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March 24, 2016

Steven King, Executive Director and Secretary
Washington Utilities and Transportation Commission
PO Box 47250
Olympia, WA 98504-7250

RE: Avista Corp.'s Tariff WN U-28 (2nd Substitute Tariff Schedule 77)

Dear Mr. King,

ChargePoint appreciates the Commission's willingness to engage in discussion regarding Avista's new, and potentially precedential, electric vehicle supply equipment ("EVSE") pilot. Fortunately, all parties are starting from common ground: that transportation electrification is a core objective for the state of Washington on its path to reduce greenhouse gas emission and air pollutants. Where we differ is in the best way to implement this pilot that will maximize Avista's experience at the same time as providing maximum benefits to Avista's ratepayers, who are also potential customers of ChargePoint and other EVSE providers.

ChargePoint has reached out to Avista directly on multiple occasions to discuss changes to the proposal, as directed by the Commission at the March 10, 2016 Open Meeting, but Avista has been unwilling to engage with us. This is unfortunately apparent in the limited revisions Avista has made in its March 21, 2016 cover letter and tariff revisions. In fact, based on our own experience selling charging stations, these revisions actually take the pilot farther from establishing a successful EV charging program.

I. Remaining Issues that Need to be Resolved

Below, ChargePoint focuses on four elements of Avista's pilot revision, as articulated in its replacement cover letter¹: Avista's limits to customers choice, concerns regarding data, modifications related to user payments, and the change to the premises wiring

¹ Avista Corp., Docket UE-160082 – Tariff WN U-28 (2nd Substitute Tariff Schedule 77), filed March 21, 2016 (corrected by subsequent cover letters filed March 22, 2016).

reimbursement. For background, please refer to ChargePoint's letter to the Commission of February 29, 2016.

a. Avista Should Allow Customer Choice

Our top priority continues to be requiring that Avista offer site hosts the ability to choose the equipment and services most appropriate for that site. This choice can be made from a list of vendors and products qualified by Avista. We think that customer choice - regardless of utility ownership - is vital to allowing vendors to continue to compete for customers, respond to customer needs and wants related to the product, and continue to innovate better products. Locking out customer choice means that Avista alone is solely "selling" heavily subsidized charging stations into this market, preventing any other players from competing until all of the stations planned in this pilot are installed. Avista's assurance that it will "consider" selecting multiple vendors is far from a firm commitment. ChargePoint strongly believes that customer choice will make this pilot more successful by engaging sites on the equipment being installed on their private property, and by allowing multiple vendors into the program, we can ensure a true pilot test of technologies and customer interest.

In its filing, Avista states: "The Company believes that if it owns and maintains the small number of chargers proposed within the EVSE Pilot Program, that it will not have damaging effects on the marketplace or hinder competition in any meaningful way. On the contrary, the use of a fair and thorough RFP process can help ensure customers receive the highest competitive value possible from the wide array of available EVSE vendors and service providers."² This is not an accurate depiction of the market or how business currently operates. Avista is taking away the ability of charging station companies to sell directly to customers as we currently do and instead assuming that simply providing stations and owning the customer relationship themselves has no impact on our business. There are many utilities which are direct customers of ChargePoint, which have bought our stations for use in their own workplaces for their own employees, however this pilot does not facilitate that customer relationship.

² Docket UE-160082, Avista Response to ChargePoint Request to Suspend Filing in Docket UE-160082 (March 2, 2016), p. 4.

b. Concerns Regarding Data

In its RFP, Avista appears to be seeking to own the data generated by the charging stations. In order to operate the ChargePoint Network, ChargePoint retains ownership of all data. All drivers that use the ChargePoint data have conferred ownership of their data to ChargePoint. We propose that Avista will have a limited license to access and use data generated by EVSE that Avista owns and data that Avista has been granted access to by EVSE owners, for as long as an active service plan is maintained by Avista. We hope that our proposal allows Avista to achieve its data collection goals, which are still vague in the pilot proposal.

c. Avista's Proposals Related to EV Rates Are Concerning

Avista's revision explains that customers who install EVSE will have the option to charge users of that Level 2 charging infrastructure, but implies that they must do it within Avista's framework and that they will be penalized with a lower rebate for the charging station install for selecting equipment that has this function. First and foremost, if Avista is not committing to include multiple vendors into the pilot than there is not likely to actually be equipment available that has both options of payment technology or not. Secondly, while ChargePoint agrees that fees to drivers should encourage rather than deter the use of EVSE, we do not believe that the utility should control all pricing at the stations. Avista's proposal to work with EVSE host customers on rates is vague, and tees up the risk that host customers will need to file documents with Avista or the Commission in order to change their rates. Host customers should have the flexibility to adjust rates dynamically to make them appealing to charging customers to increase utilization.

d. Avista's Change to Wiring Reimbursement Is Not the Right Kind of "Skin in the Game"

In ChargePoint's original letter, we mentioned that our experience shows that customers having "skin in the game," by paying a portion of EVSE costs, leads to them being more engaged participants. However, Avista's revision decreases the percentage of premises wiring costs it will pay for without decreasing the cost cap (which seems to be an acknowledgment of ChargePoint's original assertion that its proposed costs seemed low on that front) and penalizing sites for charging for the charging service, which may actually increase utilization and allow more drivers to use a limited resource. We



appreciate Avista's attempt to leverage private funding and allow for some choice but this proposal lacks knowledge of how charging stations are actually sold and operated in the real world. Adopting this model in this pilot will make it difficult to transition to a sustainable market after this pilot is complete.

II. Conclusion

ChargePoint thanks the Commission for its thoughtful approach to this issue and hopes to see revisions to Avista's pilot that will maximize benefits to Washington.

Sincerely,

A handwritten signature in cursive script that reads "Anne Smart".

Anne Smart
Director, Government Relations and Regulatory Affairs
ChargePoint, Inc.

cc:
Chairman David Danner
Commissioner Ann Rendahl
Commissioner Philip Jones
Chris McGuire, Staff
Lauren McCloy, Staff