

From: Jeremy Smithson 805 Rainier Ave S., Seattle, WA 98144 November 23, 2016

- To: Washington Utilities & Transportation Commission Steven V. King, Executive Director
- Re: Responses to Questions Regarding RCW 80.28.360, Docket UE-160799— EVSupport Comments In response to the Notice of Opportunity to File Written Comments issued by the Washington Utilities and Transportation Commission

Thank you for an opportunity to provide comments to the Commission providing policy guidance on the role of electric utilities in market transformation, and the interaction of RCW 80.28.360, providing more certainty about the scale and scope of investor-owned utility participation in the electric vehicle charging market. Puget Sound Solar, an active EVSE installation contractor in the Puget Sound area since 2008, fully supports a greater utility role in transportation electrification and we appreciate the efforts of the Commission, its staff, and the Governor, to address this important issue.

Our recommendations to the Commission are focused on the adoption of policies that improve geographic reach and access of EVSE for all populations, and to gather data and provide support to pilot programs to make way for a competitive market for EVSE infrastructure to enable EVSE vendors to continue to develop. We must reframe the role of our utilities if we are to achieve the goal of reducing greenhouse gas emissions (GHG) through the electrification of transportation, and we see this rulemaking as a step in that process. The questions raised by the commission highlight gaps in the current framework as electric utilities become providers of transportation 'fuel'. Some of those gaps may only be closed through legislation.

When a government entity provides street lighting in its jurisdiction, it is a benefit to all who use the streets, not just to the taxpayers who pay for the lights. In this sense, if a government or other body facilitates transportation electrification, each vehicle that no longer burns fuel is providing a benefit to all who breathe the air and who are affected by climate change. If utilities are directed in RCW 80.80.40 to limit GHG from power generation, shouldn't the reduction of GHG due to deployment of EVSE be included in that equation?

There are tangible benefits to all ratepayers from the proliferation of electric vehicles. According to the <u>California Transportation Electrification Assessment</u>, the net benefit to utilities, which could be recycled back to all ratepayers, varies from \$2800 to \$9,800 over the life of the electric vehicle, depending on the rate structure. These benefits occur by charging EVs at off-peak when capacity utilization is low. The report found, "additional revenue from PEV charging exceeds the marginal costs to deliver electricity to the customer, providing positive net revenues that put downward pressure on rates."

The fostering of EV usage must include thoughtful deployment of EVSE. The users of these charging stations may not be ratepayers of the utility that supplies the power, just as cars driving under street lights aren't necessarily driven by customers of the utility that lights them.

Responses to staff questions are on subsequent pages. Thank you for your consideration, and feel free to contact Andrea Tousignant, EVSE Specialist by email at <u>andrea@EVSupport.som</u>, if you would like to discuss these issues further.

Regards, Jeremy Smithson, CEO Puget Sound Solar

Answers to UTC Staff Questions

Question – What real and tangible benefits to ratepayers should electrical companies be required to quantify and demonstrate in order for the Commission to: a) make a prudence determination, and b) authorize an incentive rate of return?

Benefits to taxpayers that should be quantified are

- 1. Incentivize increased electricity sales by encouraging an increase of private and public EVSE appliances available. This should be quantified over time through pilot programs.
- 2. Encourage partnership with property-owners encouraging additional of amenities to avoid stranded assets.
- 3. Quantify the increased value to the utility of transportation loads as a distributed energy resource.

Question – What policies should the Commission consider to improve access to, and promote fair competition within the market? Please comment separately on how the Commission should address the following:

- 1. Improve access to EV charging as a regulated public service.
- 2. Ensure that the utility procurement process for charging equipment is fair and competitive.
- 3. Require rolling vendor qualification.
- 4. Allow a competitive market for charging services to develop utility.
- 5. Incentivize further adoption of carpool and work vans with associated EVSE infrastructure.
- 6. For all pilots, the Commission should carefully consider what is being "improved".

Question – Considering RCW 80.12.020 when would it be appropriate for an electrical company to "gift" EVSE to a customer, as provided in RCW 80.28.360(4)? What notice should be given?

- 1. In a new industry with new technology cycles often might consider 3 or 4 years to transfer or gift to a customer/property owner. Where Pay-off in the 2 to 3-year period, and the warranty and communication fees carry on to 5 yrs.
- 2. The notice should be at least a 6- month period to give time for decision.

Question – Considering RCW 80.28.320, what other factors should the Commission consider in order to approve investor-owned utility proposals to own and operate EVSE as a regulated service?

- 1. Recommend a pilot program or a study looking at a lifting or transferring business "demand charges" or the "demand fee" with implementation of a good number of EVSE at a Workplace or Commercial site.
- 2. Tie the implementation of a "peak-demand reduction scheme", or offer "peak- shaving" in an industrial setting to the deployment of EVSE for workplace, or industrial (EV Forklift or heavy machinery) usage.
- 3. For Workplace and Industrial sites that have "limited-sheddable loads" allow a trade-off where they have on-site renewable energy generation to increase available power, to offset EVSE usage, instead of receiving a demand charge or fee.
- 4. Research programs targeting non-passenger vehicle and equipment segments to evaluate and acknowledge utility transportation electrification efforts.
- 5. Use utility pilot's data to inform where "improved access" is required, customers or whole segments underserved by residential private and growing "public" infrastructure. Look towards serving new (TNC –transportation network company) disruptive economies, and market segments, community centers, hospitals, health care, retail, industrial.