- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

Rocky Mountain Power's Evaluation of Electric Vehicle Time of Use Pilot Program DOCKET NO. 21-035-70

ORDER APPROVING SETTLEMENT STIPULATION

ISSUED: June 13, 2022

SYNOPSIS

The Public Service Commission (PSC) approves a Settlement Stipulation that resolves this docket.

PROCEDURAL BACKGROUND

On May 4, 2022, Rocky Mountain Power (RMP) filed a Settlement Stipulation

("Settlement") entered into between RMP, the Division of Public Utilities (DPU), the Office of

Consumer Services (OCS), Western Resource Advocates (WRA), ChargePoint, Inc. (CP), and

Utah Clean Energy (UCE) (collectively, "Settling Parties"). RMP asks the PSC approve the

Settlement.

On December 23, 2021, RMP initiated this docket, submitting a compliance filing and report¹ on its Electric Vehicle Time of Use Pilot Program ("Pilot Program") under RMP's Electric Service Schedule 2E ("Schedule 2E"). In this filing, RMP also requested the PSC broaden the docket to allow for evaluation and stakeholder input regarding potential continuation and redesign of the Pilot Program.²

¹ The report served to comply with RMP's obligation to report on the Pilot Program pursuant to an order the PSC issued in June 2017. *See Application of RMP to Implement Programs Authorized by the Sustainable Transportation and Energy Plan Act*, Docket No. 16-035-36, Phase Three Report and Order issued Jun. 28, 2017.

² This request stemmed from RMP's commitment to initiate such a process in a settlement agreement it entered last year. *See Application of RMP for Approval of its Electric Vehicle Infrastructure Program*, Docket No. 20-035-34, Order Approving Settlement Stipulation issued Dec. 20, 2021.

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The PSC subsequently granted the following parties' petitions to intervene: WRA, CP, and UCE.

On May 16, 2022, RMP, DPU, OCS, and WRA testified at a virtual hearing in support of the Settlement.

THE SETTLEMENT

The Settlement establishes terms related to re-designing and continuing the Pilot Program under Schedule 2E and conditions under which RMP will offer incentives to customers to cover the cost of charging equipment under its Electric Service Schedule 120 ("Schedule 120"). RMP also attached to the Settlement proposed versions of Schedule 2E and Schedule 120 that implement these terms. In brief, the Settlement provides as follows:

- (1) RMP will continue offering Schedule 2E to existing customers and will open service for new customers who provide proof of registration of a plug-in hybrid or battery electric vehicle (EV) from the Utah Department of Motor Vehicles that is registered to the customer or is registered to the site address where electric service is provided;
- (2) RMP will continue to offer Schedule 2E as a pilot program that is subject to change, but Schedule 2E will not have a cap on participation;
- (3) Customer generators receiving service under Electric Service Schedule Nos. 136 and 137 will be eligible for service under Schedule 2E, but net metering customers receiving service under Electric Service Schedule No. 135 and subscriber solar customers receiving service under Electric Service Schedule No. 73 will be ineligible;
- (4) The energy charge levied to Schedule 2E customers will be 25.3532 cents per kWh for on-peak energy and 5.2004 cents per kWh for off-peak energy;

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- (5) The seasons and hours that apply to Schedule 2E rates will remain the same, and RMP will hold a workshop with interested parties in the second quarter of 2023 to discuss changing the seasons and hours that apply to Schedule 2E rates following RMP's installation of Advanced Meter Infrastructure;
- (6) Schedule 2E customers will no longer be eligible to receive an incentive payment under Schedule 120, and RMP will modify Schedule 120 to remove the \$200 time of use participation incentive that was a part of RMP's Sustainable Transportation and Energy Plan;
- (7) RMP will modify Schedule 120 to condition Schedule 120 incentive eligibility for residential customers on participation in Schedule 2E, Schedule 135, or Schedule 73;
- (8) The tariff revisions to Schedules 2E and 120 as filed with the Settlement will take effect on July 1, 2022;
- (9) RMP will provide the Settling Parties annually on or around October 1, the number of Schedule 2E participants, the total net bill savings or cost for all participants, average bill savings per participant, monthly total kWh usage of Schedule 2E participants in off- and on-peak periods, the total count of and dollar amount paid out for the Annual Guarantee Payment, and a summary of formal and informal customer complaints, if any, with regard to Schedule 2E; and
- (10) RMP agrees to present ways to quantify and evaluate capacity benefit due to the Electric Vehicle Time of Use Pilot Program during a meeting of the Collaborative Stakeholder Process for RMP's Grid Modernization and Rate Design to be held in connection with Docket No. 21-035-16.

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TESTIMONY AT HEARING

At hearing, RMP testified the Settlement is unlikely to shift significant costs to RMP's customers not participating in Schedules 2E or 120. RMP further represented the Settlement's terms would mitigate the additional load that will come from greater electric vehicle adoption and that RMP believes the Settlement is just, reasonable, and in the public interest.

DPU testified the Settlement simplifies Schedule 2E by "moving from two options for an electric vehicle time-of-use rate to a single option," while incentivizing customers not to charge electric vehicles during peak times, and to instead charge electric vehicles during off-peak times. In doing so, the DPU testified the Settlement "mitigates cost shifting, provides for efficient use of energy, and should provide reasonable revenues to the utility." ³ DPU further testified the DPU supports the Stipulation as a whole, and believes it to be just, reasonable, and in the public interest, and recommends the PSC approve it.

OCS testified the Settlement "is just and reasonable in result and in the public interest and that the PSC should approve it," and asserted the Settlement provides more price incentives for changes in customer consumption, and more closely aligns with cost of service, overall representing "a good next step in the evolution of the EV time-of-use rates."⁴

WRA testified the Settlement is just and reasonable in result, and asserted that, under the Settlement, peak and off-peak rates would send a clear signal to EV owners about when they should charge their vehicles.

³ Hr'g Tr. at 14:10-22.

⁴ *Id.* at 17:13-15; 18:20-21.

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DISCUSSION, FINDINGS OF FACT, AND CONCLUSIONS OF LAW

Settlements of matters before the PSC are statutorily encouraged at any stage of a proceeding. Utah Code Ann. § 54-7-1. The PSC may adopt a settlement after considering the interests of the public and other affected persons, if the PSC finds the settlement is just and reasonable in result.

We find the Stipulation demonstrates considered discussion and agreement among the Settling Parties. We further find the Settlement reasonably balances the interests of participating RMP customers in offering them cost-effective rates for electric vehicle charging that align with RMP's costs of service, and the interests of RMP and non-participating customers in helping RMP mitigate the system impacts of electric vehicle charging by encouraging off-peak consumption. Based on these findings, our review of the Settlement and testimony, and in the absence of any opposition to the Settlement, we find the Settlement to be just and reasonable in result and, therefore, approve it.

<u>ORDER</u>

We approve the Settlement, as filed.

DATED at Salt Lake City, Utah, June 13, 2022.

<u>/s/ Thad LeVar, Chair</u> <u>/s/ David R. Clark, Commissioner</u> <u>/s/ Ron Allen, Commissioner</u>

Attest:

/s/ Gary L. Widerburg PSC Secretary DW#324493

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Notice of Opportunity for Agency Review or Rehearing

Pursuant to Utah Code Ann. §§ 63G-4-301 and 54-7-15, a party may seek agency review or rehearing of this written order by filing a request for review or rehearing with the PSC within 30 days after the issuance of the order. Responses to a request for agency review or rehearing must be filed within 15 days of the filing of the request for review or rehearing. If the PSC fails to grant a request for review or rehearing within 30 days after the filing of a request for review or rehearing, it is deemed denied. Judicial review of the PSC's final agency action may be obtained by filing a Petition for Review with the Utah Supreme Court within 30 days after final agency action. Any Petition for Review must comply with the requirements of Utah Code Ann. §§ 63G4-401, 63G-4-403, and the Utah Rules of Appellate Procedure.

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CERTIFICATE OF SERVICE

I CERTIFY that on June 13, 2022, a true and correct copy of the foregoing was served upon the following as indicated below:

By Email:

Data Request Response Center (<u>datareq@pacificorp.com</u>, <u>utahdockets@pacificorp.com</u>) PacifiCorp

Jana Saba (jana.saba@pacificorp.com) Emily Wegener (emily.wegener@pacificorp.com) Stephanie Barber-Renteria (stephanie.barber-renteria@pacificorp.com) Rocky Mountain Power

Sophie Hayes (<u>sophie.hayes@westernresources.org</u>) Aaron Kressig (<u>aaron.kressig@westernresources.org</u>) Western Resource Advocates

Hunter Holman (<u>hunter@utahcleanenergy.com</u>) Utah Clean Energy

Scott Dunbar (<u>sdunbar@keyesfox.com</u>) Partner, Keyes & Fox LLP Matthew Deal (<u>matthew.deal@chargepoint.com</u>) Jared Ballew (jared.ballew@chargepoint.com) *ChargePoint, Inc.*

Phillip J. Russell (<u>prussell@jdrslaw.com</u>) JAMES DODGE RUSSELL & STEPHENS PC Kevin C. Higgins (<u>khiggins@energystrat.com</u>) Energy Strategies LLC Utah Association of Energy Users

Victoria R. Mandell, Esq. (<u>vmandell@comcast.net</u>) Lindsey Stegall (<u>lindsey.stegall@evgo.com</u>) EVgo Services, LLC

Linda M. Bullen (<u>linda@bullenlaw.com</u>) Erick Karlen (<u>ekarlen@greenlots.com</u>) Thomas Ashley (<u>tom@greenlots.com</u>) *Greenlots*

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Patricia Schmid (<u>pschmid@agutah.gov</u>) Robert Moore (<u>rmoore@agutah.gov</u>) Assistant Utah Attorneys General

Madison Galt (<u>mgalt@utah.gov</u>) *Division of Public Utilities*

Alyson Anderson (<u>akanderson@utah.gov</u>) Bela Vastag (<u>bvastag@utah.gov</u>) Alex Ware (<u>aware@utah.gov</u>) (<u>ocs@utah.gov</u>) Office of Consumer Services

Administrative Assistant