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BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Application of Rocky Mountain Power for Approval of Electrical Vehicle Infrastructure Program	Docket No. 20-035-34

REDACTED

PREFILED DIRECT TESTIMONY OF

DEBORAH KAPILOFF

ON BEHALF OF

WESTERN RESOURCE ADVOCATES

October 19, 2021

I. INTRODUCTION AND SUMMARY

Q: Please state your name, employer, position, and business address.

A: My name is Deborah Kapiloff. I am employed by Western Resource Advocates ("WRA") in its Clean Energy Program as a Transportation Electrification Policy Analyst. My business address is 2260 Baseline Rd Suite 200, Boulder, CO 80302.

Q: Please describe your current duties, work experience, and educational background.

A: As a Transportation Electrification Policy Analyst, I work on WRA's efforts to promote policies and regulations that support the widespread adoption of electric vehicles in an effort to rapidly decarbonize the transportation sector in the Interior West. My work focuses on policy analysis, legislative development, and regulatory support that is focused on state utility commissions, legislatures, and other regulatory agencies in Utah, Colorado, New Mexico, Arizona, Nevada, and Wyoming. Prior to beginning my role as Transportation Electrification Policy Analyst, I worked on the Regional Markets team at WRA, focusing on coordinating state-level policy compliance in regional market constructs. My educational background includes a Bachelor of Arts Degree in Political Science and Environmental Studies with an emphasis in economics and social sciences from St. Olaf College. A more detailed description of my qualifications is attached as Exhibit WRA__(DK-1).

Q: Please describe WRA.

A: WRA is a non-profit organization that addresses climate change to sustain the environment, economy, and people of the West. We work with decision-makers and other advocates to advance clean energy, protect air, water, and wildlife—and sustain the lives and livelihoods of the West. Our Clean Energy Program includes policy experts,

economists, and attorneys and develops and implements evidence-based solutions to realize the benefits of a decarbonized electricity system that is reliable and economic for customers. WRA also advocates for policies that support beneficial electrification of the transportation sector in order to reduce carbon emissions, improve local air quality, and drive net economic benefits associated with electric transportation. WRA has offices in Salt Lake City, Utah; Boulder and Denver, Colorado; Carson City, Nevada; Phoenix, Arizona; and Santa Fe, New Mexico.

Q: On whose behalf are you testifying?

A: I am testifying on behalf of Western Resource Advocates.

Q: Have you previously testified before the Public Service Commission of Utah (Commission)?

A: No.

Q: Have you previously testified before any utility commissions in other states?

A: Yes. I testified before the New Mexico Public Regulation Commission in a proceeding on a utility's transportation electrification plan application.

Q: Please explain WRA's interest in participating in this proceeding.

A: WRA's interest is ensuring that the proposed Electrical Vehicle Infrastructure Program is successful, just and reasonable, and results in prudent and equitable investments in electric vehicle charging infrastructure.

Q: What is the purpose of your testimony?

A: The purpose of my testimony is to evaluate whether Rocky Mountain Power's Electrical Vehicle Infrastructure Program (EVIP or Program) meets the requirements of U.C.A. §

54-4-41 and to propose modifications to the Program in order to improve it and better meet the relevant statutory considerations.

Q: Please summarize the format of your testimony.

A: In Section I, I introduce myself, WRA, and summarize my testimony and, in Section II, I present an overview of the Company's Program application. In Sections III, IV, V and VI, I evaluate and provide comments on the Company's proposals on incentives, Schedule 2E, Company-owned charging stations, and make-ready infrastructure. In Section VII, I provide comments on program reporting and stakeholder engagement. Section VIII deals with the Company's Innovative Projects and Partnerships. I conclude my testimony in Section IX.

Q: Please summarize your recommendations for the Commission.

A: I recommend that the Commission:

1. Approve the Company's EVIP application with the modifications presented in my testimony.
2. Among Schedule 120 funding, allocate 30% to residential Level 2 rebates, 30% to non-residential and multi-family housing Level 2 rebates, 30% to non-residential and multi-family housing Direct Current Fast Charging (DCFC) rebates, and 10% to custom projects rebates.
3. Allow 10% of the total Schedule 120 budget to be spent flexibly among rebate types.
4. Use primary and secondary criteria, as described in Section V, to determine the siting locations of Company-owned charging stations.

5. Utilize revenues from Company-owned charging stations to continue funding Schedule 120 rebates if Schedule 120 does not otherwise have funding allocated in the Company budget.
6. Utilize revenues from Company-owned charging stations to fund Schedule 120 rebates and make-ready infrastructure in a ratio of one-third Schedule 120 rebates to two-thirds make-ready infrastructure.
7. Modify the Company's glide-path transition to cost-of-service rates (at Company-owned charging stations) to occur over eight years rather than five years, beginning the glide-path three years earlier than the Company proposes to.
8. Modify the Company's glide-path transition to apply rate increases primarily to the on-peak portion of the time-of-use rate.
9. Establish application periods and application criteria for the Company's make-ready infrastructure program.
10. Require annual Program reporting to be filed with the Commission.
11. Require a hearing at the five-year mark of the Program to evaluate the Program's ongoing prudence and consider future expenditures.

Q: Please describe WRA's interest in supporting the adoption of electric vehicles.

A: As described in my introduction, WRA is a climate-focused organization that advocates for beneficial electrification; that is, replacing the direct use of fossil fuels with electricity in order to create social, environmental, and economic benefits. Electrifying the transportation sector is a critical strategy to improving Utah's air quality, particularly along the Wasatch Front, and reducing its impact on climate change.

Q: Why is increased electric vehicle adoption important for addressing air quality issues in Utah?

A: Electric vehicles offer substantial emissions benefits compared to traditional gasoline powered vehicles, both in terms of greenhouse gases and pollutants that drive local air pollution.[1] EVs are essential to addressing Utah's persistent air quality challenges. A 2014 report from Envision Utah found that 57% of local emissions come from the transportation sector, and that "it is likely that no other single feasible strategy would have a greater impact on our air quality" than reducing transportation sector emissions.[2] Electric vehicles offer tremendous air quality benefits compared to gasoline powered ones, particularly in urban areas along the Wasatch Front where air quality concerns are the highest. Even when a portion of the power used to charge EVs comes from coal generation, there are substantial ozone benefits from switching from gasoline powered vehicles to electric ones.[3]

Q: Do electric vehicles offer other benefits?

A: Yes. Electric vehicles (EVs) offer economic benefits to Utahns, as EV owners spend substantially less money on maintenance and fueling costs compared to owners of gas-powered vehicles.[4] Additionally, in the long-term, efficient charging of electric vehicles

[1] Jordan L. Schnell et al., *Air Quality Impacts from the Electrification of Light-Duty Passenger Vehicles in the United States*, 208 Atmospheric Environment 95, 95 (2020), available at https://www.sciencedirect.com/science/article/abs/pii/S1352231019302183.
[2] Envision Utah, *How We Grow Matters* 3 (2014), available at https://gardner.utah.edu/wp-content/uploads/EU-AirQuality-Action-Team-Recommendations.pdf.
[3] Northwestern University, *Electric Vehicle Adoption Improves Air Quality And Climate Outlook: Ozone Pollution Reduced Even When Electricity Is Produced By Combustion Sources* (Apr. 12, 2019), available at www.sciencedaily.com/releases/2019/04/190412122912 htm.
[4] EnergySage, *Do Electric Cars Save Money?*, EnergySage Blog (Aug. 25, 2021) available at https://www.energysage.com/electric-vehicles/advantages-of-evs/do-electric-cars-save-money/.

(i.e., in off-peak hours) can put downward pressure on electric rates, benefiting all utility ratepayers.[5]

Q: In addition to U.C.A. § 54-4-41 (also referred to as HB 396), is there policy support for transportation electrification in Utah?

A: Yes. In 2020, the Utah Legislature passed HB 259, Electric Vehicle Charging Network (now codified at U.C.A. **§** 72-1-216(2)), which requires the Utah Department of Transportation, in consultation with other state agencies and private entities, to develop a "statewide electric vehicle charging network plan" that includes the following:

> [S]trategies to ensure that electric vehicle charging stations are available:
> a) at strategic locations as determined by the department by June 30, 2021;
> b) at incremental distances no greater than every 50 miles along the state's interstate highway system by December 31, 2025; and
> c) along other major highways within the state as the department finds appropriate.[6]

Furthermore, *The Utah Roadmap*, which was prepared by the Kem C. Gardner Policy Institute at the University of Utah at the request of the Utah Legislature, identified electric vehicles a near-term priority for improving air quality and addressing causes and impacts of a changing climate.[7]

Q: What emissions reductions goals are recommended in The Utah Roadmap?

A: *The Utah Roadmap* suggests overarching goals of reducing emissions from criteria air pollutants 50% by 2050 from 2017 levels and reducing CO2 emissions 25% by 2025, 50% by 2030, and 80% by 2050 from 2005 levels.[8]

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[5] Jason Frost, Melissa Whited, and Avi Allison, Electric Vehicles Are Driving Electric Rates Down (Synapse Energy Economics, February 2019), available at https://www.synapse-energy.com/sites/default/files/EVsDriving-Rates-Down-8-122.pdf.
[6] U.C.A. § 72-1-215(2).
[7] Kem C. Gardner Policy Institute, The Utah Roadmap: Positive Solutions on Climate and Air Quality (2020), available at https://gardner.utah.edu/utahroadmap/ (hereinafter referred to as *The Utah Roadmap*).
[8] *Id.* at 2.

Q: How does the adoption of EVs align with the emissions reductions and other goals presented in *The Utah Roadmap*?

A: EV adoption aligns with the goals in *The Utah Roadmap* as a strategy for emissions reductions. *The Utah Roadmap* lists electric vehicle adoption as a strategic goal, and suggests expanding Utah's EV charging network and targeting incentives for EV adoption toward low and middle-income households as potential priority actions for policymakers.[9]

II. OVERVIEW OF ROCKY MOUNTAIN POWER'S EVIP

Q: What are the criteria the Commission must consider when evaluating a utility's application for approval of its Electrical Vehicle Infrastructure Program in order to determine if the program is the public interest?

A: The statutory considerations enumerated in HB 396 require that, in order to be in the public interest, the Company's proposed Program:

a) increases the availability of electric vehicle battery charging services in the state;
b) enables the significant deployment of infrastructure that supports electric vehicle battery charging service and utility-owned vehicle charging infrastructure in in a manner reasonably expected to increase electric vehicle adoption;
c) includes an evaluation of investments in the areas of authority jurisdictional land and at the point of the mountain state land;
d) enables competition, innovation, and customer choice in electric vehicle battery charging services, while promoting low-cost services for electric vehicle battery charging customers; and
e) provides for ongoing coordination with the Department of Transportation.[10]

[9] *Id.* at 14.
[10] U.C.A. § 54-4-41(4).

Q: What criteria determine if a utility's investment in utility-owned vehicle charging infrastructure is prudently made?

A: Per U.C.A. § 54-4-41(7):

> A large-scale electric utility's investment in utility-owned vehicle charging infrastructure is prudently made if the large-scale electric utility demonstrates in a formal adjudicative proceeding before the commission that the investment can reasonably be anticipated to:
>
> a) result in one or more projects that are in the public interest of the large-scale electric utility's customers to reduce transportation sector emissions over a reasonable time period as determined by the commission;
> b) provide the large-scale electric utility's customers significant benefits that may include revenue from utility vehicle charging service that offsets the large-scale electric utility's costs and expenses; and
> c) facilitate any other measure that the commission determines:
> i. promotes deployment of utility-owned vehicle charging infrastructure and utility vehicle charging service; or
> ii. creates significant benefits in the long term for customers of the large-scale electric utility.

Q: Please summarize the programs presented in RMP's EVIP application.

A: RMP's program consists of Company-owned electric vehicle charging stations, funding for make-ready infrastructure, electric vehicle supply equipment (EVSE) incentives, and Innovative Partnerships and Projects.

Q: Please summarize the tariffs presented in RMP's EVIP application.

A: The tariffs presented are Schedule 2E, Schedule 60, Schedule 120, and Schedule 198. Schedule 2E is a pilot time-of-use rate for residential customers who are EV owners. Schedule 60 presents rates charged to EV drivers at the EV charging stations owned by the Company for both RMP and non-RMP customers. Schedule 120 details the rebates available to Company customers for EV chargers, and Schedule 198 establishes the cost

recovery mechanism for the Program through which the Company will collect five million dollars per year from its customers over a ten-year period.

Q: Do you support RMP's EVIP application?

A: Generally speaking, I am supportive of the programs offered in the Company's EVIP application; however, I recommend that the Commission approve the Company's EVIP application with the modifications presented in this testimony.

III. INCENTIVES

Q: Please describe the Company's proposed incentives.

A: The Company proposes to extend its existing Schedule 120 Plug-in Electric Vehicle Incentive Program for the duration of EVIP. Schedule 120 incentives cover a portion of the costs for different types of EV chargers for customers purchasing and installing them. Specifically, Schedule 120 offers up to $200 for residential Level 2 chargers, up to $4,000 for a single port non-residential/multi-family Level 2 charger, up to $7,000 for a multi-port non-residential/multi-family Level 2 charger, and $45,000 and $63,000, respectively, for non-residential/multi-family single and multi-port DC fast chargers.

Q: Are you supportive of extending Schedule 120 for the duration of EVIP?

A: Yes. The existing Schedule 120 incentives are important to fulfilling the first and second public interest criteria (to increase the availability of electric vehicle battery charging services in the state and to enable the significant deployment of infrastructure that supports electric vehicle battery charging service in a manner reasonably expected to

increase electric vehicle adoption.[11] As described in the following paragraphs, extending Schedule 120 is a critical part of ensuring the success of the Program.

Q: Why is access to charging at customers' homes critical for increasing EV ownership?

A: Access to charging at home is critical, as roughly 80% of EV charging happens at driver's residences.[12] In order to enable EV adoption, it is critical that would-be drivers have access to infrastructure in "long-dwell time" locations where cars are most frequently located and available for charging. Unsurprisingly, the National Research Council of the National Academies of Sciences characterizes home charging as a "virtual necessity" for all EV drivers, and that residences without access to electric vehicle charging "clearly [have] challenges to overcome to make EV ownership practical.[13]

Essentially, drivers are much less likely to purchase an EV if they cannot charge at home. Additionally, having access to at-home charging allows EV owners to realize significant fuel cost savings compared to gasoline by charging on residential rates.

Q: Why is it important for the Company to provide incentives to encourage the adoption of Level 2 charging at single-family homes?

A: In order to shift EV charging load into off-peak periods, a Level 2 charger is necessary. Given the low charging rates associated with Level 1 chargers, EV drivers may need all of the afternoon, evening, and early morning to get a full charge. This makes it impossible for the customer to get a full charge for their EV without charging during

[11] *See* U.C.A. § 54-4-41(4).
[12] Patricia Valderrama et. al, *Electric Vehicle Charging 101*, NRDC Blog (Jul. 10, 2019), available at https://www.nrdc.org/experts/patricia-valderrama/electric-vehicle-charging-101
[13] National Research Council of the National Academies of Sciences, *Overcoming Barriers to the Deployment of Plug-in Electric Vehicles*, the National Academies Press at 9 (2015).

peak periods. But by incentivizing Level 2 chargers, utilities encourage customers to get their needed charging done in a shorter amount of time, which can be aligned with off-peak periods when energy is less expensive for the Company to provide.

Q: Why are multi-family charger rebates crucial for increasing EV adoption?

A: Access to charging may be more difficult to secure for people living in multi-family housing, as they usually do not have the decision-making power to add chargers at their place of residence. As such, residents of multi-family housing may be hesitant to purchase an EV without knowing they will have consistent access to charging at their place of residence, and the decision to install charging infrastructure is out of their hands. Given this, incentivizing the installation of chargers at multi-family housing with a rebate can potentially increase charging access to a large segment of the population that may have been hesitant to purchase an EV. This is particularly important because less than half of U.S. vehicles have reliable access to dedicated off-street parking at an owned residence where charging infrastructure could be installed, highlighting the extent to which EV adoption could be stalled by a dearth of charging infrastructure.[14]

Q: Why are other non-residential rebates, such as workplace rebates, important for increasing EV adoption?

A: Workplace charging can serve as a critical form of charging for drivers who may not have access to home charging or to help a customer who drives a plug-in-hybrid electric vehicle minimize their use of their internal combustion engine. For those considering EV adoption who do not have access to home charging, the ability to charge an EV at work can be pivotal to their decision-making.

[14] *See generally* Traut et al., *US Residential Charging Potential for EVs*, 25 Transportation Research Part D: Transport and Environment 139, 2013, available at https://doi.org/10.1016/j.trd.2013.10.001

Q: Is Schedule 120 adequately funded for the duration of EVIP?

A: No. [redacted] This is inconsistent with the direct testimony of Robert Meredith, who states that one of the purposes of his testimony is to recommend "a ten-year extension of Electric Service Schedule No. 120 – Plug-in Electric Vehicle Incentive Program ("Schedule 120"), which will allow the incentives to continue for the duration of the EVIP."[15] As such, [redacted] Furthermore, the expenses for incentive administration will need to be extended for the remainder of EVIP as well.

Q: How do you recommend the Company's budget change to accommodate the need to extend EVIP?

A: In order to extend Schedule 60 for the duration of EVIP, assuming no funding from other sources such as Company-owned charger revenue, [redacted] Should the addition of these funds increase the total EVIP budget over the maximum amount of 50 million dollars, the Company should use revenues from Company-owned charging stations to continue funding Schedule 120.

Q: Has Schedule 120 been effective at increasing the availability of EV charging?

[15] Direct Testimony of Robert Meredith, lines 31-33.

A: Yes. Since Schedule 120 rebates became available on July 1st, 2017, Schedule 120 has been highly utilized. At the time of the Company's EVIP application, Schedule 120 funds were used for the installation of 70 DC fast chargers and 2,300 Level 2 chargers.[16] As such, the Schedule 120 rebate program is a meaningful way to increase the availability of electric vehicle battery charging service in the state and enable the significant deployment of infrastructure that supports electric vehicle battery charging service, consistent with the public interest factors in U.C.A. § 54-4-41(4).

Q: Do you think the rebate amounts in Schedule 120 are reasonable?

A: The rebate amounts in Schedule 120 appear reasonable, as they contribute a significant portion of the funding toward total charging and installation costs for each category of rebate. However, the perspectives of other parties and the potential for changing circumstances may warrant a review of the reasonableness of the rebate amounts.

Q: Do you think the funding structure for Schedule 120 is reasonable?

A: No. Per the Company's response to WRA Data Request 1.6,[17] the funding structure for Schedule 120 consists of a single pool of funding for all the rebate types offered in Schedule 120. Considering the high costs of some of the rebates offered, such as the $63,000 rebate for non-residential multi-port DCFC projects, funding could potentially be exhausted rapidly if the Company provided multiple rebates for such projects. While the DCFC rebates are important, Schedule 120 rebates are the Company's primary method for supporting increased access to EV charging for other important charging sectors, such as residential and multi-family housing. As such, certain types of high-cost rebates could "cannibalize" Schedule 120 and decrease funding availability for other rebate types,

[16] Direct Testimony of James Campbell, lines 90-92.
[17] WRA Exhibit__(DK-2)

potentially stymieing access to Schedule 120 rebates for some RMP customers. The Company's process of approving residential, non-residential, and multi-family AC Level 2 charger rebates and non-residential and multi-family DC Fast Charger rebates on a first-come first-serve basis furthers this concern.

Having a first-come, first-serve process precludes the Company from conducting a holistic review of the allocation of Schedule 120 funds. Additionally, in the Company's response to WRA Data Request 1.4, the Company specifies that it has no maximum number of rebates given per year under Schedule 120 and no maximum annual budget for Schedule 120, with the budget fluctuating based on customer demand. These responses do not make sense within the context of the set amount of total funding for EVIP and for Schedule 120 specifically. [redacted]

Additionally, the statement that the Schedule 120 budget will fluctuate with customer demand is unsubstantiated, as the Company has not proposed a mechanism for budget flexibility or an increased amount of funding for Schedule 120 should there be increased customer demand. As such, the Company's responses are troubling and demonstrate a lack of clarity surrounding the implementation of Schedule 120. To remedy this, I recommend that the Company re-structure the funding for Schedule 120 to present a specific budget for each rebate type in Schedule 120.

Q: How do you recommend structuring the funding available for Schedule 120?

A: I recommend allocating specific amounts of funding to each rebate type. I recommend that of the Schedule 120 funding, the Company allocate 30% to residential rebates, 30% to non-residential and multi-family housing Level 2 rebates, 30% to non-residential and multi-family housing DCFC rebates, and 10% to custom projects rebates. A fairly even allocation among the major rebate types would allow for customers to have sufficient access to the rebate types offered at the Program's onset. However, based on demand for certain types of rebates, this allocation should be modified as warranted.

Additionally, to allow for flexibility for increased demand for certain rebate types, having a degree of flexibility within Schedule 120 funding would create an avenue for funds to be shifted between rebate types. Instituting a siloed structure, while having provisions for budget flexibility within Schedule 120 rebate programs, would maximize the effectiveness of Schedule 120. Such a structure would also ensure that all types of charging supported by Schedule 120 have access to sufficient funding, avoiding the issue of one rebate type monopolizing the available funding. As such, I recommend that the Company allow for 10% of the total annual Schedule 120 budget to be spent flexibly, i.e., not necessarily in accordance with the outlined siloed budgets for different rebate types, on an annual basis with the potential for additional modifications as necessary.

Q: How have other utilities structured funding for rebate programs analogous to Schedule 120?

A: It is typical for utility EV rebate programs that serve a variety of different charging types, like Schedule 120, to have a forecasted total of rebates by type, with some degree of flexibility to respond to market demand and shift from one rebate program to another. All

the utilities in WRA's region who have filed Utility EV Infrastructure Programs (Public Service Company of Colorado, Black Hills, Public Service Company of New Mexico, El Paso Electric, and Southwestern Public Service) have specific forecasts for the expected number of rebates, as well as some degree of flexibility to shift program funds.

Public Service Company of New Mexico has specific forecasts for the number of each type of rebate it expects to spend, as well as flexibility to shift between programs in response to market demand. PNM forecasts administering 3,000 residential Level 2 rebates, 150 low-income residential Level 2 rebates, 70 DCFC rebates, and 200 commercial level 2 rebates[18] but also states that these are "initial estimates" and "in order to ensure funding does not run out" for a particular program they request 25% budget flexibility.[19]

Another utility, Black Hills in Colorado, also provides forecasts for the number of rebates it plans to administer by type but has been granted budget flexibility to shift funds as need be. Black Hills proposes 69 public Level 2 charger rebates, six DCFC rebates, and 1,180 residential Level 2 rebates[20] and has been approved for "flexibility to move between budget categories with a cap of 150% for any individual category" and also is directed to "not shift more than 50% of budgets between programs."[21]

[18] New Mexico Public Regulation Commission; Case No. 20-00237-UT, Public Service Company of New Mexico (PNM), Transportation Electrification Plan Executive Summary, (Feb. 5, 2021), available at https://www.pnm.com/documents/396023/23422538/Electric+Vehicle+20-00237-UT+020821+4-page.pdf/c0c4570e-54f7-3957-d999-b5a841cc9e2e?t=1613088599460

[19] New Mexico Public Regulation Commission; Case No. 20-00237-UT, Public Service Company of New Mexico (PNM), *PNM Transportation Electrification Program Reference Document,* p. 17.

[20] Colorado Public Utilities Commission; Proceeding No. 20A-0195E, Black Hills "Ready EV" Application Attachment TAC-2, "EV Forecast Detail."

[21] Colorado Public Utilities Commission, Proceeding No. 20A-0195E, Black Hills "Ready EV" Application. Decision No. R21-0486 "RECOMMENDED DECISION OF ADMINISTRATIVE LAW JUDGE MELODY MIRBABA GRANTING APPLICATION WITH MODIFICATIONS."

Public Service Company of Colorado has a more complicated program than PacifiCorp's Schedule 120 or the other two utilities discussed here, but still proposes specific budgets for all its programs and was granted a flexibility mechanism identical to what was approved for Black Hills.[22] These three programs all illustrate two key characteristics of EV infrastructure rebate programs that I think should be replicated in PacifiCorp's Schedule 120: estimated rebate totals by type of rebate program and a degree of budget flexibility to respond to market demand on a year-by-year basis.

Q: Do you have any additional recommendations concerning Schedule 120?

A: Yes. WRA believes that PacifiCorp and the Commission should encourage "smart charging" behaviors. Therefore, if, following the upcoming review of Schedule 2E or in a subsequent proceeding, the Commission establishes a non-pilot residential time of use rate, whether it be 2E or another analogous residential time-of-use rate, the evaluation of that rate should include a decision on whether taking service on that rate should be a requirement for receiving Schedule 120 residential charger rebates. Alternatively, the Commission should require PacifiCorp to evaluate an amendment to the EVIP program – to condition rebates upon participation in a time of use rate – following approval of any new residential time of use rate.

Q: Why should taking service on a time of use rate be a potential requirement for receiving a Schedule 120 residential rebate?

A: Time of use rates help to manage the increased load from EV charging. In order to prevent EV owners from charging their vehicles during on-peak hours when the grid is most highly utilized, time-of-use rates incentivize EV owners to shift their charging into

[22] Xcel Energy's Transportation Electrification Plan, available at https://www.xcelenergy.com/company/rates_and_regulations/filings/transportation_electrification_plan

off-peak hours. Shifting charging behavior in this way prevents increasing load at times when the grid is most utilized, to the benefit of all utility customers.

IV. SCHEDULE 2E: TIME-OF-USE RATES

Q: Are you supportive of the Company's proposal to extend Schedule 2E for six months?

A: Yes, I am supportive of the Company's proposal to extend Schedule 2E so that residential customers can continue to have access to time-of-use rates for their electric vehicle charging.

Q: Are there any modifications you would recommend to the proposed Schedule 2E termination schedule proposed by the Company?

A: Yes. The Company's proposal extends the date of automatic termination of Schedule 2E by six months, to June 30, 2022. I would recommend that the Company be permitted to offer Schedule 2E until the Commission makes a final decision as to the continuation of an EV-charging time-of-use rate. This would allow for continuity for customers already on Schedule 2E should the Commission authorize a successor time-of-use rate following the upcoming review of Schedule 2E. The automatic termination of Schedule 2E before a decision on whether to continue offering an EV time-of-use rate could represent a discontinuity for customers wishing to remain on a time-of-use rate.

Q: Is there public support for continuing Schedule 2E?

A: Yes. RMP customer John Mitten submitted public comment to the Commission on September 20th, 2021, writing in support of the continuation of Schedule 2E. As an EV owner, Mr. Mitten advocated for increased certainty about his ability to take service on a

time-of-use rate and expressed a desire to have Schedule 2E become a permanent rate.[23] Mr. Mitten's public comment may be reflective of other EV owners taking service on the Schedule 2E rate who are unsure about the continuance of the rate and would like to have a permanent time-of-use EV rate.

Q: If Schedule 2E or a successor EV time-of-use rate is approved, do you have any other recommendations?

A: If the Company offers an EV time-of-use rate, it should perform robust customer outreach and education to explain how time-of-use rates work and the cost savings available to customers who take service on time-of-use rates and shift their load into off-peak hours.

V. COMPANY-OWNED CHARGING STATIONS

Q: Please describe the Company's proposed Company-owned charging station program.

A: The Company proposes to build and own between 20 and 25 charging stations that will be administered by a third party. Charging station locations will be determined based on whether they meet a set of criteria set forth in the Company's application. Four of the eight criteria must be met for a site to be selected. The Company plans to build its charging stations in the first five years of EVIP.

[23] Public Comment by John Mitten, filed Sept. 20, 2021 in Docket No. 20-035-34, available at https://pscdocs.utah.gov/electric/20docs/2003534/320347PblcCmntsSept2020219-20-2021.pdf

Q: Please describe the criteria the Company proposes for determining charging station locations.

A: The Company proposes that a location must meet at least four of the following eight criteria[24]:

1) High powered charging infrastructure is not present.
2) Interstate highway is within 2 miles.
3) There is a mass transit center is in the community.
4) Large multi-family unit apartments have been recently constructed.
5) Owner occupied housing is below state average.
6) Gaps in corridors are filled.
7) Destination or special use areas.
8) Rural area.

Q: Does the Company use any additional criteria in determining the locations for its charging stations?

A: Yes. The Company uses the criterion of whether the location is in a traditionally underrepresented community. The Company defines a traditionally underrepresented community as a community which has a greater non-white population than the average non-white population of Utah. However, the Company does not use this criterion to determine siting locations, but rather to validate that the selected sites include locations in traditionally underrepresented communities.

[24] Exhibit RMP___(JAC-1), pp. 14-15.

Q: Do you support the Company's given criteria for determining the locations of their charging stations?

A: Yes and no. While the Company's criteria for siting charging stations are reasonable and help pinpoint locations where charging stations are especially needed, the requirement that a potential location only needs to meet four of the eight criteria is not selective enough. Under this requirement, many charging station locations would qualify, including locations where high-powered charging infrastructure was already present in the area. For example, a site could qualify by meeting criteria 2, 3, 4, and 7. That is, a site could qualify by being near an interstate highway, having is a mass transit center in the community, being in an area where multi-family unit apartments were recently constructed, and being a destination or special use area. The Company's definition of a destination or special use area is expansive, including recreation areas and colleges and universities. Under these four conditions, most urban areas in the state would qualify as locations for Company-owned charging stations. Further combinations of four of the eight criteria also yield potential siting locations in areas where charging is already adequately provisioned by the private market.

This could result in duplicitous and superfluous siting of Company-owned chargers. Considering this, the Company's criteria do not necessarily prioritize siting charging stations in areas where they are especially needed, such as where there is a dearth of EV charging infrastructure, like remote highway corridors, or in low-income areas where EV adoption is lower and the private market is unlikely to provision charging services. Furthermore, the Company makes no mention of ranking potential charging station locations by the number of criteria they meet. Under this methodology, a potential site

meting five or six criteria could not be chosen, whereas a site meeting only four criteria could be chosen and built. This approach lacks sufficient rigor in determining how to strategically deploy ratepayer-funded infrastructure to best meet the goals of EVIP.

Q: How do you recommend the Company determine where to site Company-owned charging stations?

A: I recommend that the Company determine where to site its Company-owned charging stations by prioritizing the following three criteria: no high-powered charging infrastructure being present, owner-occupied housing being below the state average, and filling gaps in corridors. The Company should treat these three criteria as "primary criteria" and only site Company-owned stations in locations that meet at least one of these criteria. The Company should determine potential site locations by first designating potential sites that meet at least one primary criterion. Then, the Company should rank these potential project sites by the number of secondary criteria they meet. The Company should choose among the highest ranking 20 – 25 sites as final locations for Company-owned charging stations, conducting a holistic final review of the charging station locations. This would create a tiered system with primary and secondary criteria to ensure that the locations of Company-owned chargers are sited strategically and ratepayer funding is not being used to fund unnecessary infrastructure that could have been provisioned by the private market.

Q: Please explain why you designated those three criteria as primary.

A: The criteria of no high-powered charging infrastructure being present, owner-occupied housing being below the state average, and filling gaps in corridors, are critical for utility ownership in that they correspond highly with areas where charging service is most

needed, as well as targeting populations that face the largest barriers to EV charging, and thus, EV adoption. By siting its charging stations in areas where no high-powered charging infrastructure is currently present, the Company is inherently increasing the amount of electric vehicle charging available in the state, per the objective of HB 396 to "increase the availability of electric vehicle battery charging service."[25]

By siting in areas where owner-occupied housing is below the state average, the Company is increasing the charging availability for EV owners who may be unable to charge at home. Increasing charging infrastructure for this population removes a barrier to EV adoption for a subset of the population who may be concerned that they would not be able to regularly charge an EV due to a lack of home charging.

By siting in areas where there are corridor gaps, the Company increases the overall ability of EV drivers to travel easily in the state and addresses the concern of range anxiety. Range anxiety is one of the primary reasons given that drivers are hesitant to purchase EVs, so addressing this concern by having adequate charging throughout the state is paramount to increasing EV adoption. A 2020 survey conducted by E Source found that among consumers the largest perceived barrier for EV ownership was an insufficient number of public charging stations.[26] For these reasons, the aforementioned criteria should be prioritized as primary criteria in siting Company-owned charging stations.

[25] *See* U.C.A. § 54-4-41(4).
[26] Colorado Energy Office, Electric Vehicle Consumer Journey Mapping and Roadmap Workshop (June 2020).

Q: Why do you recommend the above approach and how does this remedy the issue you identified in your evaluation of the Company's method for siting Company-owned charging stations?

A: My recommended approach ensures that the criteria most critical to the statutory objectives of HB 396 are prioritized. Prioritizing the three criteria mentioned above would put the emphasis on the statutory objectives to increase the availability of electric vehicle battery charging in the state, to enable the significant deployment of infrastructure that supports electric vehicle battery charging service and utility-owned vehicle charging infrastructure in a manner reasonably expected to increase electric vehicle adoption, and to enable competition, innovation, and customer choice in electric vehicle battery charging services. Furthermore, my recommended approach for siting Company-owned charging stations ranks potential sites by their merit based on the number of primary and secondary criteria they meet, while avoiding duplicative charging station siting.

Revenue from Company-Owned Charging Stations

Q: Do you support the Company's proposal, as enumerated in their response to WRA's Data Request 1.23[27], to use revenues from Company-owned charging stations to re-invest in additional Company-owned charging stations?

A: No. The revenues from charging stations should not necessarily be re-invested in additional Company-owned charging stations. Considering that the charging rates for RMP customers at Company-owned charging stations are considerably below the market

[27] Exhibit WRA__(DK-3)

rate, the establishment of a large network of Company-owned charging stations beyond the original 20-25 sites in the Company's initial proposal could undercut private market charging operators. This would be in direct opposition to the statutory objective to "enable competition, innovation, and customer choice in electric vehicle battery charging services."[28]

Q: How do you recommend revenues from Company-owned charging stations be used?

A: I recommend that the revenues from Company-owned charging stations be reinvested into other EVIP programs where they could be used more efficiently and effectively to promote the public interest of increasing availability of EV charging. Specifically, I recommend that the revenues be used for incentives and make-ready infrastructure. If Schedule 120 is extended but not adequately funded through the Company's fifty-million-dollar budget, revenues should first and foremost supply the necessary funding for its continuance. Beyond this, the revenues should be split two thirds for make-ready infrastructure and one third for Schedule 120 incentives. However, the utilization of and demand for these programs may vary over the duration of EVIP, so the use of revenues should be re-examined and modified if necessary.

Q: How would reinvesting revenues from Company-owned charging stations in other programs be more effective and efficient? Please provide examples.

A: Reinvesting revenue from Company-owned charging stations in other EVIP programs would allow for additional funding for highly utilized programs whose funding may otherwise be exhausted. For example, it is possible that the expected budget for Schedule 120 incentives could be depleted and the revenues could be used to replenish its funding,

[28] U.C.A. § 54-4-41(4).

allowing the Company to expand the number of Schedule 120 rebates available and/or extend the funding for Schedule 120 beyond its projected lack of funding in the budget. This approach would aid in increasing electric vehicle adoption by adding budgetary flexibility to EVIP's implementation, allowing the Company to expand the scope of its most utilized programs. Furthermore, the approach of increasing the funding available for make-ready infrastructure could allow for multiple charging stations to be built by private entities, as opposed to a single Company-owned charging station with an equivalent amount of funding. This would better serve the statutory objectives of HB 396 to increase the availability of electric vehicle battery charging services in the state and to enable the significant deployment of infrastructure that supports electric vehicle battery charging service.[29] The above examples are illustrative of ways in which those funds could be used more effectively and efficiently as opposed to being re-invested in Company-owned charging stations.

Rates at Company-Owned Charging Stations

Q: Do you support the proposed Schedule 60 rates at Company-owned charging stations?

A: I support some of the rates proposed. I am supportive of the Company's proposal to offer time-varying rates to customers, as well as the rates offered to non-RMP customers. However, I have concerns about the level of discount offered to the Company's customers as the Company has not validated this number through analysis.

[29]U.C.A. § 54-4-41(4).

Q: What are your concerns about the discounted rate proposed for Company customers?

A: The Company's proposed rates for Rocky Mountain Power customers offers a 75% discount for DC fast charging based on statutory authority to offer a discount for Company customers who finance EVIP through their payment of Schedule 198. Per the Company's response to the Division of Public Utilities' data request 1.32,[30] this 75% discount is not based on any particular analysis. Instead, the magnitude of the discount was chosen arbitrarily. My concern is that such a significant discount will undercut other charging providers and actually reduce competition in the EV charging market.

Q: Do you support the proposed time-varying rates at Company-owned charging stations?

A: Yes. Time-varying rates incentivize customers to charge EVs during off-peak times to the extent possible. The Company's proposed discount level does not largely differentiate between on-peak and off-peak times. This modest level of differentiation is acceptable for the time being to increase utilization of Company-owned stations, as many customers may be unfamiliar with time-of-use rates. However, as the program continues it may be appropriate to increase the level of differentiation between the on-peak and off-peak rates. Such changes should be considered when the glide-path to cost-of-service rates begins at Company-owned charging stations.

[30] Exhibit WRA__(DK-4)

Q: Do you support the Company's proposed glide path to cost-of-service rates for Schedule 60?

A: I support a longer glide path than the Company has proposed; that is, I support starting the glidepath sooner. The Company proposes that during its first five years of EVIP, the rates at Company-owned charging stations will change only according to the same percentage adjustments as base rate price changes, and that in the following five years the rates will increase towards cost-of-service by 20% each year.[31] This approach to transitioning the rates to cost-of-service creates a static rate for the first five years of Company-owned charging stations' operation before beginning the transition. Having a five-year period with unchanging rates could create a sense of entitlement to these rates for customers utilizing Company-owned charging stations. Furthermore, the rates offered are not reflective of the Company's cost-of-service during the first five years and, as such, are significantly lower than rates offered by private market charging stations. Having such a large, unchanging subsidy for these rates for half the Program's length conflicts with the statutory objective that a charging infrastructure program ought to "enable competition."[32]

Q: How do you recommend the Company transition its Schedule 60 rates to cost-of-service?

A: I recommend that the Company begin its glide-path toward cost-based pricing at the soonest possible time in order to facilitate a transition to cost-of-service once cost-of-service information is available and to better enable competition, as directed by the statute. I recognize that the Company must isolate Company-owned charging stations in order to determine its cost-of-service. The first time this will occur is in the Company's

[31] Exhibit RMP__(JAC-1) p. 10
[32] *See* U.C.A. § 54-4-41(4).

2022 cost-of-service study, which is scheduled to be filed on June 15th, 2023.[33] As such, I recommend that beginning on January 1st, 2024, the Company begin transitioning its Company-owned charging stations to rates reflective of the cost-of-service. This would allow the Company to transition its rates over an eight-year period. With the rate increase to cost-of-service applied evenly over an eight-year period, this would result in a 12.5% increase per year towards the relevant cost-of service. As discussed below, I also recommend that PacifiCorp design the rate to collect the increase from on-peak charging.

Q: How would your above recommendation affect customers who utilize Company-owned charging stations?

A: For RMP customers, I recommend that the Company apply the rate increase to the on-peak portion of the Schedule 60 rate. The rate for charging during on-peak hours should increase gradually over eight years to account for the transition to cost-of-service rates and this growing differentiation between on-peak and off-peak rates would encourage charging during off-peak hours.

Non-RMP customers would likely see no to minimal changes in the rates they pay at Company-owned charging stations, as the rates for non-RMP customers under Schedule 60 are likely closer to cost-of service since they align with rates offered by the private market. Should the Company find that the rates for non-RMP customers are not reflective of the Company's cost-of-service, it would gradually increase the rates over an eight-year period, ensuring that the rates would not increase dramatically at any point in time.

[33] Direct testimony of Robert Meredith, lines 166-168.

Q: Why should the cost-of-service glide path primarily increase on-peak rates, instead of being applied proportionally to both on-peak and off-peak rates?

A: The cost-of-service for off-peak rates should remain relatively stable to encourage customers utilizing Company-owned charging stations to shift their charging times to off-peak hours to maximize their cost savings. Furthermore, encouraging the utilization of Company-owned charging stations during off-peak times minimizes negative effects on the grid by increasing load at times when the grid utilization is not high and ensuring EV charging is not exacerbating peak demand. In practice, this would entail the off-peak rate remaining relatively stable and the on-peak rate increasing annually by an amount sufficient to increase the total rate approximately 12.5% towards the cost-of-service. I recognize that pricing electricity, particularly with time-of-use rates, is a dynamic process. My intention is not to prescribe specific rate increases over the course of EVIP, but to recommend that the trajectory to cost of service be applied to on-peak charging to maximize efficient use of the grid.

Q: How would your recommended modified glide-path to cost-of-service rates at Company-owned stations affect the revenue generated by these stations?

A: While it is impossible to answer this question definitively without knowing the Company's cost-of-service for Schedule 60, I will outline several general trends that I expect with my proposed glide-path. Beginning in 2024, the Company-owned stations will likely generate a modest amount more revenue under my proposal than the Company's proposal, due to a 12.5% rate increase toward cost-of-service each year. The extent of this increase is dependent on the Company's cost-of-service finding from its 2022 study, as well as the extent to which customers charge during on-peak or off-peak

times. However, unless the cost-of-service rate is extremely high, the rates at Company-owned charging stations will remain below rates offered by the private market for a significant period of the remaining duration of EVIP. If and when the rates at Company-owned charging stations reach price parity with charging services offered by the private market, this may decrease their load factor as customers will no longer prefer Company-owned charging stations on the basis of cost savings.

The net impact of such a rate structure on revenue generated is difficult to forecast. Rates at price parity with the private market may result in customers frequenting Company-owned charging stations less often; however, the extent of this trend depends on the availability of charging in proximity to the Company-owned charging stations and customer loyalty. As such, customers' response to price changes is difficult to predict without understanding the charging landscape near Company-owned charging stations. Furthermore, the increased rates would generate more revenue, so these two effects would push revenue generation in opposite directions.

VI. MAKE-READY INFRASTRUCTURE

Q: Do you think the level of funding for make-ready infrastructure in the Company's application is adequate?

A: Yes. However, I do not know the extent to which customers will utilize the funding available for make-ready infrastructure. It is possible that the funds could be exhausted and there would be a need for additional make-ready infrastructure funding.

Q: Do you support the Company's methodology for evaluating and selecting make-ready infrastructure projects?

A: No. The Company does not specify their process for selecting make-ready infrastructure projects other than that they will be evaluated as to their alignment with the Company's program goals, and with public interest and prudence considerations as outlined in sections 54-4-41(4) and 54-4-41(7) of the Utah Code, respectively.[34]

Q: How do you recommend the Company evaluate and select make-ready infrastructure applications?

A: I recommend that the Company establish application periods whereby third parties can request make-ready infrastructure support for specific projects. During these application periods the Company would accept applications for a set period of time, then close off to new bids and evaluate all the applications submitted over the course of the application period. This process will allow the Company to evaluate applicants based on the merit of their applications rather than the timeliness of their application. In order to be able to compare project applications and determine which will receive funding, the Company will need to develop a concrete framework for evaluation of make-ready applications. Such a process is exemplified by the Public Service Company of Colorado's make-ready infrastructure application, attached as Exhibit WRA__(DK-5) which utilizes quarterly application solicitation and review periods.

[34] Direct testimony of James Campbell, lines 77-80.

VII. PROGRAM REPORTING AND STAKEHOLDER ENGAGEMENT

Q: Do you have recommendations for reporting requirements and stakeholder engagement for the duration of EVIP?

A: Yes. The EVIP statute requires that PacifiCorp submit annual reports to the Utah Legislature. However, because this program involves annual investments over many years, WRA recommends that the Commission establish reporting requirements in order for regulators and stakeholders to evaluate the ongoing public interest of the program and to evaluate whether amendments are warranted.

Q: How do you recommend the Company report on EVIP?

A: I recommend that in addition to its annual report to the Utah Legislature's Public Utilities, Energy and Technology Interim Committee, the Company should file regular (e.g., annual) reports with the Commission. I recommend that these reports include the following information, but recognize that other parties may have other recommendations, and that reporting requirements may need to be adjusted over the course of the program.

1. Spending and activities associated with each EVIP component (i.e., Company-Owned Charging Stations, Make-Ready Infrastructure, Incentives, Innovative Programs and Partnerships), including:
    a. Updates on projects at the Inland Port and the Point of the Mountain;
    b. Customer education, outreach, and marketing efforts; and
    c. Number of Schedule 120 rebate applications and rebates granted, including information on the breakdown of specific rebate types.

2. Data from Company-owned charging stations, including load factor, RMP customer status, on-peak and off-peak utilization, and revenue, both by individual station location and in the aggregate.
3. Balancing account information.
4. Customer feedback.

Q: With regard to data from Company-owned charging stations, why is it important for the Company to include information on on-peak and off-peak usage as well as customer type in its reports?

A: It is important for the Company to include information regarding on-peak and off-peak usage in order to see the extent to which EV charging is happening during off-peak hours and to determine if the off-peak discount is an effective incentive in encouraging customers to shift their charging to off-peak times. It is important to have information on the types of customers utilizing Company-owned stations, as the rates charged to different types of customers vary greatly and are an important indicator for predicting future revenue levels and explaining current revenue levels. As Company-owned stations transition to cost of service rates for all customers, understanding how this glide-path affects the time of use of those utilizing Company-owned stations will also be helpful to understand the extent to which price signals can alter charging behavior in the context of DCFC charging.

Q: How do you recommend the Company engage stakeholders?

A: In addition to an opportunity to provide formal comments with the Commission on program reports, I recommend that the Company hold informal stakeholder meetings, at least biannually, to solicit feedback on the program over time. Such meetings would

allow stakeholders to provide feedback to the Company and create a channel for dialogue.

Q: Why do you recommend the above and do other utilities have similar reporting for analogous programs?

A: I recommend the Commission require regular, annual reporting in order to provide regulatory oversight and allow for stakeholders to engage with the Company's Program in a meaningful manner. Analogous utility programs generally have robust reporting and stakeholder engagement processes. For example, the Public Service Company of Colorado's 2021-2023 Transportation Electrification Plan produces semi-annual reports and holds quarterly stakeholder meetings.[35] The Public Service Company of New Mexico files an annual Transportation Electrification Plan compliance report[36] and holds biannual formal stakeholder meetings.[37]. Black Hills Electric Colorado holds quarterly stakeholder meetings,[38] as well as filing semi-annual reporting.[39]

Q: Do you have any further recommendations involving reporting and oversight of the Program?

A: Yes. Given that this is a ten-year program in a rapidly changing environment, I recommend that the Commission require a hearing to determine the ongoing prudence of

[35] Colorado Public Utilities Commission, Docket No. 20A-0204E, COMMISSION DECISION GRANTING APPLICATION WITH MODIFICATIONS, (Jan. 11, 2021) p. 82, 84, available at https://www.xcelenergy.com/staticfiles/xe-responsive/Company/Rates%20&%20Regulations/Regulatory%20Filings/final-decision-TEP.pdf
[36] New Mexico Public Regulation Commission, Docket No. 20-00237-UT, Recommended Decision (August 30, 2021), p. 27.
[37] New Mexico Public Regulation Commission, Docket No. 20-00237-UT, Recommended Decision (August 30, 2021), p. 90.
[38] Colorado Public Utilities Commission, Docket No. 20A-0195E, Recommended Decision (August 10,2021), p. 68.
[39] Colorado Public Utilities Commission, Docket No. 20A-0195E, Recommended Decision (August 10,2021), p. 72.

Program investments after five years of the Program and to evaluate any proposed changes.

Q: Why should the Commission re-evaluate the prudence of Program investments after five years?

A: The Company's filing provides little concrete detail concerning the implementation and budget of the latter half of EVIP. It is unclear, at this time, to what extent the Commission is being asked to approve as prudent program investments in the latter years of EVIP. Additionally, I think it is likely that program amendments, following initial program approval, may be warranted in order to maintain the public interest and ensure prudent investments in the future. Furthermore, in James Campbell's direct testimony, Mr. Campbell explains that the Company:

> [W]ill reevaluate the EVIP to ascertain the effectiveness of the overall program and the effectiveness of the initial investments in Company-owned chargers, "make-ready" infrastructure, and incentives. As part of that evaluation, the Company will assess the state of the EV market, both nationally and in Utah, advances in EV charging technologies, the performance of the installed chargers, including the network operators and their locations, the effectiveness of the "make-ready" infrastructure and incentives, and the status of the innovation efforts. Based on that evaluation, the Company will make any necessary modifications to the EVIP including adding or removing chargers or charger locations. [40]

As such, I recommend that the Commission require a formal review of the program after five years in order to ensure that the program is responsive to changing circumstances and new information. Investments that may have been prudent per the standards in Section 54-4-41(7) may no longer be prudent in five years given the quickly changing landscape of electric vehicle charging and adoption.

[40] Direct testimony of James Campbell, lines 192-200.

Q: Please provide examples of Program elements for which we lack specific investment information.

A: The Company has not allocated funding or provided concrete details about its involvement in the Inland Port or The Point of the Mountain projects. Additionally, the estimated budget amounts in Exhibit JAC-2 at times reference [redacted] [redacted] As such, the Commission can only approve a full budget for the first five years of the Program.

VIII. INNOVATIVE PROJECTS AND PARTNERSHIPS

Q: Do you approve of the Company's Innovative Projects and Partnerships component of the Program?

A: Not enough information on the Company's plans for its Innovative Projects and Partnerships Program component is disclosed in the Company's application for me to determine whether I approve. In response to WRA data request 1.7[41], the Company stated there is no specific budget for its Innovative Projects and Partnerships, but rather that they are captured under the expenditures for Company-owned chargers, make-ready infrastructure and incentives. Depending on the amount of funding within these aforementioned categories designated for use for Innovative Projects and Partnerships, these programs may draw funding from their otherwise intended uses.

The Company provides no budget information on its expected expenditures related to Innovative Projects and Partnerships and how they fit into its budgets for Company-owned charging stations, make-ready infrastructure and incentives. As such, it is

[41] WRA Exhibit__(DK-6)

impossible to understand the scope of the Company's investments in Innovative Projects and Partnerships and how this affects the remaining funding amounts for Company-owned charging stations, make-ready infrastructure, and incentives.

Q: How does the Company's Innovative Projects and Partnerships interact with its Company-owned charging stations program?

A: The Company has stated in response to WRA Data Request 1.7 that its Innovative Projects and Partnerships expenditures are partially captured under its Company-owned chargers. However, how this will affect where the Company sites its Company-owned charging stations is unclear, as the Company does not elucidate how it will incorporate these considerations into its process on siting Company-owned charging stations.

Q: What do you recommend with regard to the Innovative Projects and Partnerships?

A: I recommend that the Company provide an estimate of its expenditures on Innovative Projects and Partnerships and continuously update this information in its annual reports as the Company gains certainty on the extent of its investments.

Q: How does the Company's Innovative Projects and Partnerships interact with its Company-owned charging stations program?

A: The Company has stated in response to WRA Data Request 1.7 that its Innovative Projects and Partnerships expenditures are partially captured under its Company-owned chargers. However, how this will affect where the Company sites its Company-owned charging stations is unclear, as the Company does not elucidate how it will incorporate these considerations into its process on siting Company-owned charging stations.

IX. Conclusion

Q: Does this conclude your direct testimony?

A: Yes.