

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 1461

In the Matter of

PUBLIC UTILITY COMMISSION OF
OREGON

Investigation of matters related to electric
vehicle charging.

BENCH
REQUEST

On September 9, 2010, a public workshop was held at the Public Utility Commission of Oregon (PUC or Commission) in the above-captioned proceeding. All three Commissioners were present to discuss matters related to electric vehicle charging and charging station infrastructure. On September 10, 2010, the docket's procedural schedule was suspended to provide the Commissioners with time to further consider the issues identified in the proceeding.

After due consideration, the Commissioners have developed comments and questions about the issues in this docket. This bench request calls for parties to provide commentary and additional information. The bench request is organized pursuant to Staff's Opening Comments, and asks the parties to consider alternative or additional guidelines.

1. Utility Ownership of EVSE Guideline: Staff proposed the following guideline:

Public utilities may own and operate publicly available EVSE¹ stations. Costs, including but not limited to the design, installation, operation or maintenance of publicly available EVSE stations shall not be recovered in rates. Power supply to any utility owned publicly available EVSE station shall be charged at the same PUC-approved rate as would apply if the publicly available EVSE station were independently owned. Electric rates and other charges such as connection charges shall not be so high as to place independent EVSE service providers at a competitive disadvantage.

Staff's guidelines preclude rate recovery of utility investment in publicly available EVSE stations. Some parties argue that the Commission should allow utility ownership in certain circumstances.

If the Commission permits utilities to own publicly available EVSE stations, what standards of review should the Commission use to determine when recovery of utility investment in publicly available EVSE stations is warranted? What are the implications, if any, of the used and useful standard (ORS 757.355) for utility investment in charging stations?

¹ EVSE stands for "electric vehicle supply equipment."

2. Distribution System Upgrades Guideline: Staff proposed the following guideline:

Existing policies governing cost allocation for distribution upgrades or reconfigurations, including but not limited to line extensions and new connections, shall apply to new infrastructure requirements for publicly available EVSE service. Reasonable costs associated with the implementation of separate rate schedules for electric vehicle (EV) charging, including separate metering, billing, data collection or other EV related administration costs, shall be recovered from all the utility's customers.

As the guideline addresses two separate issues, the Commission finds that it should be divided into one guideline concerning cost allocation for distribution system upgrades and another guideline addressing the costs of implementing separate rate schedules for EV charging.

With regard to the cost of distribution systems upgrades, the Commission asks parties to respond to the following questions: 1) Will it be possible to assign responsibility for a utility's need to make significant distribution system upgrades to one or a limited number of "last to the system" EV customers? 2) If so, should the last to the system EV customer(s) be burdened with the full cost of the distribution system upgrade? 3) If not, what are reasonable rate alternatives to assigning full cost responsibility to the last to the system EV customer(s)?

The Commission also asks parties to explore alternatives to Staff's proposal to assign the costs of implementing a separate rate schedule for EV charging to all customers. For example, please address the relative pros and cons of assigning the metering, billing and data collection costs associated with the implementation of a separate rate schedule for EV charging to the EV customer class.

3. Rate Design Guideline: In order to encourage off-peak charging of electrical vehicles, Staff proposes that power delivered to level 2 or higher EV charging stations be separately metered and charged seasonal/time-of-use rates.

At the workshop, several parties questioned whether separate (or sub-metering) of EV charging stations could be effectively implemented. An alternative approach was proposed that would require any home or business with a level 2 or higher EVSE station on-site to be subject to time-of-use rates for all power deliveries to the site.

The Commission asks parties to further discuss both approaches—a seasonal/time-of-use rate schedule with separate or sub-metering for EV charging versus a time-of-use rates for the entire home or business with an EV charging station. The Commission also encourages parties to think more broadly about the issue to consider alternatives other than time-of-use rates that could be used by utilities and others to encourage off-peak charging. For example, Staff has considered whether a discounted rate class should be created for EV charging in exchange for service being interruptible during on-peak periods. The Commission asks parties to comment on the merits or disadvantages of this approach. Should any approach used to encourage off-peak charging of electrical vehicles be initially implemented as a pilot program? The Commission also asks parties to comment about the role of customer education with regard to EV charging during the off-peak.

4. **IRP Flexible Resources Guideline:** Staff proposed the following Integrated Resource Planning (IRP) guideline:

- a) **Forecast the Demand for Flexible Capacity:** The electric utilities shall forecast the balancing reserves needed at different time intervals (e.g. ramping needed within 5 minutes) to respond to variation in load and intermittent renewable generation over the 20-year planning period.
- b) **Forecast the Supply of Flexible Capacity:** The electric utilities shall forecast the balancing reserves available at different time intervals (e.g. ramping available within 5 minutes) from existing generating resources over the 20-year planning period.
- c) **Evaluate Flexible Resources on a Consistent and Comparable Basis:** In planning to fill any gap between the demand and supply of flexible capacity, the electric utilities shall evaluate all resource options, including the use of EVs, on a consistent and comparable basis.

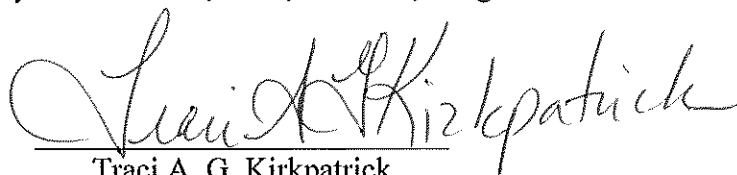
The Commission asks parties to comment regarding the reasons to either adopt or reject Staff's proposed integrated resource plan (IRP) guideline for flexible resource planning?

5. **Planning and Reporting Guidelines:** The Commission asks parties to consider whether additional reporting or planning guidelines are needed. What should be required, if anything, in terms of planning and reporting by utilities? How should the Commission and interested parties be kept informed on progress and lessons learned in the implementation of electric vehicle charging?

6. **Additional Guidelines:** At this stage of the proceeding, the Commission welcomes all proposals for guidelines related to the regulation of EV charging. The Commission encourages parties to propose new guidelines with full explanations regarding the need for, benefits of and considerations of the proposed guidelines.

A prehearing conference will be established to discuss a procedural schedule for the remainder of this docket.

Dated this 15th day of November, 2010, at Salem, Oregon.



Traci A. G. Kirkpatrick
Administrative Law Judge