revision	Sheet No. 552-A	Electric Vehicle Residential Charging Products and Services (Continued)
1st Revision	Sheet No. 552-B	Electric Vehicle Residential Charging Products and Services (Continued)
Original	Sheet No. 552-C	Electric Vehicle Residential Charging Products and Services (Continued)
Original	Sheet No. 552-D	Electric Vehicle Residential Charging Products and Services (Continued)
1st Revision	Attachment "A"	Multi-Family Residential Service Agreement (Company-Owned)
Original	Attachment "C"	Multi-Family Residential Service Agreement (Host-Owned)
1st Revision	Sheet No. 553	Electric Vehicle Education and Outreach
Original	Sheet No. 555	Electric Vehicle Fleet Products and Services
Original	Sheet No. 555-A	Electric Vehicle Fleet Products and Services (Continued)
Original	Sheet No. 555-B	Electric Vehicle Fleet Products and Services (Continued)
Original	Sheet No. 555-C	Electric Vehicle Fleet Products and Services (Continued)
Original	Sheet No. 555-D	Electric Vehicle Fleet Products and Services (Continued)

Original	Attachment "A"	Fleet Service Agreement (Company-Owned)
Original	Attachment "B"	Fleet Service Agreement (Host-Owned)
Original	Sheet No. 556	Electric Vehicle Load Management Incentive
Original	Sheet No. 556-A	Electric Vehicle Load Management Incentive (Continued)
Original	Sheet No. 556-B	Electric Vehicle Load Management Incentive (Continued)
Original	Sheet No. 556-C	Electric Vehicle Load Management Incentive (Continued)
1st Revision	Sheet No. 583	Electric Vehicle Charging Products and Services
1st Revision	Sheet No. 583-A	Electric Vehicle Charging Products and Services (Continued)
1st Revision	Sheet No. 583-B	Electric Vehicle Charging Products and Services (Continued)
1st Revision	Sheet No. 583-C	Electric Vehicle Charging Products and Services (Continued)
Original	Sheet No. 583-D	Electric Vehicle Charging Products and Services (Continued)
Original	Sheet No. 583-E	Electric Vehicle Charging Products and Services (Continued)

Purpose of Filing and Background

PSE is committed to creating a better and cleaner energy future and supporting Washington State's clean energy goals. This includes transforming PSE's electricity supply to become carbon-free by 2045. In the Company's "Beyond Net Zero Carbon" goal,[1] PSE seeks to collaborate with customers and industry partners to reduce carbon emission, including transformation to electrified transportation. Currently, the transportation sector accounts for approximately 45% of Washington State's annual carbon emissions.[2] Accelerating widespread transportation electrification is vital to Washington State achieving its carbon reduction and clean air goals.

The purpose of this tariff filing is to meet expanding customer expectations by revising existing electric service schedules and proposing new electric service schedules that will help accelerate the transition to a cleaner energy future and further advance transportation electrification ("TE") in Washington State.

These enhanced electric vehicle ("EV") and electric vehicle supply equipment ("EVSE") products and services are part of the Company's 2021-2026 Transportation Electrification Plan ("TEP"), which was acknowledged by the Washington Utilities and Transportation Commission ("WUTC" or "the Commission") on August 12, 2021, under Docket UE-210191.[3] These revised

[1] Puget Sound Energy, PSE sets "Beyond Net Zero Carbon" goal, "Company targets net zero carbon emissions, including natural gas sold to customers", by 2045:
https://www.pse.com/en/press-release/details/pse-sets-beyond-net-zero-carbon-goal
[2] Washington State Department of Ecology, "Zero emission vehicles":
https://ecology.wa.gov/Air-Climate/Climate-change/Reducing-greenhouse-gases/ZEV
[3] UE-210191 Acknowledgement Letter:
https://apiproxy.utc.wa.gov/cases/GetDocument?docID=91&year=2021&docketNumber=210191

and new electric service schedules also meet the intent of the Commission's Final Policy Statement on EV charging services under the law of RCW 80.28.360,[4] which details in section 22 on page 12 that the "Legislature has provided the Commission with clear direction to encourage and direct regulated utilities to offer programs to promote EVSE on a regulated basis, in order to accelerate EV adoption to serve multiple public policy purposes, such as greenhouse gas and hazardous air pollutant reductions in the transportation sector."

The proposed revisions to the existing electric service schedules and the new electric service schedules noted below will allow PSE to expand upon learnings gathered through its Up & Go Electric Pilots[5] and offer services more broadly in support of the growing electric vehicle customer base. This includes embedding equity-focused services within each tariff schedule for highly impacted communities, vulnerable populations and the community-based organizations ("CBOs"), government agencies and tribal entities that serve them to ensure those customers can access the specific benefits of the schedules noted below.

The proposed revised tariff schedules for electric services for PSE's portfolio of EV and EVSE products and services are:

- **Schedule 552** – This schedule provides for residential charging products and services. The revision to this schedule includes a request to extend the effective date for electric vehicle chargers at multi-family residences and includes incentives for host-owned electric vehicle chargers.
- **Schedule 553** – This schedule describes PSE's EV education and outreach services. The revision to this schedule includes a request to revise the effective date and the types of services that may be included.
- **Schedule 583** – This schedule sets the overall terms and conditions for transportation electrification products and services. The revision includes changes to expand definitions.

The proposed new electric service tariff schedules for PSE's portfolio of EV and EVSE products and services are:

- **Schedule 555** - This schedule provides for non-residential charging products and services for public, private, and commercial fleets. Fleet customers may be eligible to receive allowances on company-side facilities or to receive incentives for host-side facilities, electric vehicle charging equipment, and electric vehicles in addition to supporting fleet conversion activities through technical advisory services.
- **Schedule 556** - This schedule provides for load management products and services and sets rates and credits for changing the time of charging to promote EV dedicated charging sessions to occur outside of PSE system peak times.

As PSE has learned from its existing Up & Go Electric Vehicle Pilots, customers expect the Company to provide a variety of EV products and services, which include building and fostering

[4] UE-160799 - Policy Statement EV Charging Services.pdf, Policy and Interpretive Statement Concerning Commission Regulation of Electric Vehicle Charging Services: https://apiproxy.utc.wa.gov/cases/GetDocument?docID=147&year=2016&docketNumber=160799

[5] Puget Sound Energy, https://www.pse.com/pages/electric-cars

EV charging facilities and extending utility facilities that can support EV charging equipment. The proposed revised and new tariff schedules for electric service are designed to advance transportation electrification in Washington State. PSE can help reduce carbon emissions, manage EV charging loads, and better serve its customers with the approval of these proposed EV products and services.

Stakeholder Engagement

PSE would like to thank the stakeholders and other interested parties who have provided comments, questions, and their experience to the development of this tariff filing. There were two key groups of stakeholders with whom the Company engaged since the Commission acknowledged PSE's TEP in August 2021. Those groups were comprised of representatives from highly impacted communities, vulnerable populations, and their service providers, as well as the Joint Utility Transportation Electrification Stakeholder Group. The below details those engagements and how PSE incorporated the input from these stakeholders to help inform this tariff filing.

- **Equity-Focused Community Engagement**
  In 2021, PSE embarked on a community engagement process designed to garner feedback from highly impacted communities, vulnerable populations, and their service providers on the design of its TEP Phase I tariffed products and services, which are included within this tariff filing. PSE reached out to over 70 community based organizations ("CBO"), government agencies, and tribal entities and was able to connect with over 34 of those stakeholders along with over 100 residents. Through interviews, focus groups, workshops, and surveys; PSE worked to understand the benefits and barriers these entities and customers may face when it comes to transportation electrification and how future TE products and services can alleviate these barriers and maximize the desired benefits.

  Through the engagement process, participants, divided into multi-family groups and fleet groups, shared common threads of feedback:
    - **Cost** was highlighted as one of the most significant barriers whether it be the cost of the EV charging equipment, the EV's, or the loss of coveted parking spots for non-electric vehicles.
    - **Education and outreach** was cited as a key factor in building support among boards and leadership teams, and an important precursor to communities being able to meaningfully engage with TE.
    - **EV availability** was also shared as a barrier to TE, particularly for participants that serve individuals with disabilities, and for those who drove larger vans or vehicles on rural roads.
    - **Range** was flagged as a concern for customers whose operational models, commutes or jobs require the use of their vehicle without many breaks or for long distances.
    - **Access to charging infrastructure** was noted as a key barrier to overcome, particularly for people with non-traditional working schedules who may not be able to access workplace charging, renters who may not be able to access

consistent charging, and rideshare drivers for whom charging during work hours means a loss of profit.

- **Flexibility of programs and services** was consistently underscored by participants. Participants asked for flexible programs and services (e.g., with lease-to-own models) to help overcome the cost barrier and enable them to choose the TE infrastructure that best fit their organization, agency, and tribe.

As a direct result of the needs and barriers expressed by the communities and the potential solutions they envisioned, PSE has implemented several design components in its Equity-Focused TE services to further support highly impacted communities, vulnerable populations; and the CBOs, government agencies and tribal entities that serve them. These design details include additional incentives, flexibility in EV tariff product and service requirements, and new education and outreach strategies to engage these communities. These design details are outlined in the below table and tied to each barrier they may help alleviate.

Table 1: TEP Phase I Tariff Schedule Design Components Selected to Alleviate Barriers Identified in Equity-Focused Community Engagement

	Cost	Education + Outreach	EV availability	Range	Charging infrastructure access	Flexibility of programs and services
Offer EV incentives	x		x			x
Allow incentives instead of rebates to address cash flow issues	x					x
Offer load management incentives for off-peak charging with no financial downside	x	x			x	x
Reduce program minimum to one fleet vehicle	x		x		x	x
Consider leased vehicles as allowable for incentives	x		x			x
Offer turnkey service with no up-front or ongoing costs for PSE-owned EVSE installation	x				x	x
Offer customer-owned options or customer-sited make ready					x	x
Increase cost cap for customer-owned options	x				x	x
Provide robust fleet advisory digital tools with EV database		x	x	x		
Offer technical advisory and total cost of ownership assistance	x	x	x	x	x	
Increase and enhance marketing and education and outreach		x	x	x		
Provide materials in languages other than English		x			x	x
Include off-road vehicles like electric bikes and scooters in program framework and incentives	x		x	x		x

- **Joint Utility Transportation Electrification Stakeholder Group[6] Engagement**

  Since the Commission formally acknowledged PSE's 2021-2016 TEP on August 12, 2021, under Docket UE-210191, PSE's engagement with the Joint Utility Transportation Electrification Stakeholder Group has included:

  - Presentation and discussion of the Up & Go Electric Pilot status, PSE's Phase I EV tariff schedule filing strategy and regulatory timelines, PSE's community engagement plan, and the initial product and design concepts at a Joint Utility Transportation Electrification Stakeholder Group meeting on November 16, 2021;
  - Presentation and discussion of updates to PSE's Phase I tariff filing strategy & regulatory timelines, community engagement progress, and more detailed product and design concepts at a Joint Utility Transportation Electrification Stakeholder Group meeting on February 15, 2022;
  - Distribution and preview of the draft tariff schedules pertaining to this filing to the Joint Utility Transportation Electrification Stakeholder Group via electronic mail on February 24, 2022, for a 45-day review and comment period concluding on April 11, 2022; and
  - Receipt by PSE of comments from the Joint Utility Transportation Electrification Stakeholder Group on the draft EV tariff schedules by April 11, 2022.
  - Over thirteen meetings and phone calls with interested parties to discuss questions and comments on the draft EV products and services.

  PSE received written comments on the draft tariff schedules from seven Joint Utility Transportation Electrification Stakeholder Group members. PSE has included as an Attachment to this filing a summary of the comments received from the members of Joint Utility Transportation Electrification Stakeholder Group that contains a response from PSE for each item raised by each commenter, as well as an indication of whether the comment prompted revisions to the draft tariff schedules.

Tariff Schedule Details

The following section provides further details about the proposed revised tariff schedules and the new tariff schedules for electric services.

- **Schedule 553 Electric Vehicle Education and Outreach**

  PSE's Schedule 553 allows the Company to build on lessons learned from the current Up & Go Electric Pilots and leverage findings from market research and customer engagement activities to address the TE barriers faced by customers; including lack of information about vehicle availability, vehicle conversion planning, total cost of ownership, and incentive and grant opportunities.

[6] Policy and Interpretive Statement Concerning Commission Regulation of Electric Vehicle Charging Services, Docket UE-160799, at 40, section 91.

PSE's will continue to support EV market transformation by raising customer awareness of EVs while also laying the groundwork for wider adoption of EVs and charging installation across more diverse customer segments. Objectives for PSE's education and outreach services include:

- Expand awareness of electric vehicles and charging options by using a range of communication channels to help customers understand both the cost and benefits of switching to electric vehicles.
- Support load management efforts by incorporating education about charging during off-peak periods and the benefits to grid reliability.
- Expand education and outreach to support PSE's fleet and commercial charging customers through fleet advisory services, digital cost-of-ownership calculators, commercial vehicle databases, and incentive databases, along with customer engagement to draw audiences to these tools.
- Engage customers who face significant barriers to EV ownership and participation in transportation electrification, including customers with limited English proficiency, communities of color, and the organizations that serve them, with co-created, culturally relevant education and materials marketing materials, provide opportunities for hands-on experience with EVs, share information through trusted messengers, connect audiences to available grants and incentives, and provide application and enrollment assistance.

- **Schedule 552 Electric Vehicle Residential Charging Products and Services**
  The primary revisions to this schedule provide multi-family hosts with two EVSE ownership models to support the installation of EVSE at their site(s). The first option is a PSE-owned EVSE in which PSE will own and maintain the EVSE, including any necessary company-side and host-side facilities, based on a per charging port cost threshold. The second option provides the host with per charging port incentives to help defray costs for host installed, owned and maintained EVSE. The incentive amounts differ based on whether the host is an Equity-Focused Customer as defined in Schedule 583 and through PSE verification during the application process.

  Additionally, this schedule provides on-road electric vehicle incentives for Schedule 552 Equity-Focused hosts to further promote transportation electrification and reduce barriers to EV adoption among highly impacted communities, vulnerable populations and the CBOs, government agencies and tribal entities that serve them. Incentives for non-traditional vehicles such as electric bikes and electric scooters will also be offered.

- **Schedule 555, Electric Vehicle Fleet Charging Products and Services**
  PSE's proposed Schedule 555 provides products and services tailored to the needs of various types of fleets consisting of light-duty, medium-duty and heavy-duty vehicle classes. As with Schedule 552, this schedule provides fleet hosts with two EVSE ownership models to support the installation of EVSE at their sites. In the PSE-owned EVSE, PSE will own and maintain the EVSE, including any necessary company-side and host-side facilities, based on a per charging port and a total site allowance limit. The

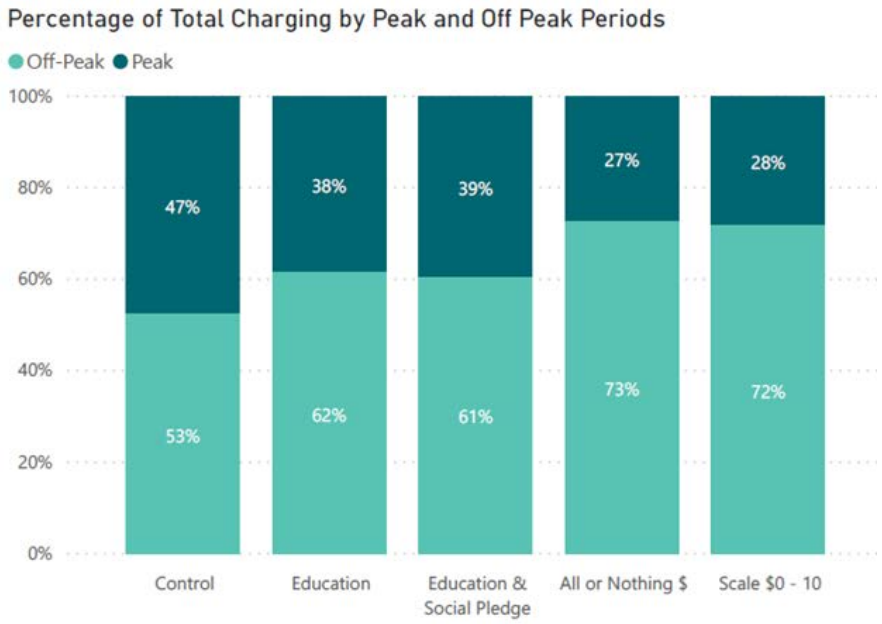
second option provides the host with per charging port allowances and incentives to help defray costs for company-side and host-side facilities for host installed, owned and maintained EVSE, based on a per charging port and a total site Schedule 555 allowances and incentives limit. The incentive amounts again differ based on whether the host is an Equity-Focused Customer through PSE verification during the application process.

To assist with driving fleet EV market transformation and overcoming TE barriers toward adoption, PSE will also provide a limited quantity of electric vehicle incentives by vehicle class to reduce the cost of electrifying fleets. On-road electric vehicle incentives will be exclusively offered to Schedule 555 Equity-Focused hosts. Off-road electric vehicle incentives (currently limited to forklifts) will be available to all Schedule 555 electric fleet charging hosts.

- **Schedule 556, Electric Vehicle Load Management Incentive**
With the expanding adoption of new EVs in the PSE's service territory, new electric loads will be added which can result in significant system and distribution peak load impacts if not properly managed. PSE's load forecasting and system planning efforts account for these impacts to ensure grid resiliency and quality service to all electric customers. The load management incentives provided under Schedule 556 is an additional tool that PSE can leverage to mitigate those peak load impacts.

Schedule 556 load management incentives are designed to be agile and are tailored to unique charging use cases to encourage customers to shift their EV charging load outside of PSE peak times. The design of this incentive is informed by the findings of PSE's electric residential load shift study under the Up & Go Electric Pilots. Based upon the study results, the below figure illustrates that financial incentives are the best method for encouraging off-peak charging and resulted in a roughly 20% increase in off-peak charging compared to the control group in the study.

Figure 1: Electric Residential Load Shifting by Customer Incentive Group



Customers taking service under Schedules 552 and 555, with dedicated charging, will be automatically enrolled in Schedule 556 and will receive education on the methods and value of charging outside of peak times, as well as load management incentive credits based on the percentage of charging sessions occurring outside of morning and evening peak times. Dedicated charging includes any charging where the primary user of the charger is the site host, which includes single family residential, fleet charging, and multi-family residential where the tenant owns the parking space.

PSE recognizes the value of demand response and time varying rates as additional tools for EV load management and has included in Schedule 556 a provision by which customers receiving service under Schedule 556 will be enrolled in demand response or time-of-use rate services when such services become available. PSE is exploring such services as part of its distributed energy resources planning under Docket UE-210878 and has proposed tariff schedules offering time-of-use rates as part of PSE current general rate case under Dockets UE-220066 and UG-220067 (consolidated) ("2022 GRC") under electric Schedules 327, 327D1, and 327D2.

- **Schedule 583, Electric Vehicle Charging Products & Services**
  This existing schedule sets the overall terms and conditions for transportation electrification products and services. The primary revisions included in this filing were changes to expand definitions used throughout the proposed revisions to existing Schedule 552 and the new electric service Schedules 555 and 556.

Cost and Benefits

In developing the proposed tariff revisions to the existing and the new electric service EV products and services schedules detailed in this filing, PSE leveraged its acknowledged TEP, incorporated feedback from customers and stakeholders, conducted benchmarking of other utility electric vehicle services, and evaluated lessons learned from PSE's Up & Go Electric Pilots. Pairing this effort with analysis of system costs and revenues from electric vehicle adoption, PSE was able to develop a portfolio of tariffed products & services that will help accelerate electric vehicle adoption within its service territory that both balances cost impacts to all customers while delivering meaningful benefits.

The following outlines the estimated capital investments and O&M[7] expenses the Company included in PSE's 2022 GRC that PSE expects to spend through 2025 to implement its TEP. The following discussions also show the anticipated customer benefits that these expenditures will result in.

[7] Operations and maintenance related expenses

- **Costs**

PSE proposed in its 2022 GRC the estimated capital investments of $38.3M and O&M expenses of $23.6M[8] that it expects to spend through 2025 on the portfolio of transportation electrification products and services outlined in its TEP, a portion of which are included in this filing.

The prefiled direct testimony of William T. Einstein in PSE's 2022 GRC noted that the Company would detail specific expenditure allocations as part of future tariff filings for each individual product and service.[9] Additionally Mr. Einstein noted that "PSE will target approximately 30 percent of spend within each integrated product and service," to support its Equity-Focused customers.[10]

To deliver on the above commitments, the table below outlines the estimated capital investments and O&M expenses for the proposed revisions to the existing and the new electric service schedules detailed in this filing for the calendar years 2023-2025. Also detailed in the table below, are the estimated percentage of spending by EV product and service category that has been designed to support PSE's Equity-Focused customers.

Table 2: Estimated Capital Investments and O&M Expenses

EV Products and Services	Estimated Expenditures – Capital Costs (Dollars in Thousands)			Estimated Expenditures – Non-Capital Costs (Dollars in Thousands)			Estimated % of Equity-Focused Expenditures
Year	2023	2024	2025	2023	2024	2025	2023-2025
Fleet and Commercial	$4,646	$5,775	$5,517	$3,115	$3,191	$2,391	50%
Multi-Family Residential	$1,318	$1,347	$1,815	$400	$473	$638	18%
Education and Outreach	$364	$20	$20	$1,200	$1,286	$1,180	19%
Load Management	$1,000	$0	$0	$316	$934	$1,368	34%

While PSE believes these estimated cost allocations align with its original TEP, and will allow it to meet expanding customer expectations, it is important to note that the actual allocations are dependent on the outcome of PSE's 2022 GRC. Additionally, it is important to note that PSE may need to modify its expenditure allocations across its portfolio of TEP products and services to best meet customer expectations and to adjust to an evolving TE market, which is why the above represents estimated cost distributions for these EV products and services.

[8] Dockets UE-22066 and UG-22067 (consolidated), Exh. WTE-1CT, page 49 of 87
[9] Dockets UE-220066 and UG-220067 (consolidated), Exh. WTE-1CT, page 50 of 87
[10] Dockets UE-220066 and UG-220067 (consolidated), Exh. WTE-1CT, page 51 of 87

- **Benefits**

  As recognized both by the Commission and the Washington Legislature, the benefits of electric transportation are broad and include better utilization of utility assets and reductions in greenhouse gas emissions and traditional pollutants.

  The costs and benefits included in the calculation of the EV and EVSE investment PSE proposed in its 2022 GRC are outlined in the table below, as detailed in the prefiled direct testimony of William T. Einstein.[11]

  Table 3: Cost-benefit Inputs for EVSE Investments

Costs	Benefits
Incremental Vehicle Costs	Vehicle Operations & Maintenance Savings
Electric Vehicle Supply Equipment Costs	Avoided Direct Carbon Costs
Marginal Energy Costs	Avoided Gasoline Costs
Marginal Generation Capacity Costs	Federal Tax Credits
Ancillary Services or Other Energy Supply Costs	Revenues from Electric Transportation
Transmission & Distribution Costs	

  As PSE detailed in its December 14, 2021 response to the WUTC staff investigation in Docket UE-210804, transportation electrification benefits include some items noted above that are not tied directly to the utility's sale of electricity. PSE commented in Docket UE-210804 that "electric vehicles are generally a source of consumption rather than a source of renewable generation or conservation, yet they also have potential load flexibility (*e.g.*, demand response) and vehicle-to-grid (*e.g.*, battery storage) applications, which means benefit-cost analyses of any kind must include guidance on how to quantify and value these impacts and other intangibles.[12]

  The table below, which is consistent with Table 11 of PSE's TEP[13] and was included in the prefiled direct testimony of William T. Einstein,[14] provides an estimate of the benefits of EV adoption for PSE customers, including reduced fuel and maintenance costs for EV drivers, and health benefits for all through avoided carbon emissions.

[11] Dockets UE-220066 and UG-220067 (consolidated), Exh. WTE-1CT, Table 7 page 53 of 87
[12] UE-210804, Comments, on behalf of Puget Sound Energy, from Jon Piliaris, page 2 of 10
[13] PSE Transportation Electrification Plan, UE-210191, page 71
[14] Dockets UE-220066 and UG-220067 (consolidated), Exh. WTE-1CT, Table 6 page 53 of 87

Table 4: Estimated Benefits of TEP Products & Services

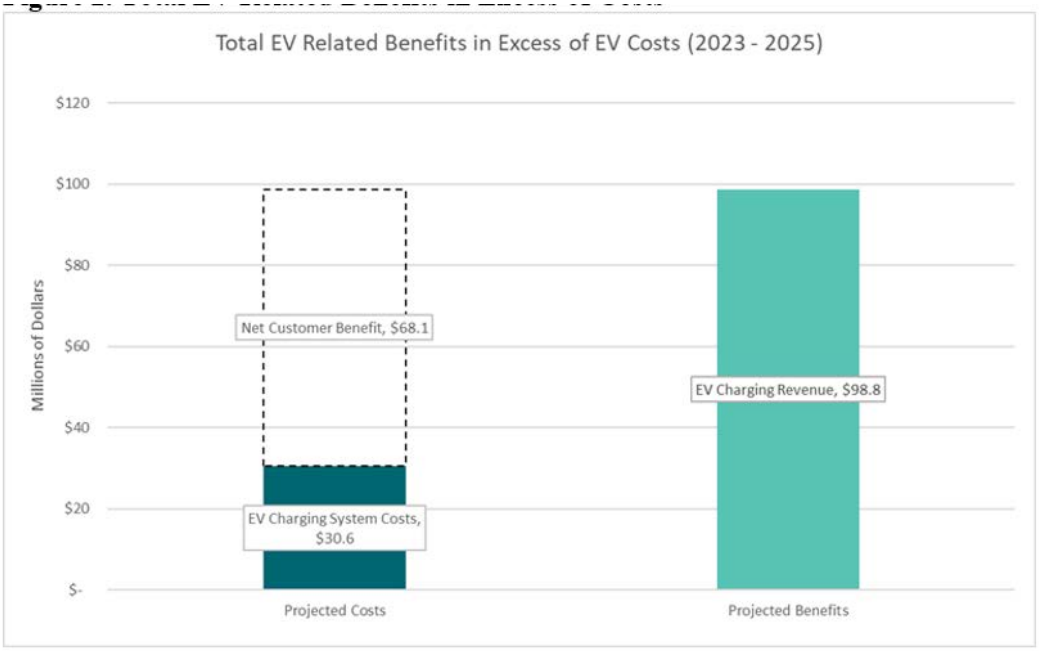
Year	Avoided CO2 Emissions (Tons)	Avoided Social Cost of Carbon	Customer Transportation and Fuel Maintenance Savings
2021	38,236	$2.9M	$49.6M
2022	63,937	$4.8M	$63.2M
2023	85,171	$6.4M	$90.2M
2024	114,220	$8.6M	$123.6M
2025	151,275	$12.6M	$168.5M
2026	196,428	$16.3M	$219.7M
2027	248,660	$20.6M	$276.4M
2028	308,924	$25.6M	$336.5M
2029	374,704	$31.1M	$402.7M
2030	448,004	$39.8M	$473M

As Mr. Einstein stated in his testimony, "[t]he benefits of electrified transportation to all customers significantly exceed the revenue requirement associated with EVSE product expenses over the period of 2023-2025."[15]

In Figure 2 below the right stacked bar presents the primary economic benefit to customers from transportation electrification: increased revenue. The bar presents forecasted electric service revenue associated with EV charging in PSE's service territory during the period of 2023-2025. The left stacked bar presents the cost of serving the additional EV charging load—including energy, capacity, transmission, and distribution costs ($30.6 million)—and the difference between the system costs and the benefits column ($68.1 million). The net benefit exceeds the total amount the Company has included in its 2022 GRC to spend on its new EVSE products and services through 2025, ensuring all customers receive a portion of the benefit. This is discussed in the prefiled direct testimony of Mr. Einstein.[16]

[15] Dockets UE-220066 and UG-220067 (consolidated), Exh. WTE-1CT, page 54 of 87
[16] Dockets UE-220066 and UG-220067 (consolidated), Exh. WTE-1CT, page 55 of 87

Figure 2: Total EV Related Benefits in Excess of Costs



The details presented in this figure are consistent with Table 11 in PSE's TEP, but the values have been refreshed to reflect prices consistent with PSE's 2021 Integrated Resource Plan ("IRP") and rates approved as of January 1, 2022. The projections are modeled using the EV load forecast within PSE's TEP and PSE's F21 Load Forecast. As a result, these projections do not reflect the forecasted impact of Washington's Low Carbon Fuel Standard nor major sources of EV load that have come to PSE's attention since the development of this forecast.[17]

This demonstration of cost-benefit relationship was generated based on a study developed by E3[18] in 2017 in which they assessed grid and economic impacts of electric vehicles in the Pacific Northwest. PSE was a participant in that study and developed its model to demonstrate the benefits of transportation electrification to all customers significantly exceeds the revenue requirement associated with EVSE product expenses. This was highlighted on slide 18 of PSE's TEP presentation during the August 12, 2021, Open Meeting and is consistent with Table 11 in the TEP. This is the same approach for assessing cost-benefit Avista also applied in its acknowledged TEP and was the basis used for its proposed electric rate Schedules 77, 13 and 23, which were approved by this Commission on April 22, 2021, in Docket UE-210182.

[17] Dockets UE-220066 and UG-220067 (consolidated), Exh. WTE-1CT, page 55 of 87
[18] The report, "Economic & Grid Impacts of Electric Vehicle Adoption in Washington & Oregon", prepared by E3 on behalf of the Pacific Northwest Utility Transportation Electrification Collaborative: https://www.ethree.com/tools/electric-vehicle-grid-impacts-model-2/

PSE is committed to continue to participate in the Commission staff investigation into developing a WUTC jurisdictional specific cost-effectiveness test for distributed energy resources incorporating CETA policies under Docket UE-210804 with the intent of implementing any outcomes of that engagement to inform future filings. For these reasons, PSE believes this modeling approach is both currently appropriate and justified.

Conclusion

As detailed in PSE's TEP, PSE is committed to creating a better and cleaner energy future as we proactively work to do our part to support Washington's clean energy goals. PSE believes these proposed revised existing Schedules 552 and 583 and new Schedules 555 and 556 are a significant step toward meeting that objective and will help accelerate TE in Washington, deliver benefits to all customers, and alleviate barriers and maximize the desired benefit for its Equity-Focused customers. PSE is excited to roll up its sleeves to deliver the products and services outlined in this filing and wants to thank the Commission, PSE customers, and valued TEP stakeholders for their support as PSE takes the next steps in executing on the strategies outlined in its TEP.

The tariff sheets described herein reflect an issue date of April 26, 2022, and effective date of June 1, 2022. Posting of proposed tariff changes, as required by law and the Commission's rules and regulations, is being completed through web, telephone and mail access in accordance with WAC 480-100-193.

Please contact Mei Cass at (425) 462-3800 or mei.cass@pse.com; Paul Gardner at (425) 456-2787 or paul.gardner@pse.com; or Malcolm McCulloch at (425) 456-2785 or malcolm.mcculloch@pse.com for additional information about this filing. If you have any other questions, please contact me at (425) 456-2142.

Sincerely,

/s/ Jon Piliaris

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cc: Lisa Gafken, Public Counsel
Sheree Carson, Perkins Coie

Attachments: Electric Tariff Sheets (listed above)
Attachment A: Joint Utility Transportation Electrification Stakeholder Group Suggestions and Comments and PSE Responses Matrix