BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

UM 2033

In the Matter of PORTLAND GENERAL ELECTRIC, 2019 TRANSPORTATION ELECTRIFICATION PLAN	INTERVENOR COMMENTS OF NW ENERGY COALITION

I. Introduction

The NW Energy Coalition (NWEC) respectfully submits the following comments on the 2019 Transportation Electrification Plan of Portland General Electric Company (PGE).

NWEC appreciates the comprehensive approach to PGE's inaugural Transportation Electrification Plan, highlighting (1) the relationship to PGE's Integrated Resource Plan (IRP) and Distribution Resource Plan (DRP); (2) the current landscape of transportation electrification in PGE's service territory; (3) PGE's critical role, as an electric service provider, in proactively planning for the transition to electricity as a major transportation fuel; and (4) the various benefits that accrue to customers from transportation electrification (TE).

NWEC acknowledges that electric utilities play an essential role in transportation electrification, both in reliably and affordably serving the needs of a growing customer base, and in strategically planning to ensure transportation electrification results in a net benefit to all customers. PGE's Transportation Electrification Plan is well constructed, but in order for PGE to fulfill this essential role, we suggest additional perspective and modifications to help scale PGE's TE portfolio and meet customer needs, as detailed below.

II. Section 1: Current Market Conditions

"Widespread transportation electrification requires that electric companies increase access to the use of electricity as a transportation fuel" (Chapter 28, Section 20, Oregon Laws 2016). In order to realize this legislative finding, PGE's planning and programming must increasingly address market barriers to transportation electrification. These barriers manifest for current transportation electrification participants and those who are not yet directly utilizing electric transportation.

NWEC agrees PGE does not have control over market variables listed in Section 1.2.4 but we recommend a stronger emphasis on PGE's role to address Network/Charging Equipment Reliability (1.2.5.1), Workforce Development (1.2.5.2), and Charging Queuing (1.2.5.3). PGE is responsible for offering reliable service to both current and future electric transportation customers and should actively work to ensure current customer needs are met while creating a positive effect on the acceleration of transportation electrification as a whole. Specifically, we recommend that PGE:

- Continue improving necessary electric vehicle supply equipment (EVSE) and electric vehicle service providers (EVSP) reliability standards that guarantee a dependable fueling experiences for customers.
- Work collaboratively with the stakeholders mentioned in Section 1.2.5.2 to promote equitable workforce opportunities.
- Continue working to roll out EVSE to address the issues identified in Section 1.2.5.3 at a pace that is necessary to meet the needs of current and future electric transportation customers and in a manner that reasonably minimizes costs and maximizes benefits.

NWEC suggests ongoing and comprehensive charging usage data collection (1.3) to better understand customer needs and develop strategies that will effectively shift load to off-peak periods. Section 1.5, Other Transportation Electrification Infrastructure, identifies the expansive infrastructure needs in PGE's service territory. These needs must be met with a proactive response from PGE that combines comprehensive data collection, efficient grid management, and customer engagement. Any investments should culminate to minimize the need for additional generation and distribution system upgrades and help shift charging times to capture excess renewable energy.

NWEC appreciates the inclusion of medium and heavy-duty charging (1.3.2.4). It will be vitally important to monitor and proactively plan for this charging due to the scale of energy consumption and grid capacity needed to serve this emerging load. As PGE has highlighted, coordination with the IRP and DRP planning process will be critical.

Lastly, we are encouraged by the inclusion of Section 1.7, addressing distribution system impacts and opportunities for efficient grid management. We emphasize the importance for all programmatic planning to take a comprehensive look at distribution system impacts and methods for grid optimization including customer-side resources that can help manage charging and integrate renewables. This will be a key component to effectively minimize costs and maximize benefits for all customers.

III. Section 2: PGE's Transportation Electrification Activities

NWEC appreciate the overview of PGE's existing TE programs and commends PGE for a diverse portfolio. When addressing electric mass transit (2.1.1.1), it is important to be mindful of corresponding transportation work aimed at reducing vehicle miles traveled (VMT), increasing affordable access, and fostering a clean and just transportation landscape. We recommend PGE expand Section 2.1.1.1 to include additional information regarding TE programs and efforts to align with corresponding transportation work through collaborative partnerships that simultaneously help expand affordable and accessible transit service and prioritize investments to directly benefit traditionally underserved communities experiencing the worst greenhouse gas (GHG) emissions, air pollution, and highest transportation energy burden.

The Clean Fuels Program (2.1.2) investments are complementary to ratepayer dollar investments and provide additional funding to accelerate transportation electrification. To date, NWEC is supportive of PGE's Clean Fuels Program investments that prioritize a diverse portfolio, including creative grants, outreach and education opportunities, and efforts to provide benefits directly to traditionally underserved communities. Additional planning and programming, beyond the Clean Fuels Program investments, will help create a virtuous cycle that will increase credit generation and fund more programs each year.

Section 2.2.1 and 2.2.2.2.1 introduce PGE's behind the meter and make-ready investments. NWEC is supportive of this work when it is coupled with mechanisms for efficient grid planning and management. TE investments, similar to line extension allowances, can help increase marginal revenue and put downward pressure on rates when programs are designed to ensure the incremental revenue from TE load exceeds the incremental cost to serve it.

Section 2.2.2.1 addressed PGE's efforts to develop time-of-use rates. NWEC appreciates PGE's work to develop rate structures that promote beneficial behavior change and grid optimization. We look forward to engaging more on this topic in order to ensure customers benefit and specific customers, such as low-income or senior households, are not burdened by these rate structures.

We are encouraged by PGE's work to address market barriers created by demand charges for commercial and industrial (C&I) customers (2.2.2.1.3). We recommend C&I rate design, aimed at incentivizing private TE investments, take into account options to provide demand charge relief for early adopters with low utilization AND time-of-use pricing.

Section 2.2.2.2.2 introduces the concept of utilizing pole-mounted charging stations to address customers who are home charging challenged. We commend PGE for taking steps to develop innovative solutions to this issue. This is an important barrier to address but should be done with the utmost care. If the goal is to design

programs to offer net benefits to customers, PGE customers should be meaningfully engaged to provide input. At a minimum, PGE should address the following:

- Whether or not pole-mounted charging meets a community's identified mobility needs;
- Ensure additional barriers to light-duty vehicle adoption do not prove the investment obsolete; and,
- Consider whether the program could exacerbate conditions for residential displacement and whether or not there are opportunities to alleviate displacement risks through TE strategies.[1]

Lastly, NWEC is supportive of Section 2.2.2.2.4, 2.2.2.3.1, 2.2.2.3.2, and 2.2.3.2.2.

- Mobility Hubs (2.2.2.2.4) offer the opportunity to promote mode shifting, VMT reduction, and accessibility.
- Residential Smart Charging (2.2.2.3.1) and Business Charging Rebates (2.2.2.3.2) can help shift loads to off-peak periods, supporting the acceleration of transportation electrification through accessible charging and helping to minimize costs and maximize benefits.
- The Electric Truck Demonstration Charging Sandbox (2.2.3.2.2) mentions second-life batteries as a possible distributed energy resource to help mitigate grid impacts. NWEC strongly encourages PGE's efforts to explore opportunities to utilize second-life batteries and remove barriers to second-life as it can help accelerate lower-cost battery storage opportunities and reduce mineral extraction and its respective environmental and social impacts.

IV. Section 3: Supporting Data & Analysis Used to Develop the Plan

NWEC appreciate PGE's holistic look at cost and benefits (3.1) of transportation electrification but recommends additional considerations. When considering utility investments in TE, we strongly recommend avoiding attribution (asking impossible counterfactuals as to whether a given electric vehicle would or would not have been purchased but-for the utility investment) and the sole utilization of traditional energy efficiency cost-effectiveness tests to deem a program cost effective. The cost effectiveness tests displayed in Table 59 can offer helpful metrics but utility investments should be prioritized through a holistic analysis of electric system impacts, rate and bill impacts, total cost of ownership, and health and environmental impacts for each program.

[1]Residential displacement is the process by which a household is forced to move from its residence - or is prevented from moving into a neighborhood that was previously accessible to them because of conditions beyond their control. https://www.urbandisplacement.org/resources

Again, programs should seek to minimize costs and maximize benefits, consistent with PGE's commitment to "fund TE activities to increase benefits accrued from EVs and to drive down the costs to serve" (3.1.3). Additional benefits will accrue from efforts aimed at reducing the overall electric system footprint that could result from increased transportation electrification load growth that is not coupled with utility planning and intervention.

V. Section 4: Discussion of Electric Company's Potential Impact

NWEC agrees that PGE has a critical role to play in transportation electrification. Electric transportation customers are already providing benefits in the form of increase electricity sales and subsequent revenue and it is the unique role of the utility to holistically and proactively meet their needs and the needs of future customers. Investments must be scaled to realistically address these needs.

VI. Section 5: System Impacts Resulting from TE and PGE's Portfolio of Actions

NWEC appreciates Section 5.2, a plan to support the integration of renewables, and we look forward to learning more about PGE's work to further a more harmonious and dynamic grid.

VII. Section 6: Relation to State's Carbon Reduction Goals

The GHG emissions reductions laid out in Section 6 will take proactive and collaborative planning to fully realize. We support the scaling of investments that help reduce GHG emissions and air pollution. Doing so will provide direct benefits to customers through avoided health costs.

VIII. Conclusion

PGE highlights, predominately in Section 2, existing efforts and additional consideration to expand access to traditionally underserved communities. We strongly recommend PGE continue developing creative approaches to ensure traditionally underserved communities directly benefit from TE investments. PGE should work with stakeholders and community members to identify and prioritize appropriate programs. Selected projects should not compete with weatherization, efficiency or bill assistance programs and should provide sustainable benefits to customers even in the event a pilot or program is terminated.

NWEC commends PGE for strong work to advance climate policy and support transportation electrification in a way that provides benefits to all customers. We encourage PGE to undertake a proactive strategy to effectively enable efficient grid and resource management, increase access to transportation electrification for traditionally underserved communities, advance integration of clean energy resources, and swiftly scale programs that meet a diverse set of customer needs.

Thank you for your consideration of NW Energy Coalition's comments.

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