

# **Oregon Citizens' Utility Board**

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Public Utility Commission Attn: Filing Center P.O. Box 1088 Salem, OR 97308-1088

RE: UM 2056 – CUB Comments in response to Staff's Report on PacifiCorp's 2023 – 2025 Transportation Electrification Plan

#### Introduction

The Oregon Citizens' Utility Board (CUB) appreciates the opportunity to comment on the Oregon Public Utility Commission Staff's (Staff) Report on PacifiCorp's (PAC or the Company) 2023 – 2025 Transportation Electrification Plan (Plan). CUB appreciates Staff's analysis of the Plan and generally supports their conclusions. On April 7, 2023, CUB submitted comments on PacifiCorp's Draft Plan and believes the Company adapted the Plan sensibly in response. While further development of PAC's approach to transportation electrification (TE) is needed to address our broader concerns, CUB is hopeful this will occur in the iterative TE planning process. Overall, we support Staff's recommendation that the Commission accept PacifiCorp's Plan.

In these comments, CUB identifies important areas of agreement with Staff. We also revisit the major points in CUB's previous comments and assess the Company's responses. Throughout, we provide substantive recommendations for improving PAC's future TE Planning and investment and the Oregon TE planning process writ large.

CUB's comments are organized as follows:

- I. CUB's Response to Staff Report
  - a. Schedule 60
  - b. Public Utility-Owned Infrastructure Pilot Program
- II. CUB's Response to PacifiCorp's TE Plan Adaptations and Recommendations Looking Forward
  - a. Underserved Community Mapping, Siting and Performance Metrics
  - b. Targeting Underserved Communities: DCFC versus L2 Charging
- III. The Public Utility Owned Infrastructure Pilot Program and Charging Near Multifamily Dwellings

### I. CUB's Response to Staff Report

### a. Schedule 60

CUB appreciates Staff's analysis of the Company's Schedule 60 rate for EV charging infrastructure, particularly the insights Staff shared from collaborating with the Rocky Mountain Institute (RMI). CUB shares Staff's concerns about the financial sustainability of Schedule 60 rates, but also recognizes that present charging services, regardless of the provider, are generally not profitable. To develop the Oregon TE sector will require a portfolio approach, which may include less cost-effective services such as providing TE access to underserved communities.

CUB agrees with Staff that the Company could potentially increase cost recovery by adjusting rates for typical EV customers, who tend to be wealthier right now, and target affordable pricing to low-income customers, but that this topic is best suited for a future rate case. CUB appreciated the following statement:

"Staff is supportive of developing a low-income charging rate that can meet the policy goal to provide affordable electric fuel prices to low-income EV operators while allowing more of the charging service cost to be borne by most EV-fueling customers."

This stance aligns with CUB's comments throughout this proceeding, which generally encourage the Company to target the needs of historically underserved customers with greater precision.

### b. Public Utility-Owned Infrastructure Pilot Program

CUB agrees with Staff's conclusion that ChargePoint presented insufficient evidence to show that the Company's modest share of the TE market could appreciably undercut the market. Much of ChargePoint's case relied on arguments that were not tailored to the circumstances of PacifiCorp's Public Utility-Owned Pilot Program.<sup>1</sup>

It is important to note that the Public Utility-Owned Infrastructure Pilot Program is primarily geared toward providing services for historically underserved communities, such as residents of multi-family housing who are renters and have low-incomes. This segment of the market is least attractive to private investors, a point CUB made previously<sup>2</sup> and ChargePoint agreed was correct<sup>3</sup>. It is unlikely then that lower rates at these locations will undercut markets in areas with higher EV adoption that are more attractive to private investors.

CUB discusses the Public Utility-Owned Pilot Program in greater detail in the "Public Utility-Owned Infrastructure Pilot Program and Charging Near Multifamily Dwellings" section of this document and generally supports more holistic comparisons of different electric vehicle supply equipment (EVSE) ownership models, as opposed to debates which focus exclusively on the impacts to market competition.

<sup>&</sup>lt;sup>1</sup> UM 2056 - ChargePoint's Supplemental Comments and Appendix F. Filed on May 24, 2023.

<sup>&</sup>lt;sup>2</sup> UM 2056 – CUB Comments on PAC's Draft TE Plan. Filed April 7, 2023.

<sup>&</sup>lt;sup>3</sup> UM 2056 - ChargePoint's Supplemental Comments and Appendix F. Filed on May 24, 2023.

# II. CUB's Response to PacifiCorp's TE Plan Adaptations and Recommendations Looking Forward

### a. Underserved Community Mapping, Siting and Performance Metrics

CUB appreciates the changes PAC made to their underserved community weighting and mapping process after conversations with stakeholders, including CUB, to target TE services more precisely to the highest priority underserved communities. CUB and stakeholders felt this was necessary given the very broad definition of underserved communities described in Section 2 of HB 2165.<sup>4</sup> From the Draft plan to the Plan, the Company doubled the weights of their low-income and multifamily factors. While the resulting mapping changes were subtle, only a few small portions of their territory changed to the highest priority, CUB believes this effort is a step in the right direction in terms of targeting historically underserved communities deliberately and effectively.

Another related change the Company made in response to CUB's feedback was to agree to target the siting of Level 2 (L2) chargers in their Public Utility-Owned Infrastructure Pilot Program near multi-family residences. CUB believes this is a crucial component of siting TE infrastructure to serve underserved communities with precision. An underserved census block or tract is still a large area, and ultimately choosing a location within that area that is accessible to the highest priority underserved communities is significant, particularly for slow charging at home or at work.

When reviewing updated maps, it is clear that a significant portion of PAC's service territory falls into the dark purple section, categorized as communities that are both highly underserved and have high EVSE needs (i.e. highest priority). CUB is interested in how the Company can further prioritize multi-family, renters, low-income communities, and communities of color within these dark purple areas.

CUB encourages PAC to seek out other ways to help inform its mapping and how the Company can transition the mapping activity into siting conversations. CUB appreciates the Company's willingness to integrate elements of Seattle City Light's siting process into their own, to fill the gap between mapping and siting.<sup>6</sup> Further, CUB discovered an additional resource that could aid the Company in producing more targeted EVSE siting maps.

The Justice 40 Initiative was created to bring resources to communities most impacted by climate change, pollution, and environmental hazards. While it is specifically linked to federal TE

https://olis.oregonlegislature.gov/liz/2021R1/Downloads/MeasureDocument/HB2165/Enrolled

<sup>&</sup>lt;sup>4</sup> House Bill 2165, 2021.

<sup>&</sup>lt;sup>5</sup> PacifiCorp's Revised Final 2023 Oregon Transportation Electrification Plan. Filed May 22, 2023. Appendix E: Stakeholder Feedback and Comments Received. Page 93.

<sup>&</sup>lt;sup>6</sup> PacifiCorp's Revised Final 2023 Oregon Transportation Electrification Plan. Filed May 22, 2023. Appendix E: Stakeholder Feedback and Comments Received. Page 93.

<sup>&</sup>lt;sup>7</sup> U.S. Department of Transportation. "Justice40 at USDOT: An Initiative to Strengthen Communities Through Equitable Transportation Investments. May 16, 2023.

projects, the data collected, and work being done within this reporting and mapping practices could help inform PAC on how to prioritize locations within the highest priority, dark purple areas and better address gaps in transportation infrastructure while ensuring their efforts and initiatives are flowing to disadvantaged communities. CUB is interested in how PAC expects 50% or more of the benefits of its investments to flow back to disadvantaged communities.

For instance, the Justice40 tool, the U.S. Department of Transportation's Equitable Transportation Community Explorer<sup>8</sup> contains mapping layers that delineate areas that are highly transportation-burdened. This tool could help inform areas that both require and deserve priority TE investments.

CUB also encourages PAC to narrow the current mapping areas through direct community connections. As we mentioned in our Draft Plan comments, we hope the Company will focus on creating stronger community connections with Community Based Organizations (CBOs) and community members that serve and are a part of disadvantaged communities, low-income communities, and communities of color. CUB would like to see the Company use these connections to help with siting chargers in historically underserved areas. CUB believes that this will substantially help ensure that chargers are located specifically at sites that community members find most valuable and will be highly utilized.

Again, this highlights the importance of increased engagement and outreach to community members and groups in the high priority areas that PAC identified and for the Company to move beyond their efforts with their regional business members to connect more directly within these sectors of their service territory with groups like CBOs, local governments, potential site hosts, and where it makes sense, community representatives. CUB believes that establishing these relationships will help with continued TE planning as the market grows but can also help the Company in other proceedings related to low-income protections and work.

Finally, that PAC considered 94% of their service territory underserved is problematic from a performance measurement standpoint. When almost all of PAC's service territory is considered underserved, placement of TE infrastructure in this too-inclusive area does not reflect adequately targeting the highest priority, most disadvantaged communities. While this method does technically meet Staff's "equity of program offerings to meet underserved communities" performance metric, 10 CUB believes that PAC should focus more on ensuring that the locations sited are providing direct benefits and services to underserved communities. CUB would like to ensure that infrastructure placement and utilization is benefiting vulnerable populations that often are not considered in TE investments. CUB looks forward to seeing evidence of this in the Company's TE Report. 11

CUB looks forward to seeing PAC continue to work on building out community connections and engagement to not only inform siting and placement, but also to help understand if communities

<sup>&</sup>lt;sup>8</sup> USDOT Equitable Transportation Community (ETC) Explorer.

https://experience.arcgis.com/experience/0920984aa80a4362b8778d779b090723/page/ETC-Explorer---Homepage/

<sup>&</sup>lt;sup>9</sup> UM 2056 – CUB Comments on PAC's Draft TE Plan. Filed April 7, 2023.

<sup>&</sup>lt;sup>10</sup> UM 2056 – Staff Report for the July 11 Public Meeting. May 31, 2023. Page 11.

<sup>&</sup>lt;sup>11</sup> PacifiCorp's Revised Final 2023 Oregon Transportation Electrification Plan. Filed May 22, 2023. Page 52.

are seeing direct benefits from TE programs and investments. CUB would appreciate if PAC would utilize the reporting process to analyze which communities may not be utilizing the infrastructure and where the Company may need more contact points or to conduct further education.

## b. Targeting Underserved Communities: DCFC versus L2 Charging

Dating back to TE proceedings in 2017, CUB identified a disconnect between the outsized focus on direct current fast charging (DCFC) in utility TE planning and EV user-data indicating that athome slow charging is much more significant to EV owners. <sup>12</sup> In the Company's 2023 Public Utility-Owned Infrastructure Pilot Program, a large focus on DCFCs remains despite current EV user-data showing that 80% of charging occurs at home. <sup>13</sup>

CUB appreciates the Green Energy Institute's (GEI) investigation of the Company's justification for building DCFCs, as opposed to L2 chargers, to serve historically underserved populations. <sup>14</sup> CUB agrees with GEI's conclusion: it remains unclear that the relative investments in DCFCs and L2 chargers in the Public Utility-Owned Infrastructure Pilot Program are justified.

If a central goal of the Public Utility-Owned Infrastructure Pilot Program is to enable EV adoption for historically underserved communities identified in HB 2165, then we need to first understand the barriers to EV adoption of underserved communities. In this iteration of the Company's TE Plan, the process was reversed: first goals to build certain quantities of DCFCs and L2 ports were established, then communities and sites for them were sought (or are still being sought). HB 2165 specifically directs electric companies to support the *use* of electric vehicles and these barriers can only begin to be understood by meaningful engagement with those communities and potential future EV users.

To improve the TE planning process, CUB recommends the Commission direct the utilities to conduct robust outreach and stakeholder-verified analysis to understand the charging needs of their territories first, to justify what infrastructure is needed (DCFC or L2 chargers) and generally where (near housing, workplaces, transportation corridors, etc.), before selecting infrastructure to build. CUB believes this order of operations will be especially effective as historically underserved communities enter the EV market in greater numbers, granting utilities better opportunities to engage with them and respond accordingly to their charging needs.

# III. The Public Utility Owned Infrastructure Pilot Program and Charging Near Multifamily Dwellings

In our Draft Plan comments, CUB offered an open-minded stance toward different EVSE ownership models. CUB argued that there are distinctly different services within the TE sector and that the best approach was to match unique services, or use-cases, with the appropriate EVSE ownership model based on the best available information. CUB recognized that the TE sector is rapidly developing and sought plans that offered adaptiveness in the coming years as

<sup>&</sup>lt;sup>12</sup> UM 1811 – Reply Testimony of the Oregon Citizens' Utility Board. Submitted April 24th 2017.

<sup>13</sup> https://www.nrel.gov/docs/fy21osti/78540.pdf

<sup>&</sup>lt;sup>14</sup> See GEI's UM 2056 Comments submitted June 16, 2023

information on the charging needs of customers, market rates for EV charging services, and the relative advantages/ disadvantages of various publicly funded charging programs surfaced. CUB advocated for the utility-ownership model for serving multifamily dwelling residents, particularly residents with low-incomes.

CUB's position is unchanged, and through the course of this proceeding CUB grew more confident that the utility-ownership model, or a comparable model that retains Commission oversight, is best-suited to provision Oregonians living in multifamily housing.

Residents of multifamily housing, particularly renters, present a unique set of circumstances. Often it is impossible or financially imprudent (renters would lose the behind-the-charger investment when they leave) for them to install an L2 charger at their residence. They are reliant on the site owner to install the charger for them. As such, they cannot unlock the advantages of at-home charging. This presents a substantial inequity between single-family homeowners and multifamily dwelling residents and renters.

At-home slow charging has two significant advantages: low cost and convenience. <sup>15</sup> Substantial rebates, such as those offered in the Plan, are available for homeowners to own and install an L2 charger, offsetting the initial expense of the charger itself. Once installed, an at-home L2 charger grants direct access to the residential electricity rate for EV charging, including discounted time-of-use residential rates. At home charging in Oregon is usually the cheapest possible option. <sup>16</sup>

Additionally, access to an at-home L2 charger unlocks the convenience of consistently and reliably charging an EV at home (notably overnight when time-of-use rates are low). While alternatives to at-home charging exist (such as DCFC stations or slow charging at work), they are *additional* options for people who have at-home charging. It is not clear that these alternatives could *replace* at-home charging, particularly at a cost and convenience that is comparable to what single-family homeowners get.

Currently EV users rely heavily on at-home charging. The U.S. Department of Energy found that 80% of EV charging occurs at home because it is the most convenient and low-cost option. <sup>17</sup> The data is clear: at-home charging is very important to EV owners. While habits could gradually shift in the future, this is far from certain.

Given the importance of at-home charging, the unique barriers multifamily dwelling residents face to getting it, and HB 2165's directive to support transportation electrification for multifamily dwelling residents, renters, and low-income communities, CUB considers residents of multifamily dwellings, particularly low-income renters, an important priority for publicly funded TE development.

The Public Utility-Owned Infrastructure Pilot Program is well-suited to address this TE use-case. Critically, it retains Commission oversight of charging rates. This enables the Commission to balance parity between charging rates experienced by single-family homeowners and

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<sup>15</sup> https://www.nrel.gov/docs/fy21osti/78540.pdf

<sup>&</sup>lt;sup>16</sup> Oregon.gov "EV Charging Overview" <a href="https://evrebate.oregon.gov/ev-charging-overview">https://evrebate.oregon.gov/ev-charging-overview</a>

<sup>17</sup> https://www.nrel.gov/docs/fy21osti/78540.pdf

multifamily dwelling residents with cost recovery as the TE sector evolves. This is a complex balancing act that CUB believes the Oregon utility regulatory apparatus is uniquely qualified to do, at least for the time-being. The regulatory system also provides a simple means to provide qualifying customers with a low-income charging rate; PacifiCorp has agreed to do this.<sup>18</sup>

CUB is unsure if alternative EVSE ownership models, such as a make-ready program, could retain Commission oversight of charging rates for publicly funded investments in TE. CUB is wary of relinquishing charging rate oversight in a use-case like L2 charging near multifamily dwellings, where it may be necessary to equitably serve ratepayers. Beyond providing equity between single-family homeowners and multi-family residents, CUB is concerned that multi-family residents are semi-captive clients of the infrastructure located near their residence. As CUB discussed in our Draft Plan comments, EV drivers are strongly incented to charge near home given the superior convenience of this location. If no nearby alternatives exist for charging near a multi-family residence, the residents may be constrained to pay the charging rate of the unregulated EVSE near their residence regardless of its reasonableness.

### Conclusion

CUB appreciates the considerable efforts PacifiCorp made to produce its 2023 - 2025 Transportation Electrification Plan and meaningfully engage with CUB in the process. We generally support Staff's Report and acceptance of the Plan, but encourage the Company to consider these CUB comments to ensure that program offerings are equitable and accessible for all the Company's service territory. We hope consideration of these suggestions will allow the Company to improve the execution of their Plan. We look forward to continuing to work with the Company, TE advocates, and Staff to address questions, concerns, and opportunities available to strengthen the Company's TE programming.

Respectfully submitted,

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<sup>&</sup>lt;sup>18</sup> UM 2056 - Staff Report for the July 11, 2023 Public Meeting. Filed May 31, 2023. Page 5.