

ITEM NO. CA3

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: March 9, 2021**

REGULAR CONSENT EFFECTIVE DATE March 15, 2021

DATE: March 1, 2021

TO: Public Utility Commission

FROM: Eric Shierman

THROUGH: Bryan Conway, JP Batmale, and Sarah Hall **SIGNED**

SUBJECT: PORTLAND GENERAL ELECTRIC:
(Docket No. ADV 1081/Advice No. 21-02)
Electric Vehicle Pole Charging Demonstration Project
Request to Extend Schedule 16.

STAFF RECOMMENDATION:

The Public Utility Commission of Oregon (OPUC or Commission) should approve Portland General Electric Company's (PGE or Company) Advice No. 21-02.

DISCUSSION:

Issue

Whether the Commission should approve Advice No. 21-02, PGE's proposal to extend the current terms of Schedule 16, until October 1, 2021.

Applicable Rule

Under ORS 757.205(1):

Every public utility shall file with the Public Utility Commission, within a time to be fixed by the commission, schedules which shall be open to public inspection, showing all rates, tolls and charges which it has established and which are in force at the time for any service performed by it within the state, or for any service in connection therewith or performed by any public utility controlled or operated by it.

The Commission may approve tariff changes if they are deemed to be fair, just, and reasonable. ORS 757.210. OAR 860-022-0025(2) specifically requires that each energy utility changing existing tariffs or schedules must include in its filing a statement plainly indicating the increase, decrease, or other change made with the filing, the number of customers affected by the proposed change and the resulting change in annual revenue; and the reasons or grounds relied upon in support of the proposed change.

Filings that propose any change in rates, tolls, charges, rules, or regulations must be filed with the Commission at least 30 days before the effective date of the change. ORS 757.220; OAR 860-022-0015. Tariff filings to be effective on less than 30 days following notice of the change may be authorized with a waiver of less than statutory notice pursuant to ORS 757.220 and OAR 860-022-0020.

OAR 860-022-0030(1) further requires that for tariff or schedule filings proposing increased rates, the utility must for each separate schedule, identify the total number of customers affected, the total annual revenue derived under the existing schedule, and the amount of estimated revenue which will be derived from applying the proposed schedule, the average monthly use and resulting bills under both the existing rates and the proposed rates that will fairly represent the application of the proposed tariff or schedules, and the reasons or grounds relied upon in support of the proposed increase.

Analysis

Background

On January 14, 2020, PGE first filed an advice letter proposing a special tariff for the Company's pole charging demonstration project, which sites electric vehicle service equipment (EVSE) on distribution poles. This special tariff is Schedule 16, the electric vehicle pole charging demonstration project. At the February 25, 2020 Public Meeting, Staff recommended the Commission approve this proposal, provided that the terms of offering the service for free expire on December 15, 2020. The Commission adopted Staff's recommendation.¹

In accordance with Staff's recommendation, PGE had been working on changing the terms of Schedule 16. On October 27, 2020, the Company notified Staff that by previously providing energy at no cost to the electric vehicle (EV) operator, the City of Portland (City) did not require a franchise fee. Now that PGE seeks to require payment from EV operators, the Company must negotiate a franchise agreement with the City municipal government. PGE faced delays reaching an agreement with the City. As a result, the Company sought a three-month extension of the current terms to provide

¹ See Docket No. ADV 1081, OPUC, RE: Advice No. 20-02, February 25, 2020, p 1.

more time for PGE and the City to come to agreement. On December 1, 2020, the Commission approved this extension through March 15, 2021.²

In a meeting with Staff on February 9, 2021, PGE explained that while a franchise agreement with the City is now possible, the City had reservations about PGE using the terms of Schedule 50 for EVSE mounted on distribution system poles. The City believed that the cost of fueling at public charging stations is too high generally.

As a result of these discussions, PGE communicated to Staff that it needs more time to identify the right tariff to apply to this unique product. Schedule 50 is the tariff used by Electric Avenue, and has a time of use rate. The Commission approved this tariff for general use at PGE-owned public charging stations. PGE's interest in using this tariff appears to Staff as a natural choice, but, because the right-of-way is so important for the utilization of these charging stations mounted on distribution system poles, and the Company must coordinate this right-of-way privilege with the City. PGE needs more time to discuss tariff terms with the City to maintain a good working relationship. This advice filing requests an extension for Schedule 16 to October 1, 2021.

The Importance of an Extension

Without an extension, this demonstration project will end before PGE can implement a change in the tariff's terms that would allow the Company to study the economics of this product from the demand side. At least a full calendar year of utilization data should be collected with pricing before inferences can be drawn about expected utilization for a larger scale deployment. The utilization before and after the requirement of a payment can then be compared. Understanding how sensitive utilization is to the cost of power will be an important understanding to determine how this product could scale. So this extension appears to be necessary.

Reason for Staff Recommendation

The pole charging demonstration project spends budgeted research and development (R&D) funds that are already in base rates. Therefore, an extension of this demonstration project does not impose incremental costs to ratepayers. Because this is still at the R&D level of development, Staff recommends the Commission give the Company the time PGE has requested to allow the Company to think carefully about the rate design to be studied for a product that accessibly sites EVSE in high-density urban areas, offering a unique solution for EV owners in multi-family housing.

² See Docket No. ADV 1081, OPUC, RE: Advice No. 20-32, December 1, 2020, p 1.

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Conclusion

Staff recommends the Commission approve this additional request for an extension to give PGE more time to develop a new tariff.

PROPOSED COMMISSION MOTION:

Approve PGE's Advice No. 21-02.

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