



AR 654 Hearing

Staff Guidance for Transportation Electrification Division 87 Rules Implementation

August 9, 2022



Agenda

- Docket schedule and next steps
- Function of Staff Guidance Document
- Context – TE Investment Framework and Rules
- Overview of Staff Guidance with discussion for each section:
 - 1. TEINA as Commission-approved tool to estimate infrastructure need for budget “guardrail”
 - 2. Metrics for portfolio performance areas
 - 3. Benefic/cost analysis
 - 4. Definitions of “underserved communities”
 - 5. Equity considerations for outreach and investments
 - 6. Coordinating updates to forecasts
 - 7. Utility fleet electrification
 - 8. Clean Fuels Program design principle and review process
- Final discussion and next steps

Staff Guidance Document Draft – UM 2165

<https://edocs.puc.state.or.us/efdocs/HAH/um2165hah1718.pdf>

Commission Order No. 22-158, May 10, 2022 directing formal Division 87 rulemaking

<https://apps.puc.state.or.us/orders/2022ords/22-158.pdf>

Draft Division 87 Rules

Stakeholder Comments and Staff response
<https://edocs.puc.state.or.us/efdocs/HAC/ar654hac17143.pdf>

TE Investment Framework – UM 2165

Staff Memo and Commission Order No. 21-484, Dec. 27, 2021:
<https://apps.puc.state.or.us/orders/2021ords/21-484.pdf>

Public Process and Schedule

Docket Activities	
UM 2165 Public Workshops <ul style="list-style-type: none"> Included Staff Guidance on HB 2165 monthly meter charge budget 	May – October 2021
AR 654 Public workshops <ul style="list-style-type: none"> AR 654 kickoff TE portfolio budgets and use of TE Infrastructure Needs Analysis (TEINA) methodology to establish maximum budget for public charging infrastructure Review of Staff’s second rule revision 	February – April 2022
Two comment periods on Staff’s rule revisions	March - April
Staff Memo and final draft rules published	April 28
Commission consideration of draft rules and request to open formal rulemaking	May 5 PM
Formal rulemaking period	May - August
UM 2165 Stakeholder workshop on Staff Guidance	July 6
Written comments due	July 19
Draft Staff Guidance published	August 2
Hearing for discussion of Guidance	August 9
Deadline for written comments on draft rules	August 12
Commission consideration of rules and Staff Guidance	August 23 PM
Draft TE Plan filings by utilities for 2022-25	Q4 2022



Function of Staff Guidance Document

- Support utility implementation of revised Division 87 TE Planning rules
- Clarify references and reflect stakeholder feedback from proceedings
- Serve as nimble reference to be updated annually or as needed

Context: TE Investment Framework in Draft Rules

Infrastructure Budget “Guardrail”

- Section 20 (3)(a)(F)
- Requires use of Commission-approved tool to forecast maximum public charging infrastructure need
- General reference with Staff Guidance document to specify ODOT’s TEINA methodology as current best practice

Portfolio Performance Areas

- Section 20 (3)(c) requires discussion of how investments advance:
 - Environmental benefits
 - EV adoption
 - Underserved community engagement and inclusion
 - Equity of program offerings
 - Distribution system impacts and benefits
 - Program participation, adoption
 - Infrastructure performance, including charging adequacy, affordability and accessibility

Benefit/Cost Analysis

- Section 20 (3)(g)(A)
- Requires standard “cost tests” to review relative cost-effectiveness of programs
- Requires estimated ratepayer impact of TE portfolio
- Both forecast and actual, through Annual Reports

Draft Division 87 Rules

Informed by Stakeholder feedback: Comments and Staff response
<https://edocs.puc.state.or.us/efdocs/HAC/ar654hac17143.pdf>

Adopted by Commission: Order No. 22-158, May 10, 2022
<https://apps.puc.state.or.us/orders/2022ords/22-158.pdf>

TE Investment Framework

Staff Memo and Commission Order No. 21-484, Dec. 27, 2021:
<https://apps.puc.state.or.us/orders/2021ords/21-484.pdf>

1 - Commission-approved Tool for Infrastructure “Guardrail”

- ODOT’s *Transportation Electrification Infrastructure Needs Analysis* (TEINA) minimum standard for method of estimation for public charging
 - Rigor
 - Granularity
- May be improved
- Based on an updated EV adoption forecast in utility service territory

Draft Rules: Section 20
(3)(a)(F)

Staff Guidance Document:

Oregon Department of Transportation, *Transportation Electrification Needs Analysis*, June 28, 2021

https://www.oregon.gov/odot/Programs/Documents/Climate%20Office/TEINA_Final_Report_June282021.pdf

2 - Metrics for Portfolio Performance Areas

- Utilities and Joint Parties developed metrics for each performance area below:
 - Environmental benefits including greenhouse gas emissions impacts
 - Electric vehicle adoption
 - Underserved community inclusion and engagement
 - Equity of program offerings to meet underserved communities
 - Distribution system impacts and grid integration benefits
 - Program participation and adoption
 - Infrastructure performance including charging adequacy which considers, but is not limited to reliability, affordability, and accessibility
- Three kinds of metrics: tracking, baseline, and performance
- Twelve metrics, four performance metrics

Draft Rules: Section 20
(3)(a)(F)

Staff Guidance Document:

Joint Parties comments, AR 654, April 20, 2022:

[2022-04-20 Joint Comments AR 654 April Draft Rule Language \(state.or.us\)](#)

2 – Proposed Staff Additions to Metrics

- Environmental benefits including greenhouse gas emissions impacts
 - SO_x
- Electric vehicle adoption
 - EV adoption impact description
- Underserved community inclusion and engagement
 - See pg. 8 Guidance for ‘Definitions of Underserved Communities’
- Equity of program offerings to meet underserved communities
 - See pg. 9 Guidance for ‘Equity of Outreach and Investments’

3- Benefit/Cost Analysis

- Staff would like to see Societal Cost Test (SCT) and other standard “cost tests” including Utility Cost Test and Total Resource Cost
- Performed at program and infrastructure measure level, and portfolio level
- Also included in both TE Plan and Report: Estimated rate impact over time by customer class
- Performed at portfolio level

Draft Rules: Section 20
(3)(a)(F)

Staff Guidance Document:

4 - Underserved Communities - Definitions

- Residents of rental or multifamily housing
- Communities of color
- Communities experiencing lower incomes
- Tribal communities
- Rural communities
- Frontier communities
- Coastal communities
- Other communities adversely harmed by environmental and health hazards

Draft Rules: Section 10(5)

Staff Guidance Document:

Staff Guidance, HB 2165 Implementation, November 24, 2021,
<https://edocs.puc.state.or.us/efdocs/HAU/um2165hau1331.pdf>

4- Underserved Communities - Geographic Definition

- Interim guidance pending State method developed under HB 4077, Environmental Justice Council
- EPA EJScreen - combines demographic and income factors, <https://www.epa.gov/ejscreen>
- TEINA's "disadvantaged communities"
- Utilities free to customize
- Consult with the communities being defined

Draft Rules: Section 10(5)

Staff Guidance Document: pg. 8

Portfolio Performance Area: 5 – Underserved Community Outreach and Engagement

- Direct consultation with relevant communities to self-identify priorities
- Joint Party AR 654 comments on underserved community engagement. "Outreach, capacity building to and participation of underserved communities, low-income service providers, community-based and community service organizations, non-profit organizations, small businesses (particularly minority and women owned businesses), and tribes in the development and implementation of a utility TE portfolio
- POEM and Greenlining Institute best practices

Draft Rules: Section 20 (3)(c) (A-G)

Staff Guidance Document: pg. 9

Staff Memo TE Investment Framework and Commission Order No. 21-484, Dec. 27, 2021:
<https://apps.puc.state.or.us/orders/2021ords/21-484.pdf>

Joint Party comments on equity metrics AR 654, April 20, 2022: <https://edocs.puc.state.or.us/efdocs/HAC/ar654hac14466.pdf>

Staff Guidance, HB 2165 Implementation, Nov. 24, 2021: <https://edocs.puc.state.or.us/efdocs/HAU/um2165hau1331.pdf>

Portfolio Performance Area:

5 - Equity of Program Offerings

- HB 2165 monthly meter charge budget minimum standard
- TE Plans should support increased access and adoption by historically underserved communities
- Possible benchmark: Infrastructure buildout as a percentage of needs analysis, by census tract
- Additionally: Joint Party AR 654 comments on equity metrics

Draft Rules: Section 20 (3)(c) (A-G)

Staff Guidance Document: pg. 9

Staff Guidance, HB 2165 Implementation, Nov. 24, 2021: <https://edocs.puc.state.or.us/efdocs/HAU/um2165hau1331.pdf>

Staff Memo TE Investment Framework and Commission Order No. 21-484, Dec. 27, 2021: <https://apps.puc.state.or.us/orders/2021ords/21-484.pdf>

Joint Party comments on equity metrics AR 654, April 20, 2022: <https://edocs.puc.state.or.us/efdocs/HAC/ar654hac14466.pdf>

Portfolio Performance Area: 5 - Equity of Program Offerings

Joint Party AR 654 comments

- Percent of utility-owned and supported EVSE by use case located within and/or providing direct benefits and services to underserved communities
- Average reduction in a low-income customers' transportation energy burden due to participation in a utility program
- Transit agencies' annual service hours, number of routes, and number of routes serving underserved communities that the utility helps electrify
- Types of electric transportation technology supported by a utility portfolio as a percent of total investments i.e. micro-mobility, transit, etc.

6 – Coordinating forecasts for EV adoption, load, and power flow analysis

- Ensuring updates to EV adoption and load forecasts on “off years” for DSP
- Coordinating Distribution system impacts and benefits, through DSP power flow analysis

Staff Guidance Document:

7 - Electric Company Fleet Electrification

- Cost premium over the internal combustion engine alternative
- Not required for inclusion in TE Budget
- Utilities can choose
 - In TE Budget – weighed by TE policy considerations
 - Outside TE Budget – weighed by traditional prudence standard

Staff Guidance Document:

Clean Fuels Program Coordination

Amend Order No. 18-376

- Remove the fourth principle: “Programs are designed to be independent from ratepayer support”
- Keep five of the six program design principles:
 - Support the goal of electrifying Oregon’s transportation sector
 - Provide majority of benefits to residential customers
 - Provide benefits to traditionally underserved communities
 - Programs are developed collaboratively and transparently
 - Maximize use of funds for implementation of programs
- Remove the separate review process to integrate with TE Plan review
 - Better context for stakeholder engagement
 - Approval of ratepayer expenditures contingent on how utilities maximize external funding

Draft Rules:

Staff Guidance Document:

Commission Order No. 18-376, October 1, 2018

<https://apps.puc.state.or.us/orders/2018ords/18-376.pdf>

Next Steps

AR 654 Schedule

- Take comments at today's hearing
- Public Meeting for adoption of Rules and Guidance - August 23



Final Questions and Discussion

Thank you for your engagement!