May 5, 2023

VIA ELECTRONIC FILING

Public Utility Commission of Oregon
Attn: Filing Center
201 High Street SE, Suite 100
Salem, OR 97301-3398

RE: UM 2056 – ChargePoint Reply Comments on PacifiCorp's Draft Transportation Electrification Plan (TE Plan)

ChargePoint appreciates comments offered by other stakeholders, including the Staff of the Public Utilities Commission of Oregon (Staff), Oregon Citizens' Utility Board (CUB), NW Energy Coalition (NWEC), and Green Energy Institute at Lewis & Clark Law School and Verde (collectively, GEI/Verde), particularly as they represent valuable perspectives to ensure PacifiCorp's TE Plan serves the best interest of ratepayers and underserved communities. ChargePoint shares stakeholders' goals to accelerate charger deployment in Oregon quickly, cost-effectively, and equitably. We respectfully offer these reply comments to continue the discussion on the best strategies for PacifiCorp to consider as the TE Plan is finalized.

Improved maps to identify underserved communities can align with a public and multi-family make-ready incentive structure to accelerate deployment of chargers in priority areas defined by HB 2165.

Several stakeholders' initial comments expressed concern regarding PacifiCorp's broad definition of underserved communities in the context of selecting appropriate locations for Company-owned public chargers. For example, both CUB[1] and GEI/Verde[2] request that PacifiCorp develop an additional map of underserved communities that assigns greater weight to low-income residents and MUDs, and NWEC[3] requests the development of a site selection process that further prioritizes underserved communities. ChargePoint agrees with the concerns of CUB, GEI/Verde, and NWEC, and finds that refinement of the underserved community maps is needed to prioritize equitable charging access in underserved areas in accordance with HB 2165. ChargePoint also appreciates CUB's request for PacifiCorp to explore the viability of different charger ownership options in the final TE Plan.[4]

The improved maps requested by stakeholders should not merely inform site selection for Company-owned chargers, but rather support the development of a make-ready and equipment incentive program that incentivizes deployment of site-host owned chargers in underserved communities. As discussed in our initial comments, ChargePoint recommends that the Commission direct PacifiCorp to offer a public make-ready program that, like the proposed Fleet Make Ready Program, provides incentives to cover

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[1] CUB Initial Comments at 3.
[2] GEI/Verde Initial Comments at 6.
[3] NWEC Initial Comments at 3.
[4] CUB Initial Comments at 1.

100% of the cost of the make-ready infrastructure, such as electric service panels, conduit, wire, and switchgear, needed to install chargers. To address the concerns of stakeholders that PacifiCorp's TE Plan should do more to support charger deployment in underserved areas, ChargePoint further recommends that site hosts in underserved communities that face the greatest barriers to transportation electrification, such as areas with more low-income Oregonians or residents of multifamily housing, receive additional incentive support that covers 100% of equipment costs for public L2 and DCFC ports. As described in ChargePoint's Initial Comments, Massachusetts recently approved a program through which utilities provide make-ready incentives to all customers and additional incentives up to 100% of charging equipment costs for chargers located in environmental justice communities.[5] The Commission should direct PacifiCorp to develop a similar incentive program to prioritize charger deployment in areas that are truly underserved.

An expanded make-ready/equipment incentive model for public chargers would address a key concern voiced by CUB that "sites near affordable housing may be undesirable to private EVSE owners/operators, who will presumably prioritize locating EVSEs in communities with high EV adoption first."[6] CUB correctly notes that, all else being equal, expected utilization is an important factor in determining the economic viability of charging services at a particular site. However, incentives to lower the upfront cost of deploying chargers in underserved areas can significantly change the economics. A make-ready incentive program for public chargers, in which highest priority areas are eligible for stacked incentives for both make ready infrastructure and equipment, would provide a powerful incentive to local site hosts to prioritize charger deployment in underserved areas because they would unlock lower (or even eliminate) upfront costs for doing so. If the pressure to recoup upfront costs is alleviated by incentives, local site hosts will be significantly more likely to install chargers in areas with fewer EV drivers. Further, a make-ready program offered in place of the Company-owned program is beneficial because it will accelerate charger development without committing ratepayer funds to the cost of station operation in areas the competitive market is able to serve. ChargePoint finds it would be appropriate to allocate additional budget to add equipment incentives to a public make-ready incentive program for truly underserved customers because, as NWEC notes, PacifiCorp's TE Plan budget "barely exceeds their statutory requirements and regulatory obligations." [7]

ChargePoint would also support increasing the existing $3,000 per Level 2 port incentive available to multifamily customers, which is currently capped at 75 percent of total costs, for certain qualifying multifamily customers. For example, the Commission could direct PacifiCorp to provide an uncapped rebate that covers 100% of the cost of installing Level 2 ports at multifamily affordable housing developments. This change would further help ensure that PacifiCorp's TE Plan investments prioritize charger deployment in truly underserved areas consistent with HB 2165.

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[5] ChargePoint Initial Comments at 24.
[6] CUB Initial Comments at 2.
[7] NWEC Initial Comments at 1.

Increased competition, not price regulation, is the most effective way to bring cost-effective charging to EV drivers, including multifamily residents.

ChargePoint appreciates CUB's discussion in its initial comments regarding the importance of ensuring access to cost-effective EV charging for residents of multifamily dwellings[8] – a goal that ChargePoint shares. However, CUB's comments incorrectly assume that the most effective way to ensure that multifamily residents can access affordable charging is through utility-owned chargers because the Commission regulates the prices that PacifiCorp charges at its utility-owned chargers. To the contrary, the most effective way to promote access to affordable EV charging is to stimulate competition through the proliferation of public EV chargers owned and operated by independent site hosts.

CUB states that it "is concerned that multifamily residential customers will be relatively captive clients of the EVSEs located immediately near their residence." [9] However, EV drivers are not captive customers of any particular EV chargers for the simple reason that EVs are mobile. Even EV drivers that live in single-family homes are not captive customers of the utility that serves their home; many EV drivers do most of their charging at their workplace or at another location that offers cost-effective or even free charging. Residents of multifamily dwellings similarly have access to a wide variety of public or semi-public charging options. Accordingly, multifamily residents are not captive customers of any particular EV chargers such that Commission rate regulation of those chargers is necessary or justified.

Further, CUB's concerns about price gouging are entirely speculative. Without conducting an actual survey, it seems just as likely that some landlords will offer free or discounted charging to attract tenants. Moreover, a landlord seeking to recover the costs it incurs to offer EV charging to its tenants should not be seen to be gouging tenants if the price it charges its tenants to charge is higher than residential utility rates. A single-family homeowner that installs a Level 2 charger in their garage also pays more than residential utility rates to charge their vehicle at home because they also pay for the cost of purchasing and installing a Level 2 charger. Similarly, a multifamily landlord will incur equipment and installation costs to install a Level 2 charger and may seek to recover these costs through a volumetric charging price to tenants. A landlord must pay for electricity at commercial utility rates, which are typically higher than residential rates. In short, it is unreasonable to expect that the volumetric price to charge at a multifamily residence will be "something close" to residential retail rates.

While CUB believes that utility-owned and regulated chargers are the answer to potential price gouging, the simpler solution is to encourage competition. As noted previously, site hosts are incentivized to maximize charger utilization to recover the costs of operating a station. When EV drivers have multiple options for where to charge, landlords and other site hosts are incentivized to set competitive prices that are commensurate with the market rate because otherwise, drivers will be encouraged to use other chargers. ChargePoint's recommendation that PacifiCorp reallocate the funds appropriated for the Public Utility-Owned Infrastructure pilot to a make-ready pilot program would encourage widespread deployment of public EV chargers, which will stimulate competition on price (as well as other factors) and provide EV drivers with more choices consistent with ORS Section 757.357(6)(f). Providing higher

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[8] CUB Initial Comments at 2.
[9] *Id*.

incentives to affordable multifamily housing site hosts for Level 2 ports as ChargePoint suggests above would also support additional charger deployments at affordable housing developments.

Reloadable payment cards may be a more targeted solution to ensure affordability and accessibility for low-income customers than alternative pricing at utility-owned stations.

Several stakeholders express concern regarding affordability and accessibility of EV charging services. For example, GEI/Verde support alternative pricing for low-income customers at utility-owned stations.[10] However, ChargePoint is concerned that PacifiCorp's ability to set below-market pricing at utility-owned stations would set unrealistically low pricing expectations for low-income drivers that undercuts competition and decreases the likelihood that non-utilities will invest in chargers in low-income areas. All EV drivers, including low-income EV drivers, would be harmed if PacifiCorp's Public Utility-Owned Infrastructure Pilot Program discourages competitive market players from deploying public chargers in PacifiCorp's service territory.

A better way for PacifiCorp to support affordable charging access for low-income EV drivers is to offer reloadable charging cards with a monthly credit to income-eligible EV drivers for use at public chargers. This approach would have several advantages over alternative pricing at Company-owned stations:

1. Reloadable payment cards would be an easy-to-implement, targeted solution to ensure low-income drivers have access to low-cost EV charging services, while avoiding the market distortions that occur when utilities charge below-market prices for charging.
2. Reloadable payment cards could be used to help drivers pay for charging services at all public charging stations, not just at utility-owned stations, providing more value to the driver.
3. Reloadable payment cards could be contactless-enabled to increase the accessibility of tap-to-pay technology for customers, addressing any potential payment accessibility concerns.

In other words, special pricing at utility-owned stations is not the only way or best way to ensure low-income drivers can afford charging.

A revision of Schedule 60 should be cost-based.

ChargePoint appreciates Staff's questions regarding the marginal cost to operate the Company's five existing charging locations under Schedule 60.[11] ChargePoint agrees that a revision of Schedule 60 is needed.

When a site host offers charging services, it must pay for electricity under a commercial rate. Site hosts also typically incur other upfront and ongoing costs to operate a station, such as maintenance and network operation fees. A PacifiCorp customer offering Level 2 charging and taking service under a small general service rate, for example, would pay more per-kWh for electricity alone than what PacifiCorp offers directly to EV drivers under Schedule 60. Accordingly, any site host that needs to recover its costs through driver fees would need to charge prices significantly higher than the Level 2 prices in Schedule 60. In other words, the pricing structure for Schedule 60 is not cost-based and allows PacifiCorp to utilize

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[10] GEI/Verde Initial Comments at 6.
[11] Staff Initial Comments at 12.

its monopoly power to offer charging services to EV drivers at prices far below what is possible for competitors. A cost-based rate should account for all incurred expenses associated with the operation of EV chargers, which is more consistent with how competitive EV charging providers tend to establish their prices for charging. We look forward to reviewing a fresh proposal for Schedule 60 from PacifiCorp.

Respectfully submitted,

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