

November 22, 2016

**VIA ELECTRONIC FILING**

State of Washington  
Utilities and Transportation Commission  
1300 S. Evergreen Park Dr. S.W., P.O. Box 47250  
Olympia, Washington 98504-7250

**RE: Rulemaking to Consider Policy Issues Related to Implementation of RCW 80.28.360, Electric Vehicle Supply Equipment Docket UE-160799**

The Alliance of Automobile Manufacturers<sup>1</sup> and General Motors (together, Joint Automakers) appreciate the opportunity to comment on RCW 80.28.360, which authorizes Washington utilities to accelerate transportation electrification by installing charging infrastructure. We appreciate the on-going efforts by the Commission, including a valuable and productive September 13<sup>th</sup> workshop.

The Joint Automakers remain focused on near-term priorities to grow the electric vehicle market—enabling consumer confidence and the scale necessary to unlock overall grid benefits. Furthermore, we believe electric utilities can and should be important partners in this effort. There are opportunities for constructive utility engagement at various levels, including infrastructure deployment, vehicle-grid integration, outreach and education, and electricity rates that support electrification. All of these activities are crucial to support electrification of the transportation sector, and to realize benefits for the grid and for ratepayers.

We have been actively involved in discussions around the country regarding the role of electric utilities in transportation electrification and are pleased to see a healthy stakeholder discussion on these issues in Washington State. We offer a high-level automaker perspective on the questions posted in the November 2<sup>nd</sup> Notice of Opportunity to File Written Comments and we look forward to continuing to engage in the process.

**A policy statement should be flexible and inclusive.** While electric utilities have an important role to play in facilitating transportation electrification, automakers appreciate this is a new area for both utilities and ratepayers with many unanswered questions. These include philosophical questions about the most appropriate role of the utility in general, as well as specific questions about electric vehicle rate programs in Washington. We therefore **see value in a policy statement** to provide additional regulatory certainty and direction for utilities.

At the same time, we **urge the Commission to be flexible and inclusive** when issuing guidance for utilities. There are differing opinions about the specific role of the electric utilities in market

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<sup>1</sup> The Alliance of Automobile Manufacturers is a trade association representing BMW Group, Chrysler Group LLC, Ford Motor Company, General Motors, Jaguar Land Rover, Mazda, Mercedes-Benz USA, Mitsubishi Motors, Porsche, Toyota, Volkswagen, and Volvo.

transformation and individual markets, as well as regional customer preferences, vary. Most stakeholders agree utilities have the ability to accelerate and enable infrastructure deployment by partnering with electric vehicle service providers (EVSPs) to reduce costs and complexity for site hosts, but opinions vary on issues such as ownership and operator considerations. We believe that the utility-EVSP partnership can take many different forms and that it is too early to definitively say what the “right” model is for investment in EV charging. Therefore, we strongly encourage the Commission to enable varying models and programs to better understand market responses – we remain in a “do-learn-adapt” model that encourages participation from all stakeholders.

**An incentive rate of return is appropriate where justified by ratepayer benefits.** There is strong evidence that transportation electrification can provide **substantial benefits for the grid and ratepayers.**<sup>2</sup> These benefits include downward pressure on rates, greater grid efficiency and flexibility, and integration of intermittent renewables into the grid. Transportation electrification can also provide additional ratepayer benefits, including avoided greenhouse gas emissions, improved air quality, and net energy savings. We believe these benefits help justify an incentive rate of return.

Looking ahead, we encourage the commission to think about how transportation electrification, including the role of hydrogen and fuel cell vehicles, can help address grid modernization, such as ancillary services, renewable energy integration, or storage considerations. Building programs and policies that enable such opportunities are fundamental to overall grid modernization policies where utilities and utility regulators are uniquely situated to ensure these benefits are fully realized.

## Conclusion

The Joint Automakers greatly appreciate the work to date and the opportunity to provide comments. We see this as the beginning of an iterative process of learning, adapting, and updating transportation electrification in Washington. We look forward to continued involvement in Washington’s transportation electrification efforts.

Sincerely,

/s/ Steven Douglas  
Steven Douglas  
Senior Director, Energy & Environment  
**Alliance of Automobile Manufacturers**  
Sacramento, CA  
[sdouglas@autoalliance.org](mailto:sdouglas@autoalliance.org)  
Phone: (916) 538-1197

/s/ James Hall  
James Hall  
Manager, Advanced Vehicle & Infrastructure  
**General Motors**  
San Francisco and Sacramento, CA  
[jamie.hall@gm.com](mailto:jamie.hall@gm.com)  
Phone: (916) 208-9533

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<sup>2</sup> Example reports include ICF/Energy and Environmental Economics California Transportation Electrification Assessment ([CalETC’s Phase 1, 2, 3](#)) as well as Energy and Environmental Economics/NRDC White Paper [Engaging Utilities and Regulators on Transportation Electrification](#).