

**PUBLIC UTILITY COMMISSION OF OREGON
AHD REPORT
PUBLIC MEETING DATE: April 9, 2019**

REGULAR X CONSENT _____ EFFECTIVE DATE _____ N/A _____

DATE: April 3, 2019

TO: Public Utility Commission

FROM: Nolan Moser *NM*

THROUGH: Diane Davis *dbd*

SUBJECT: OREGON PUBLIC UTILITY COMMISSION ADMINISTRATIVE HEARINGS DIVISION: (Docket No. AR 609) Rulemaking Regarding Transportation Electrification Plans.

AHD RECOMMENDATION:

Adopt the proposed permanent rules as shown in Attachment A.

DISCUSSION:

This rulemaking follows from Order No. 18-472, in which the Commission opened a formal rulemaking to develop transportation electrification plan rules. The Commission approved Staff's request to move to formal rulemaking at the December 18, 2018 Public Meeting.

A rulemaking hearing was held on February 5, 2019, and the comment period closed on February 12, 2019. Comments were received from the public both at hearing and in writing. The Administrative Hearing Division proposes several changes to Staff's proposed rules. The Attachment A rules reflect AHD's proposed changes. A track-changes version of the rules with comments to aid stakeholders and the Commission is attached as Attachment B.

PROPOSED COMMISSION MOTION:

Adopt new permanent rules as set forth in Attachment A of this memo.

AHD REVISED DRAFT AR 609 RULE

860-087-0020

Transportation Electrification Plan

(1) This rule prescribes the required elements of an electric company's Transportation Electrification Plan (TE Plan), which contains the electric company's long-term strategy to accelerate transportation electrification in its Oregon service territory. The objective of the TE Plan is to:

(a) Integrate all of the electric company's transportation electrification actions into one document. This includes, but is not limited to, analyzing the electric company's portfolio of near-term and long-term transportation electrification actions, including approved program(s), future transportation electrification actions, and other transportation electrification actions such as Clean Fuels programs.

(b) Identify a portfolio of actions, which may include investments and infrastructure for electric vehicles of various sizes, rate design, programs, and services, reasonably expected to achieve the objectives of ORS 757.357. The TE Plan should seek to address areas most affected by market barriers in the electric company's service territory and to provide benefits for traditionally underserved communities.

(2) An electric company must file for Commission acceptance of a TE Plan.

(a) As used in this rule, "acceptance" means the Commission finds that the TE Plan meets the criteria and requirements of this rule and does not constitute a determination on the prudence of the individual actions discussed in the TE Plan. Non-acceptance means that the TE Plan does not meet the criteria or requirements of the rule.

(b) An electric company must file for Commission acceptance of its TE Plan within two years of its previous TE Plan acceptance order or as otherwise directed by the Commission.

(c) The Commission staff will work with parties to propose a schedule for review of the TE Plan after it is filed. The schedule will be adopted by an administrative law judge and will provide an opportunity for written comments by Commission staff and stakeholders, and reply comments by the electric company.

(d) The electric company must present its TE Plan to the Commission at a public meeting prior to the deadline for written public comment.

(e) Commission staff will present its recommendation on the electric company's TE plan at a public meeting. The Commission will also consider comments and recommendations on an electric company's TE Plan at the public meeting before issuing an order of acceptance. The Commission may provide direction to an electric company regarding any additional analyses or actions that the electric company should undertake in its next TE Plan.

(f) An electric company is not prohibited from proposing transportation electrification programs at any time.

(3) The TE Plan must include:

(a) Current condition of the transportation electrification market in the electric company's Oregon service territory, including, but not limited to:

- (A) A discussion of existing state policies and programs;
 - (B) Market barriers that the electric company can address and other barriers that are beyond the electric company's control, including any identified emerging challenges to transportation electrification;
 - (C) Existing data on the availability and usage patterns of charging stations;
 - (D) Number of electric vehicles of various sizes in the utility service territory and projected number of vehicles in the next five years;
 - (E) Other transportation electrification infrastructure, if applicable;
 - (F) Charging and vehicle technology updates; and
 - (G) Distribution system impacts and opportunities for efficient grid management;
 - (b) A summary of the electric company's approved transportation electrification program(s) and future transportation electrification concepts and actions in its Oregon service territory. The TE Plan must incorporate project learnings and any other relevant information gathered from other transportation electrification infrastructure investments, programs, and actions to ensure that lessons learned are carried forward;
 - (c) A discussion of how the electric company's investments, programs, and actions are expected to accelerate transportation electrification, address barriers to adoption, and extend access to traditionally underserved communities;
 - (d) Supporting data and analysis used to develop the TE Plan, which may be derived from elements such as review of costs and benefits; rate design, energy use and consumption, overlap with other electric company programs, and customer and electric vehicle user engagement;
 - (e) A discussion of the electric company's potential impact on the competitive electric vehicle supply equipment market, including consideration of alternative infrastructure ownership and business models, and identification of a sustainable role for the electric company in the transportation electrification market;
 - (f) A discussion of current and anticipated electric company system impacts resulting from increased transportation electrification and the electric company's portfolio of actions, how transportation electrification can support the efficient integration of renewable energy, and how the TE Plan is designed to address these system impacts; and
 - (g) A discussion of how programs and concepts in the TE Plan relate to state carbon reduction goals or requirements over which the Commission has regulatory authority, using publicly available metrics.
- (4) The Commission may direct an electric company to incorporate the TE Plan into other electric company planning documents.

STATUTORY/OTHER AUTHORITY: 756.040, 756.060, 757.357

STATUTES/OTHER IMPLEMENTED: 757.357

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(1) This rule prescribes the required elements of an electric company's Transportation Electrification Plan (TE Plan), which contains the electric company's long-term strategy to accelerate transportation electrification in its Oregon service territory. The objective of the TE Plan is to:

(a) Integrate all of the electric company's ~~transportation electrification~~ actions into one document. This includes, but is not limited to, analyzing the electric company's portfolio of near-term and long-term transportation electrification actions, including approved program(s), future transportation electrification actions, and other transportation electrification actions such as Clean Fuels programs.

(b) Identify a portfolio of actions, which may include investments and infrastructure for electric vehicles of various sizes, rate design, programs, and services, reasonably expected to ~~achieve the objectives of ORS 757.357, accelerate transportation electrification in an effective and efficient manner.~~ The TE Plan should seek to address areas most ~~affected~~ hampered by market barriers in the electric company's service territory and to provide benefits for traditionally underserved communities.

(2) An electric company must file for Commission ~~acceptance~~ approval of a TE Plan.

(a) As used in this rule, "~~acceptance~~ approval" means the Commission finds that the TE Plan meets the criteria and requirements of this rule and does not constitute a determination on the prudence of the individual actions discussed in the TE Plan. ~~Non-acceptance~~ Conversely, ~~lack of approval~~ means that the TE Plan does not meet the criteria or requirements of the rule.

(b) An electric company must file for Commission ~~acceptance~~ approval of its TE Plan within two years of its previous TE Plan ~~acceptance~~ approval order or as otherwise directed by the Commission.

~~(c) The electric company must present its TE Plan to the Commission at a public meeting prior to the deadline for written public comment.~~

(d) The Commission staff will work with parties to propose a schedule for review of the TE Plan after it is filed. The schedule will be adopted by an administrative law judge and will provide an opportunity for written comments by Commission staff and stakeholders, and reply comments by the electric company.

~~(d) The electric company must present its TE Plan to the Commission at a public meeting prior to the deadline for written public comment.~~

(e) Commission staff will present its recommendation on the electric company's TE plan at a public meeting. The Commission will also consider comments and recommendations on an electric company's TE Plan at the public meeting before issuing an order ~~of acceptance~~ approval. The Commission may provide direction to an electric company regarding any additional analyses or actions that the electric company should undertake in its next TE Plan.

(f) An electric company is not prohibited from proposing transportation electrification

Commented [MN1]: The goals for electrification in the underlying legislation are robust; and include acceleration of transportation electrification, the stimulation of innovation and competition for services, the provision of benefits to the grid, and fuel cost savings.

However, rather than spell them out here, AHD recommends the Commission's order discuss them in them in detail. This will allow the Commission some room to explain how these goals should be taken into account in developing plans.

Commented [MN2]: AHD recommends the use of the term acceptance, because traditionally the term "approval" has been used where Commission authorization is required for a utility action. Here we note that plans and programs are separate, and a program must be approved before an electric company may invest in a program; but plan approval is not a requirement that must be achieved before an electric company may invest in a program.

The following options are available for this rule:

Approval
Acceptance
Acknowledgement

Approval is generally tied to items requiring authorization before action; such as rate changes, etc. Acceptance is used for informational reports and filings, such as Smart Grid reporting. Acknowledgement is not pre-approval, but can be used to support later Commission findings that an action was prudent, and that the associated costs should be recovered in rates.

Commented [MN3]: Our recommendation of "acceptance" does not change the consequence of a negative finding.

programs at any time.

(3) The TE Plan must include:

(a) Current condition of the transportation electrification market in the electric company's Oregon service territory, including, but not limited to:

(A) A discussion of existing state policies and programs;

~~(B) Market barriers that the electric company can address and other barriers that are beyond the electric company's control, including any identified emerging challenges to transportation electrification;~~

~~(B) Market barriers, which may include charging station development and electric vehicle adoption;~~

(C) Existing data on the availability and usage patterns of charging stations;

(D) Number of electric vehicles of various sizes in the utility service territory and projected number of vehicles in the next five years;

(E) Other transportation electrification infrastructure, if applicable;

(F) Charging and vehicle technology updates; and

(G) Distribution system impacts and opportunities for efficient grid management;

(b) A summary of the electric company's approved transportation electrification program(s) and future transportation electrification concepts and actions in its Oregon service territory. The TE Plan must incorporate project learnings and any other relevant information gathered from other transportation electrification infrastructure investments, programs, and actions to ensure that lessons learned are carried forward;

(c) A discussion of how the electric company's utility's TE Plan, investments, programs, and actions are expected to accelerate transportation electrification, address barriers to adoption, and extend access to traditionally underserved communities;

(d) ~~Supporting~~ The supporting data and analysis used to develop the TE Plan, which may be derived from elements such as review of costs and benefits; rate design; energy use and consumption; overlap with other electric company utility programs, and customer and electric vehicle user engagement;

(e) A discussion of the electric company's potential impact on the competitive electric vehicle supply equipment market, including consideration of alternative infrastructure ownership and business models, and identification of a sustainable role for the electric company in the transportation electrification market;

(f) A discussion of current and anticipated electric company system impacts resulting from increased transportation electrification and the electric company's portfolio of actions, how transportation electrification can support the efficient integration of renewable energy, and how the TE Plan is designed to address these system impacts; and.

(g) A discussion of how programs and concepts in the TE Plan relate to state the carbon reduction goals or requirements over which the Commission has regulatory authority, using of the Clean Fuels Program and other state programs, including expected greenhouse gas emission reductions based on publicly available metrics.

Commented [MN4]: To better reflect the goals of the legislation, this edit requires an electric company to discuss any identified market barrier in their control, or to discuss a market barrier not in their control but subsequently identified through programs or planning. It is not intended to create a requirement that the electric company proactively identify market barriers not yet identified; this can be clarified in an order if necessary.

Commented [MN5]: The order may discuss the goal of working to ensure that electrification contributes to a more efficient system.

Commented [MN6]: This section was edited to ensure that it captures any future regulatory obligation for carbon reduction placed on the PUC.

(4) The Commission may direct an electric company to incorporate the TE Plan into other electric company planning documents.

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