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VIA ELECTRONIC FILING

March 17, 2022

Public Utility Commission of Oregon
201 High Street SE, Suite 100
P.O. Box 1088
Salem, Oregon 97301

Re: Docket AR 654 – Division 87 Transportation Electrification (TE) Rulemaking

Dear Filing Center:

Idaho Power Company ("Idaho Power" or "Company") is grateful for the opportunity to submit comments in the Public Utility Commission of Oregon's ("OPUC" or "Commission") Docket AR 654 – Division 87 Transportation Electrification ("TE") Rulemaking. The Company thanks OPUC Staff ("Staff") for its ongoing effort and commitment to establishing thoughtful and effective TE rules.

Idaho Power understands and is largely supportive of the proposed Division 87 rule changes to modify TE plan reporting as it relates to funding acquired from the Monthly Meter Charge and other sources. In light of these changes, the Company would like to provide additional input regarding its relatively small Oregon service area to ensure the proposed rule changes result in a positive outcome for the Company's rural customers in this area.

<u>Idaho Power's Service Area</u>

As of year-end 2021, Idaho Power's Oregon service area consisted of 20,311 total customers (14,167 residential). Because this does not meet the 25,000-customer threshold set forth in HB 2165 Section 2(2) (2021), Idaho Power does not currently collect the Monthly Meter Charge.

Idaho Power's Oregon service area falls completely under the definition of underserved communities according to HB 2165 and the definitions in the Division 87 draft rules. First, the area is entirely comprised of rural communities located more than 30 miles from an urban community of more than 50,000 residents; the largest community, Ontario, has a population of

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approximately 11,645, according to the U.S. Census. Second, Malheur, Baker, and Harney Counties' median and per-capita household income levels fall under the median and per-capita incomes of the state of Oregon. This classifies the entire service area as "Communities experiencing lower income," according to the definition of "residential customers of an electric company whose household income is less than or equal to 120 percent of the state median income, adjusted for household size", in the draft rules.

Reporting Requirements

While Idaho Power does not collect the Monthly Meter Charge, and therefore would not be subject to reporting specifically on how the funding is spent, the Company notes that any performance categories and other requirements related to supporting underserved communities (i.e., "equity of program offerings to meet underserved communities", "underserved community and engagement") will be unique for Idaho Power due to the nature of its Oregon Service territory; effectively any program offered in its service area would be intended to meet the needs of these communities as defined in the proposed rules. In addition, the Company is sensitive to the challenges underserved communities face and wants to ensure its TE programs do not place additional financial burden on these same customers without providing a tangible benefit.

Infrastructure

Investment in infrastructure to support and accelerate transportation electrification in Oregon is another focus in HB 2165 and in the Division 87 draft rules. However, Idaho Power must ensure that any capital expenditures related to infrastructure are made in a manner that will benefit its Oregon service area.

Currently, there are 30 EVs in the Company's Oregon service territory, according to the Oregon Department of Energy. In addition, there are market barriers that will limit growth in the next few years. More specifically, driving range of existing EVs, lack of current dealership availability, and a relatively high price point continue to be barriers preventing significant EV growth in this area. The Company is actively addressing items around education, outreach, and targeted technical support to address these barriers. One particular area of utility focus is connecting customers with state and federal money available from the Infrastructure Investments and Jobs Act. As EV adoption grows in this area, greater opportunities for infrastructure projects will likely become more prevalent.

Proposed TE Plan Timeline

Idaho Power agrees with ChargePoint's proposed timeline that would require utilities to file a plan every three years, with TE reports filed annually. As currently proposed, the two-year plan cycle with reports filed in the interim may be too frequent for meaningful changes to occur between plans, increasing the administrative burden for Idaho Power and stakeholders with little benefit. The Company believes the optional plan and budget updates outlined in the rules would create the ability for utilities to provide stakeholders with new information in the event it is necessary outside the broader three-year cycle.

Conclusion

Idaho Power thanks Staff for the helpful discussions surrounding the Division 87 draft rules. Overall, the Company is excited to continue to support and accelerate TE in its Oregon service area. Idaho Power's comments are intended to ensure that the final set of rules allows for the Company to grow its TE plan as its Oregon service area grows and market barriers begin to fall. The Company hopes Staff considers the below summarized comments and proposals:

- Idaho Power's Oregon service area falls completely within the "underserved communities" definition. Therefore, any spending on programs or infrastructure will be 100% targeted to underserved communities.
- Until the aforementioned market barriers are reduced so that customers will benefit from TE infrastructure, Idaho Power's TE plan will focus primarily on outreach, education, and targeted technical programs connecting customers with state and federal funding. Any potential infrastructure investments will be carefully considered with regard to customer costs and benefits.
- TE Plans should be filed every three years, instead of every two years. TE Reports would be filed annually.

Sincerely,

Matthew T. Larkin
Revenue Requirement Senior Manager