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State of Utah
DEPARTMENT OF COMMERCE
Office of Consumer Services

MICHELE BECK
Director

To: Utah Public Service Commission

From: Office of Consumer Service
Michele Beck, Director
Cheryl Murray, Utility Analyst

Date: July 20, 2018

Subject: Office of Consumer Services Initial Comments Regarding Rocky Mountain Power's First Annual Sustainable Transportation and Energy Plan Act (STEP) Program Status Report. Docket No. 18-035-16

Introduction and Background

On April 30, 2018 Rocky Mountain Power (Company) filed with the Public Service Commission (Commission) its First Annual Sustainable Transportation and Energy Plan Act (STEP) Program Status Report (Status Report) as required by Commission orders in Docket No. 16-035-36. On May 9, 2018 the Commission issued a Notice of Amended Comment Period allowing parties to file comments on or before July 12, 2018 and reply comments on or before July 27, 2018.

On July 11, 2018 Southwest Energy Efficiency Project and Utah Clean Energy (SWEEP and UCE) submitted joint comments in this docket. On July 12, 2018 the Division of Public Utilities (Division) and the Office of Consumer Services (Office) each submitted comments. Herein the Office responds to joint comments of SWEEP and UCE and comments from the Division.

Office Response to SWEEP and UCE

SWEEP and UCE suggest that "future reports list not only the total number of workplace charging ports by county, but also the number of employers and sites, as it is not possible from this year's report to tell whether there was a broad uptake across many employers or more focused uptake by a smaller number of large employers. It would also be helpful

for future reports to include both the average and range of total costs for each charging station, so that the incentive levels can be compared to the full cost.”

The Office supports inclusion of this information in future reports and believes that it will be helpful in evaluating the program going forward.

Multi-Family Housing Incentives

SWEEP and UCE state they believe that the incentive levels for the multi-family housing sector should be increased to the maximum levels authorized in Docket 16-035-36. If those incentive levels do not result in generating greater uptake, they recommend that the Company request authorization from the Commission to raise the incentive levels above those currently authorized. In the alternative, the Company could propose a program in which the Company would directly install and own the charging infrastructure.

Regarding the suggestion to increase incentive levels to the maximum allowed the Office asserts that a better course of action is to allow more time to determine if, in fact, increased incentives are necessary. As the Company noted in its response to SWEEP Data Request 2:

“The EV program was not approved until July 2017, which only gave two months of time to incentivize prescriptive measures using 2017 program funds. Because of the short timeframe, the Company does not believe the statistics are adequate enough to warrant an increase to incentives or otherwise modify the program structure to increase uptake in the multifamily sector. The 2018 statistics for prescriptive measure participation should provide a better outlook on whether any adjustments are necessary.”

The Office believes that having the additional information will better inform the question regarding adjusting the incentive payment.

As to the suggestion that the Company could install and own the charging infrastructure, the Office believes that issue is fraught with potential problems and concerns. Foremost is the protection of other customers. Costs associated with Company owned charging infrastructure should be prohibited from inclusion into rates paid by all customers. A further consideration is the potentially negative impact on competition from the private sector which may be able to provide these services more cost-effectively and with less risk to ratepayers.

The Office recognizes that SWEEP’s and UCE’s suggestion is tied to Commission approval. However, even though that proposal is not currently before the Commission the Office is compelled to respond because of the level of our concern with the concept of public utility ownership of charging infrastructure.

DC Fast Charging Incentives

SWEEP and UCE recommend that the incentive levels for DC fast chargers be increased to the maximum level allowed.

For the reasons stated above the Office asserts that more time should be allowed to determine whether the incentive levels for DC fast chargers need to be increased.

TOU Study and Residential Level 2 Charging

SWEEP and UCE note that only 14 customers signed up to participate in the TOU study. Therefore, they recommend that the Company explore the possibility of creating an incentive for residential level 2 charging stations of at least \$500.

In the Report the Company stated that the TOU program has not yet been actively marketed. Once the Load Research Study participants are in place more emphasis will be placed on recruiting for the TOU program.

The Office again asserts that more time should be allowed so we can properly evaluate the need for additional incentives.

Office Response to the Division's Recommendations

In its comments the Division recommends that the Commission acknowledge the Report subject to the following recommendations:

- 1) Include a spreadsheet that reconciles USIP expenditures and ending balances that correlate to the STEP Report, RMP Exhibit A.
- 2) Include a brief summary and spreadsheet explaining the DSM/STEP Liability and Asset balancing accounts.
- 3) Include a spreadsheet explaining the EV Program expenditures.
- 4) Provide accounting and explanations in the annual report that demonstrate the EV Program in a more transparent manner.
- 5) The parties should meet to discuss how to proceed with accounting for EV custom project incentives and other commitments.
- 6) Provide at a minimum, a status report for the additional filing requirements for the EV Program.
- 7) File with the Commission to reallocate funds from the Alternative NOx Emission Control Technology to another program.
- 8) The Division suggests that RMP provide an explanation for any external OMAG expense in future reports.

The Office supports the Division's recommendations and agrees they will provide beneficial information in future reports. The Office also notes that Division

July 20, 2018

recommendations five and seven correspond to recommendations made in our initial comments.

Recommendation

In addition to the recommendations made in our initial comments on July 12, 2018 the Office recommends that the Commission require future reports to also include:

- 1) The number of employers and sites of workplace charging ports.
- 2) The average and range of total costs for each charging station.
- 3) A spreadsheet that reconciles USIP expenditures and ending balances that correlate to the STEP Report, RMP Exhibit A.
- 4) A brief summary and spreadsheet explaining the DSM/STEP Liability and Asset balancing accounts.
- 5) A spreadsheet explaining the EV Program expenditures.
- 6) Accounting and explanations that demonstrate the EV Program in a more transparent manner.
- 7) A status report for the additional filing requirements for the EV Program.
- 8) An explanation for any external OMAG expense

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