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UTAH DEPARTMENT OF COMMERCE

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To: The Public Service Commission of Utah

From: The Office of Consumer Services

Michele Beck, Director

Alex Ware, Utility Analyst

Date: May 3, 2023

Subject: Docket 23-035-18

In the Matter of: Annual Report of Rocky Mountain Power's Electric Vehicle Infrastructure Program

INTRODUCTION

On April 3, 2023, Rocky Mountain Power (RMP or Company) filed with the Public Service Commission of Utah (PSC) its annual report of the Electric Vehicle Infrastructure Program (EVIP). On April 5, 2023, the PSC issued a Notice of Filing and Comment Period establishing that interested parties may submit initial comments about the annual report on or before May 3, 2023 and reply comments on or before May 18, 2023. The Office of Consumer Services (OCS) provides the following comments pursuant to that schedule.

BACKGROUND

On December 20, 2021, the PSC approved the settlement stipulation between parties that set the terms for the creation of the EVIP program in Docket No. 20-035-34. As part of the stipulation, parties continued collaborating on the format and required contents of the EVIP program's annual report. The PSC issued an order approving the proposed annual report framework on June 15, 2022 which is composed of two parts: Attachment A and Attachment B. Attachment A generally includes EVIP accounting information while Attachment B generally includes a written status update divided into four main EVIP categories:

1. Company Owned Charging Stations,
2. Make Ready Infrastructure and Rebate Incentives,
3. Partnerships, and
4. Educational Outreach and Marketing.

The OCS focuses its comments on Attachment B.

DISCUSSION OF THE EVIP ANNUAL REPORT

RMP Owned Charging Stations

RMP reports that over the first year of the EVIP program, it issued a request for proposals (RFP) to select a vendor to “design, procure, install, and operate and maintain” EV charging stations for the Company. After a review of the solicitation responses, RMP selected to contract with Electrify America (EA) – which it says operates one of the largest charging networks in the United States. The Company reports it selected EA because of its “low price, extensive experience operating high powered DCFC [direct current fast chargers], and timely access to equipment.”¹ As part of the contract, RMP states that EA will be responsible for:

- Conducting site engineering, permitting, construction, and installation.
- Designing and procuring all equipment.
- Providing the software and network communications for operations.
- Collecting payments.
- Operating a 24-hour call center and directing emergency maintenance.

In addition to selecting EA, RMP states it has begun evaluating potential charging station site locations. This includes meeting with officials from cities, counties, universities, state agencies, and landowners as well as evaluating property characteristics such as proximity to existing power utilities, available space, and distance to services, highways, and freeways. The Company states that once a site is officially selected, a full system impact study will be performed. RMP expects to develop at least 20 locations and is currently in negotiations with multiple site hosts. In its annual report, RMP provides a list of 18 potential cities and 2 potential rest areas. Also, the Company states it will apply for additional funding through the National Electric Vehicle Infrastructure (NEVI) program, administered by the Utah Department of Transportation (UDOT), which may allow for additional station locations.²

During our review, the OCS submitted data request 1.2 to RMP to clarify how the Company will ensure that EA will not use potential site location assessments for its own private business use. RMP responded that while it has contracted with EA for the construction and operation of Company owned charging stations, EA is not involved in site selection. The OCS appreciates this clarification and believes this is the right approach to ensure EVIP ratepayer funds are only used for the benefit of ratepayers.

¹ 23-035-18 EVIP Annual Report, Attachment B, p.1

² Ibid p. 2-4

Make Ready Infrastructure and Rebate Incentives

RMP reports that in April 2022 it began approving applications for make ready infrastructure, which is only available to non-residential customers to install electric vehicle supply equipment (EVSE). The Company also states that it is offering rebate incentives to residential and non-residential customers for the purchase of qualified vehicle chargers. The OCS appreciates the clarification in the annual report that “customers cannot claim both make ready incentives and rebates for the same project.”³

Also in the annual report, RMP explains the open specifications for EVSE to be eligible for incentives. The Company states that its primary focus is on the charging of light duty vehicles but will consider allocating funds for medium and heavy duty vehicle chargers on a case by case basis. Make Ready funds can be used for infrastructure on both the utility and customer side of the meter, but these funds are not to be applied to the cost of the vehicle charger. RMP provides a copy of the application for Make Ready funds and explains that “after receiving an award notification, customers will complete the project and submit receipts and invoices for reimbursement.”⁴

Only Level 2 AC and DC fast chargers qualify for rebate incentives. Level 2 charger incentives are \$1,000 per charger up to 75% of the total cost for a single port and \$1,500 per charger up to 75% of the total cost for a multi-port charger. DC fast charger incentives are \$30,000 per single port charger and \$45,000 for a multi-port charger (both also up to 75% of the total cost of the charger). To receive rebates, residential customers must be signed up for the EV time of use rate, Subscriber Solar, or Schedule 135. The OCS reviewed the sample application forms related to the make ready and rebate incentives that RMP included in the annual report and did not identify any concerns.

Lastly, the OCS notes that RMP stated in its annual report that over 50 percent of the residential applications for charger rebates were rejected because these customers were seeking rebates for nonqualified non-open standard chargers such as Tesla vehicle chargers. This is clearly an area of confusion that RMP should highlight in its educational and marketing materials for the EVIP program going forward.⁵

Partnerships

In this section of the annual report, RMP explains its efforts to coordinate with UDOT, the Inland Port Authority, Mountain Lands, and the Department of Energy (DOE). Regarding the DOE, the company explains it currently has two grants related to transportation electrification and it is leveraging them within the EVIP program with access to university advisors to evaluate infrastructure gaps and to test a demand response program for EV charging at workplaces and multifamily dwellings. No EVIP funds were spent in the partnerships area in 2022.

³ Ibid p. 5

⁴ Ibid p. 7

⁵ Ibid p. 9

Educational Outreach and Marketing

RMP explains that over the past year it has advertised its plan for Company owned chargers along with available incentives and information about time-of-use (ToU) rates. RMP partnered with the Salt Lake Tribune, hosted and sponsored public events, and added EVIP details to its website. The OCS reviewed the outreach materials RMP included in its annual report and while we appreciate the efforts made to educate the public on this new EVIP program, there is a need for improvements.

The OCS believes it is vital for RMP to better focus its educational and marketing materials on explaining the potential impact of EV adoption to the overall electric system rather than just promoting the adoption of EVs and explaining how they work. The expansion of EV use creates a risk that current evening system peaks could be exacerbated if new EV customers do not have this awareness. Critical to providing this information, is that RMP provides clear and accurate information about the impacts of the time of day when charging occurs and how ToU rates work. Electrification will result in increased electric loads and the need for investment in new electric resources. If transportation electrification is not carefully designed, then it creates a disproportionate burden on the very ratepayers who are funding the EVIP. This outcome should be avoided and the educational and marketing outreach should be utilized to do so.

Unfortunately, some of the articles cited by RMP as key elements of its education and outreach contained outright errors and misleading statements. For example, the OCS attaches to these comments an original and revised version of an article RMP published in the Salt Lake Tribune at the end of June 2022 titled: Rocky Mountain Power unveils Electric Vehicle Time of Use program for residential customers, offering big savings.

In the original version of this article, we include as Attachment 1, RMP stated that its new electric vehicle program will help drivers “save energy and money” by shifting charging to off-peak hours. It is inaccurate to say that a ToU rate will save EV owners energy. After the OCS informed RMP of this error, RMP explained how it occurred inadvertently and made a correction to its article as reflected in Attachment 2 and we appreciate the efforts to do so.

However, we also advised RMP that it was misleading to quote in the article the average cost savings customers experienced under the EV ToU pilot program (Schedule 2E) because the choices and rates of the ToU program have been revised going forward and will almost certainly show a different outcome. Unfortunately, it appears RMP never made a correction to this aspect of its article.⁶ Overall, the OCS believes educational materials that focus on monetary savings miss the mark on the objective we should be aiming for – to educate customers that charging vehicles during off-peak times is vital to minimize system load peaks which push expensive grid expansion that increases electric rates. The OCS believes it is imperative for the EVIP program to successfully manage system peak demand while EV adoption increases to avoid additional new costs to ratepayers. The OCS requests that the PSC provide guidance to RMP to ensure this is a primary focus of the outreach program going forward.

⁶ OCS notes that the version of the article it saved on July 6, 2022 is the same version that it found in an internet search on May 2, 2023.

Lastly, we recommend that RMP integrate a public survey process into its EVIP outreach and education program as a way to gather information that can be used to assess if messaging needs further refinement to educate customers on the purpose of off-peak vehicle charging – that it helps avoid costly system expansion and increased electric rates.

RECOMMENDATIONS

The OCS has reviewed RMP’s first EVIP annual report and associated appendices. We are encouraged by the level of detail provided to stakeholders regarding the program’s establishment, finances, and activities. We recommend that the PSC:

1. Acknowledge that the report meets the reporting requirements established for the EVIP program,
2. Advise RMP to improve its EVIP educational outreach and marketing on the purpose of off-peak charging and ToU rates, and
3. Require RMP to implement a public survey component into its EVIP educational outreach and marketing efforts.

cc:

Jana Saba, Rocky Mountain Power

Chris Parker, Division of Public Utilities

Service List