

**BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF UTAH**

Docket No. 20-035-04

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Application of Rocky Mountain Power for Authority to Increase its Retail Electric Utility Service Rates in Utah and for Approval of its Proposed Electric Service Schedules and Electric Service Regulations

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**BRIEF ON PHASE II  
OF CHARGEPOINT, INC.**

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Pursuant to the Public Service Commission's Amended Scheduling Order and Notice of Electronic Hearing issued November 12, 2020, ChargePoint, Inc. (ChargePoint), respectfully files this post-hearing Brief on Phase II of this proceeding.

ChargePoint supports and appreciates Rocky Mountain Power's (RMP or the Company) proposal to redesign Schedule 6A for non-residential customers with low load factors, including electric vehicle (EV) DC fast chargers (DCFCS). ChargePoint supports the redesign of Schedule 6A and recommends that the Commission approve it with one modification. Specifically, ChargePoint recommends that the Commission direct RMP to modernize the time-of-use periods that apply to Schedule 6A. ChargePoint recommends that RMP adopt the following on- and off-peak periods for Schedule 6A: on-peak hours of 6 a.m. to 10 a.m. and 5 p.m. to 8 p.m. Monday through Friday (excluding holidays) in the winter months of November through March, and 4 p.m. to 8 p.m. Monday through Friday (excluding holidays) in the summer months of April through October.

**I. Rocky Mountain Power’s Schedule 6A Proposal.**

As Company witness Meredith has outlined, Schedule 6A is a general service time of day rate schedule available to qualifying non-residential customers with loads less than 1 megawatt (MW).<sup>1</sup> The on-peak periods for Schedule 6A are 7 a.m. to 11 p.m. Monday through Friday, except holidays.<sup>2</sup> All other times are considered off-peak.

The Company has proposed to redesign Schedule 6A to replace existing “traditional” demand charges with demand charges based on utilization. As proposed, the first 50 kWh for each kW of demand will be charged a higher rate and all additional kWh-per-kW will be charged a lower rate. In effect, RMP is proposing to charge customers an average energy price that declines as load factor increases, thereby providing customers with an incentive to have flatter load profiles. For customers with lower load factors, their average demand and energy cost would be effectively capped at 22.5¢ per kWh.<sup>3</sup>

**II. ChargePoint Generally Supports Schedule 6A.**

Schedule 6A pairs a time-of-use (TOU) rate with a demand charge based on utilization (or load factor) in which the average energy price declines as utilization increases. In re-designing Schedule 6A, the Company acknowledges that an impediment to the expansion of DC fast charging (DCFC) stations is the very high average cost of energy that stations with low utilization face because of traditional demand charges. In many cases, these high demand charges make DCFC deployment difficult for site hosts to justify economically, especially in the early years of EV adoption when station utilization rates are still growing.

As explained by ChargePoint’s witness Ms. Anne Smart in her Initial Testimony, while

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<sup>1</sup> Direct Testimony of Robert M. Meredith, p. 39.

<sup>2</sup> Rocky Mountain Power, Electric Service Schedule No. 6A, P.S.C.U. No. 50, Original Sheet No. 6A.3. RMP has not proposed to modify Sheet No. 6A.3 in this proceeding.

<sup>3</sup> Meredith at 43.

ChargePoint supports the proposed Schedule 6A, TOU rates may not be a perfect application for certain EV charging uses cases – such as public DCFC.<sup>4</sup> DCFC stations are often used by EV drivers that cannot adjust their usage to avoid the impact of higher priced TOU time periods. This user group may include drivers traveling longer distances on highways unable to schedule their stops to align with changes in pricing or charger availability caused by higher priced TOU time periods. As discussed in more detail below, ChargePoint recommends the Company modify the TOU time periods in Schedule 6A to more appropriately reflect the Company’s wholesale costs and to provide a more actionable price signal.

As discussed in Ms. Smart’s testimony, DCFC stations can have low load factors, with sporadic instances of high demand when a vehicle or multiple vehicles are charging. Under traditional demand-based rates, site hosts can face high demand charges due to the few peak charging sessions that occur each month, which effectively penalizes site hosts for providing charging services in earlier-stage EV markets. In some markets, demand charges can account for as much as 90% of a DCFC site host’s electricity costs.<sup>5</sup>

Traditional demand rates for operators of DCFC stations can impose disproportionately high costs on site hosts providing charging equipment with low utilization. With very few exceptions (e.g., for very small customers) commercial customers are on rates that include demand charges that are based on the customer’s highest measured demand, measured in kilowatts (kW) in a given month. A DCFC station site host may only have a few vehicles use the station in a month during the early years of EV adoption. The power demand of these charging sessions will set the demand charge for the month, likely resulting in a significant bill for the site host. This impact is

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<sup>4</sup> Initial Testimony of Anne T. Smart, p. 6, lines 91-94.

<sup>5</sup> Rocky Mountain Institute, 2017. “EVgo Fleet and Tariff Analysis.” Available at: [https://rmi.org/wp-content/uploads/2017/04/eLab\\_EVgo\\_Fleet\\_and\\_Tariff\\_Analysis\\_2017.pdf](https://rmi.org/wp-content/uploads/2017/04/eLab_EVgo_Fleet_and_Tariff_Analysis_2017.pdf).

amplified for fleets and other customers that need to charge multiple vehicles simultaneously at high power levels and/or that do not have the flexibility to adjust the timing of charging sessions for multiple vehicles. Thus, for DCFC sites, conventional commercial rate design often can make otherwise viable and desirable projects uneconomic.

Furthermore, unlike traditional commercial customers on demand-based rates, public EV charging station site hosts have very limited ability to manage or mitigate the impact of demand charges without negatively impacting the EV driver experience. For example, a factory or large commercial facility may be able to avoid turning on several large loads at the same time in order to avoid higher demand charges. By contrast, if a public DCFC site host offers four charging ports, the site host could only avoid significant demand charges by limiting the number of ports in use simultaneously or by restricting the amount of power to each port, or both. Either action could negatively impact the driver experience and thus defeat the purpose of expanding public DCFC infrastructure. Simply put, high demand charges coupled with low utilization can be an impediment to the widespread deployment of EV charging stations.

Because RMP's proposed redesign of Schedule 6A would significantly mitigate the impact of demand charges on DCFC site hosts with low load factors, ChargePoint recommends that the Commission approve it, with one modification discussed below.

**III. The Commission should direct RMP to modernize the time periods for Schedule 6A.**

Schedule 6A, as proposed, will maintain the existing on-peak period of 7 a.m. to 11 p.m. Monday through Friday, except holidays, with all other times considered off-peak.<sup>6</sup> A 16-hour "peak" period is neither an actionable price signal nor does it reflect peak, or higher priced periods on the grid. In its proposal to modernize the time-of-use periods for Schedules 8 and 9, the

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<sup>6</sup> Original Sheet No. 6A.3.

Company recognizes that an “on-peak” period of 7 a.m. to 11 p.m. no longer accurately reflects the wholesale cost of power. As Company witness Robert Meredith states:

The greater prevalence of solar on the western grid has increasingly lowered wholesale power prices in the middle of the day. Modernizing the time periods for large non-residential customers to prioritize a shorter on-peak window where the middle of the day is off-peak has many benefits for the Company and its customers. With a shorter on-peak period, conservation and load shifting can be more targeted to the most stressful times for the grid. Moving load from the late afternoon to the middle of the day may also help to better align consumption with renewable output.<sup>7</sup>

Mr. Meredith provides this discussion to support the Company’s proposal to create morning and evening peak periods during the non-summer months and a late afternoon/evening peak period during the summer months for Schedules 8 and 9.<sup>8</sup> These new proposed periods would replace the current on-peak period of 7 a.m. to 11 p.m. that currently applies to Schedules 8 and 9, as well as to Schedule 6A. Mr. Meredith’s testimony does not provide any reason why this rationale for modernizing the time-of-use periods for Schedules 8 and 9 would not apply to Schedule 6A. ChargePoint recommends that the Company also modernize the time-of-use periods for Schedule 6A. In fact, Mr. Meredith stated in his Rebuttal Testimony that he agrees that “the on- and off-peak periods in Schedule 6A could use an overhaul.”<sup>9</sup>

ChargePoint recommends that the Company adopt the on-peak and off-peak periods that its sister company, Pacific Power, has agreed to use for a similar optional commercial rate in its Oregon service territory, Schedule 29. Like the Company’s proposed Schedule 6A, Pacific Power’s proposed Schedule 29 would mitigate the impact of traditional demand charges on low utilization customers by capping the \$/kWh price of a customer’s first 50 kWh of usage.

Pacific Power’s proposed Schedule 29 is currently pending approval before the Oregon

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<sup>7</sup> Meredith at 38 (footnote omitted).

<sup>8</sup> Proposed First Revision of Sheet No. 8.3; Proposed First Revision of Sheet No. 9.3.

<sup>9</sup> Meredith Rebuttal, p. 62, line 1273.

Public Utilities Commission (OPUC) in OPUC Docket No. UE 374. In a recently filed settlement agreement in that case, Pacific Power agreed to use the same time periods for Schedule 29 that it uses for another rate schedule designed for DCFC stations: Pacific Power's Schedule 45. Schedule 45 uses on-peak hours of 6 a.m. to 10 a.m. and 5 p.m. to 8 p.m. Monday through Friday (excluding holidays) in the winter months of November through March, and 4 p.m. to 8 p.m. Monday through Friday (excluding holidays) in the summer months of April through October. These TOU periods are actionable and more closely align with the low-cost period in the middle of the day identified in Mr. Meredith's testimony. ChargePoint recommends that the Commission direct the Company to use these TOU periods for proposed Schedule 6A.

Alternatively, the Commission could direct the Company to apply the new TOU periods it has proposed for Schedule 8 to Schedule 6A. For Schedule 8, the Company proposes to change the on-peak periods to 6 a.m. to 10 a.m. and 6 p.m. to 12 a.m. (midnight) Monday through Friday (excluding holidays) in the winter months of October through May, and 2 p.m. to 12 a.m. (midnight) Monday through Friday (excluding holidays) in the summer months of June through September. These time periods also avoid the middle of the day peak, but have the disadvantage of the on-peak period lasting until midnight on all non-holiday weekdays. Such a long on-peak period makes it difficult for customers to respond to the price signal. For that reason, ChargePoint recommends that the Commission adopt Pacific Power's Schedule 45 time periods, but Schedule 8's time periods are preferable to the existing Schedule 6A time periods that the Company has not proposed to change.

Utah Clean Energy's witness Sara Wright supports ChargePoint's recommendation and agrees that "narrower and more targeted on-peak windows are more likely to result in desired shifts

in customer energy use behavior.”<sup>10</sup>

The Company’s sole reason for opposing ChargePoint’s recommendation is that “re-programming all Schedule 6A’s meters would be significant expense for the Company and would be poor timing when AMI deployment is not far off.”<sup>11</sup> However, the Company’s proposed AMI deployment has not yet been approved and even if it is, it is unclear when the existing Schedule 6A meters would be replaced with AMI meters. The Commission should not rely on an unapproved program with an uncertain rollout schedule as a reason for denying ChargePoint’s recommendation, especially given that the Company’s witness Mr. Meredith acknowledges that Schedule 6A’s time periods “could use an overhaul.” Finally, it is important to remember that many of the DCFC stations that would benefit from Schedule 6A have not yet been constructed and would likely have new meters installed, rather than existing meters that would need to be reprogrammed. ChargePoint therefore believes that the benefits of modernizing the rate schedules for Schedule 6A likely far outweigh the cost of doing so.

#### **IV. Conclusion and Recommendations.**

For the reasons discussed, ChargePoint supports the redesign of Schedule 6A and recommends that the Commission approve it with one modification. Specifically, ChargePoint recommends that the Commission direct RMP to modernize the time-of-use periods that apply to Schedule 6A. ChargePoint recommends that RMP adopt the following on- and off-peak periods for Schedule 6A: on-peak hours of 6 a.m. to 10 a.m. and 5 p.m. to 8 p.m. Monday through Friday (excluding holidays) in the winter months of November through March, and 4 p.m. to 8 p.m. Monday through Friday (excluding holidays) in the summer months of April through October.

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<sup>10</sup> Sarah Wright Rebuttal, p. 5, lines 52-53 and p. 17, lines 303-305.

<sup>11</sup> Meredith Rebuttal, p. 62, line 1273.

Respectfully submitted on November 30, 2020,

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**Certificate of Service**  
Docket No. 20-035-04

I hereby certify that a true and correct copy of the Brief on Phase II of ChargePoint, Inc. was served by email this 30<sup>th</sup> day of November 2020, on the following:

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