

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: February 21, 2023**

REGULAR **CONSENT** **EFFECTIVE DATE** March 1, 2023

DATE: February 8, 2023

TO: Public Utility Commission

FROM: Curtis Dlouhy

THROUGH: Bryan Conway, Caroline Moore, and Scott Gibbens **SIGNED**

SUBJECT: PACIFIC POWER:
(Docket No. ADV 1480/Advice No. 23-001)
Update of Schedule 60 – The Company’s Operated Electric Vehicle
Charging Station Service.

STAFF RECOMMENDATION:

Approve Pacific Power’s (PacifiCorp, PAC, or Company) Advice No. 23-001, which updates Schedule 60 to convert the current electric vehicle (EV) charging rate from per-minute rate to per-kWh rate and implements a per-minute idle fee.

DISCUSSION:

Issue

Whether the Oregon Public Utility Commission (OPUC or Commission) should approve PacifiCorp’s Advice No. 23-001, which updates Schedule 60 to convert the current EV charging rate from per-minute rate to per-kWh rate and implements a per-minute idle fee.

Applicable Law

ORS 757.205 requires public utilities to file schedules showing all rates, tolls, and charges for service that have been established and are in force at the time.

ORS 757.210 (1)(a) states a utility must show that a proposed rate or schedule of rates is fair, just, and reasonable. The Commission may authorize a rate or schedule of rates only if it is deemed to be fair, just, and reasonable.

ORS 757.220 and OAR 860-022-0015 state that energy utilities must provide the Commission with at least 30 days' notice prior to the effective date for any change in rates, tolls, charges, rules, or regulations.

OAR 860-022-0005 defines the required formatting all large energy utilities must use when making tariff submissions to the Commission.

OAR 860-022-0025 illustrates energy utility requirements for filing tariffs or changes to rate schedules.

Analysis

Background

Schedule 60, which was approved in 2019, is the Company's tariff used to set the rate at Company-owned EV charging stations. On January 13, 2023, the Company filed Advice No. 23-001 requesting to update Schedule 60 to change its rate from a per-minute rate to a per-kWh rate and to implement an idle fee. Schedule 60 was initially implemented by Advice No. 18-005 and incorporated time-varying prices to reflect on- and off-peak charging prices for both Level 2 and DC Fast Charging stations in terms of dollars per minute. The on- and off-peak charging periods match the periods for residential and small non-residential customers who are on time-of-use rate schedules.

The Company proposes to change the billing structure to a per kWh rate to align with other DC Fast Charging systems present in Oregon. The proposed idle fee is meant to encourage customers to move their vehicles quickly after the completion of a recharging event so that chargers may be made available for other customers in a timely fashion. The Company provides workpapers demonstrating that the move to a per-kWh rate from a per-minute rate is meant to be revenue neutral based on 2021 usage but for the idle fee.

If approved, the Company's proposed idle fee would begin charging customers 10 cents per minute for each minute the customer remains at a charger after a 10-minute grace period. For example, a customer that sits idle for eight minutes would incur no charge through the idle fee while a customer that sits idle for 12 minutes would incur an additional 20 cent charge.

The revenue from Schedule 60 would be tracked in the Company's deferral related to its Transportation Electrification (TE) balancing account, UM 1964.

Analysis

Staff verified that the Company's conversion of the charging rate from per-minute to per-kWh is indeed intended to be revenue neutral to the Company based on 2021 usage. Based on conversations that the Company has had in stakeholder workshops regarding its TE plan, the Company has done sufficient outreach to alert stakeholders about the impending change to the charging rate. The meeting minutes from the most recent workshop seem to indicate support for the change, and it appears to make the rates better conform to Oregon charging station norms. However, the Company did not appear to alert stakeholders about an impending idle charge based on the meeting minutes from the last TE workshop.

Despite the lack of notice about an impending idle charge in advance of this advice filing, Staff supports the incentives created by the idle charge. Whereas the previous per-minute rate would incentivize customers to leave a charging station as soon as a charge was completed by continuing to charge customers for a fully charged EV, a per-kWh rate no longer retains this incentive absent some sort of an idle charge. At this time, Staff finds no issue with a 10-minute grace period or a 10-cent per minute charge outside of the grace period. However, Staff remains open to the idea that a more optimal grace period and idle charge combination could be found as EV infrastructure expands. Staff reached out to stakeholders that consistently participate in Commission TE proceedings to alert them of the tariff change.

The revenues from Schedule 60 are tracked in the UM 1964 deferral, which also includes costs associated with the Company's TE program. From PacifiCorp's rate case in UE 399, Staff observed Schedule 60 appears to sell charging services to EV operators below marginal cost. In general, cross-subsidization in the TE program is something that Staff intends to investigate further in our review of Pacific Power's Transportation Electrification Plan in UM 2056 and is not a factor in Staff's recommendation in ADV 1480.

Staff has reviewed the tariff language and found no errors or items that were not reflected in the body of the Company's filing.

The Company has reviewed this memo and had no edits.

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Conclusion

Based on Staff's analysis, Staff finds that the change to a per-kWh charging rate and implementation of an idle fee in Schedule 60 is in the public interest.

PROPOSED COMMISSION MOTION:

Approve PacifiCorp's Advice No. 23-001, which updates Schedule 60 to convert the current EV charging rate from per-minute rate to per-kWh rate and implements a per-minute idle fee.

PAC ADV 1480/Advice No. 23-001