ORDER NO. 22-314

ENTERED Aug 26 2022

BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

UM 2165

In the Matter of PUBLIC UTILITY COMMISSION OF OREGON, Investigation of Transportation Electrification Investment Framework.	ORDER

DISPOSITION: STAFF'S RECOMMENDATION ADOPTED

At its public meeting on August 23, 2022, the Public Utility Commission of Oregon adopted Staff's recommendation in this matter. The Staff Report with the recommendation is attached as Appendix A.

BY THE COMMISSION:

Nolan Moser
Chief Administrative Law Judge

A party may request rehearing or reconsideration of this order under ORS 756.561. A request for rehearing or reconsideration must be filed with the Commission within 60 days of the date of service of this order. The request must comply with the requirements in OAR 860-001-0720. A copy of the request must also be served on each party to the proceedings as provided in OAR 860-001-0180(2). A party may appeal this order by filing a petition for review with the Circuit Court for Marion County in compliance with ORS 183.484.

ITEM NO. RA2

PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: August 23, 2022

REGULAR __X__ **CONSENT** ____ **EFFECTIVE DATE** **August 24, 2022**

DATE: August 15, 2022

TO: Oregon Public Utility Commission

FROM: Eric Shierman and Sarah Hall

THROUGH: Bryan Conway and JP Batmale **SIGNED**

SUBJECT: OREGON PUBLIC UTILITY COMMISSION STAFF:
(Docket No. UM 2165)
Staff Guidance for implementation of Division 87 transportation electrification planning rules, and modification of Order No. 18-376.

STAFF RECOMMENDATION:

The Public Utility Commission of Oregon (Commission or PUC) should adopt Staff's recommendation to adopt Staff's Guidance Document containing guidance on implementing the new Division 87 Oregon Administrative rules and amend the Clean Fuels Program Order No. 18-376 to the extent necessary for consistency with the new rules.

DISCUSSION:

Issue

Whether the Commission should adopt Staff's Guidance Document to create consistency and clarity with the implementation of the new Transportation Electrification rules in AR 654 and amend the Clean Fuels Program Order No. 18-376 to the extent necessary for consistency with the new rules.

Applicable Rule or Law

ORS 757.357 requires the Commission to direct each electric company to file programs that support TE. The statute gives considerations that the Commission is required to include in its review of such programs. House Bills (HBs) 2165 and 3055 were passed in the most recent legislative session and amend ORS 757.357.

OAR Chapter 860 Division 87 was promulgated by the Commission to implement ORS 757.357, specifically prescribing "the application and reporting requirements for programs to accelerate transportation electrification filed by an electric company." The rules currently outline requirements for TE program applications and TE Plan filings. These rules are being updated in a rulemaking in Docket No. AR 654.

ORS 756.568 enables the Commission to amend any order made by the Commission upon notice to the public utility and after opportunity to be heard.

In Order No. 21-026, upon Staff's request, the Commission directed Staff to open an investigation to develop a TE investment framework.

In Order No. 18-376, the Commission approved Staff's program design principles and program selection process to guide utilities in their utilization of Clean Fuels Program (CFP) revenues.

Analysis

Background
In Commission Order No. 21-026,[1] the Commission directed Staff to open an investigation to develop an updated transportation electrification investment framework (TEIF or Framework). In that proceeding, Docket No. UM 2165, Staff worked with utilities and Stakeholders to develop the TEIF. Staff defines the TEIF as a decision-making tool that would provide guiding principles to establish the bounds and desired outcomes of utility TE investments, and the basis for their evaluation by the Commission. Since the launch of UM 2165, important TE legislation became law. In 2021 two bills, HB 2165 and HB 3055, introduced a new legal landscape for utility TE investment. In addition to creating a new TE funding source through a monthly meter charge, and requiring utility expenditures on underserved communities, the bills placed new importance on investment in charging infrastructure.

Through this investigative docket, the Commission ordered Staff "to open a rulemaking to revise Division 87 of the Oregon Administrative Rules (OAR), to begin in early 2022."[2] During the informal phase of rulemaking in Docket No. AR 654, Staff worked iteratively with stakeholders and utilities over three workshops and two public comment periods in fewer than four months to address issues and implementation-level guidance for these draft rules the Commission approved for formal rulemaking on May 5, 2022, with Order No. 22-158.

[1] Commission Order No. 21-026 was issued January 28, 2021.
[2] See Docket No. UM 2165, OPUC, Order No. 21-484, December 27, 2021, Appendix A, p 1.

During the formal phase of rulemaking that followed, Staff has further engaged parties of UM 2165 and AR 654 on the development of Staff Guidance for the implementation of the new rules. Staff held a workshop on July 6, 2022, followed by a two-week comment period. Additionally, PGE and Pacific Power met with electric vehicle (EV) advocates to develop a list of metrics for the new rules' performance areas. This list of metrics was published to UM 2165 and AR 654 dockets on July 22, 2022.

Staff Guidance on Implementing new Division 87 Rules
The Staff Guidance is attached to this memo as Attachment 1, which serves as implementation-level direction on how Staff plans to interpret the new rules. Staff intends the Guidance to complement the rules, by incorporating details brought forth in a workshop process by a wide range of stakeholders. The flexible implementation guidance will allow Oregon's EV programs to more rapidly evolve with the region's dynamic electric vehicle market.

Attachment 1 represents more than a year of engagement through UM 2165. This entailed seven public workshops in 2021 and three more in 2022 through the informal phase of AR 654. Staff appreciates the feedback from parties through both dockets. This included a collaboration between utilities and EV advocates on the development of performance metrics that will track utility progress against seven performance areas specified in Section 20(a)(A-G) of the proposed rules

The most recent public engagement on the Staff Guidance was held at the AR 654 hearing on August 9, 2022. Below, Staff provides the following summary of stakeholder comments at the hearing, and Staff's response. At that hearing:

- PGE requested clarification around how Clean Fuels Program revenues are handled in benefit/cost analysis (BCA) given that there are multiple types of revenues.
    - Staff clarifies here that the Guidance Document's recommendation that revenue from CFP credits should not be counted as either a ratepayer or societal cost applies to both residential and nonresidential credits. Because Staff recommends that utilities perform standard cost tests, if a utility can make a reasonable argument in its next TE Plan that CFP revenue should be treated as a cost under standard BCA methods, Staff welcomes dialogue and will review. Discussion of how utilities perform BCA in the next TE Plan will be an important part of the public process for developing a jurisdictional-specific cost test for Oregon.

- NWEC and PGE raised concerns about how the EV Adoption metric language could be considered as attributing EV adoption to utility investment, rather than focusing on the areas of TE investment that utilities have significant control and impact. These areas include investment in infrastructure and charging. To address this concern, NWEC suggested changing the language in rules regarding how the TE Plan impacts EV adoption to instead require reporting on forecasted EVs adopted versus actuals. PGE supported NWEC's suggestion.

  - Staff appreciates NWEC and PGE raising this important issue, and Staff supports not prescribing a specific metric for the TE Plan to meet the EV adoption performance area. However, requiring a utility to at least articulate a qualitative description of how the TE Plan can be expected to support EV adoption is a reasonable minimum level of information for the Commission when considering this performance area. Staff does not expect program or measure-level EV adoption forecasts or reporting for this performance area.

- ChargePoint raised a concern over using price/kWh charge as a metric in the future, stating that price/kWh is going to have variability based on the various factors that go into siting and sizing a charging station. ChargePoint asked that Staff keep this variability in mind when considering price/kWh as a metric in the future.
  - Staff response: Staff thanks ChargePoint for raising this issue and will consider it in the future.

- PGE raised a question around the timeline and focus of the TE Plan Report, since, given the timing of its submission, it will not be possible to report on the entirety of the past three calendar years. Staff clarifies that the TE Plan Report period is the three-year period of the most recently accepted TE Plan.

- As articulated in Section 30 of the proposed rules, the TE Plan Report will be an annual update of the retrospective view on what has been spent and achieved by each program and measure. PGE filed written comment summarizing prior points and additionally seeking clarification of Staff's intent for the guidance to "maximize external funding" for TE programs and measures.[3] PGE stated concerns that this may suggest a conflict with CFP Credit Monetization Principles the Commission adopted in Order No. 17-5123.[4] These principles state: "Credit monetization and electric company market participation strategies should focus on establishing revenue stream stability rather than absolute credit value maximization. Establishing revenue stream stability and timely realization of revenue is more important than maximizing credit price." PGE notes the

3 *See* PGE comments of August 12, 2022, filed to Docket No. AR 654 https://edocs.puc.state.or.us/efdocs/HAC/ar654hac145750.pdf.
4 *See* Docket No. UM 1826, OPUC, Commissioner Order No. 17-512, pg. 7 https://apps.puc.state.or.us/orders/2017ords/17-512.pdf.

governance of credit monetization differs from the principle of "Maximize use of funds for implementation of programs" in Order No. 18-376, which prioritizes the use of CFP funds on programmatic efforts over administrative costs.

- Staff does not intend to direct utilities to adopt a price-focused CFP credit sales strategy, but instead that available CFP funds should be leveraged to support TE-related programs and initiatives. Staff recognizes this consideration may apply to other funding sources such as grants or program participants' contributions on a case-by-case basis.

- Finally, Staff agrees with PGE's written comment that the requirements for analysis of EV adoption, load and forecasting should align with the requirements that currently apply to the Distribution System Plan (DSP). This will result in the same requirements for TE Plans in years that coincide with DSPs and those that do not.

Amendment of Clean Fuels Program Order
Staff has two amendment recommendations to Order No. 18-376 to align the requirements from the Order with the new Division 87 rules and the Guidance Document. First, Staff recommends the Commission amend the order to remove the fourth program design principle, which states, "Programs are designed to be independent from ratepayer support." Staff finds that this requirement unnecessarily prevents the full integration of utility portfolios of TE activities. By removing this design principle, utilities will have more flexibility when interaction of ratepayer and CFP funding helps advance the other five program design principles set forth in Order No. 18-376.

Second, Staff recommends the Commission remove the Program Selection Process prescribed in Order No. 18-376. The format for stakeholder review and input on how utilities spend CFP credit revenue from residential customers will be replaced by the new process outlined in Division 87. This change is expected to improve stakeholder participation by streamlining proceedings. Staff also intends the change to improve context for stakeholder engagement by allowing stakeholders to provide feedback on all utility TE portfolio activities in a single docket.

The maximization of residential CFP credit revenue will continue to be prescribed by the remaining Program Design Principles of Order No. 18-376. The availability of this external funding may reduce the need for expenditures of ratepayer funds used for the same objectives as the remaining five Program Design Principles.

Conclusion

Staff recommends the Commission approve Attachment 1, Staff Guidance on implementing new Division 87 rules. This Staff Guidance provides utilities an implementation-level detail that is expected to be revisited more frequently and efficiently than holding periodic rulemaking as the electric vehicle market evolves.

Staff also recommends the Commission modify Order No. 18-376 in two ways: remove one Program Design Principle, the fourth, and end the separate Program Selection Process for electric company expenditures of residential CFP credit revenue. These two changes will allow the use of this external funding to be fully integrated into the new TE planning cycle. This modification will preserve the remaining five Program Design Principles which will continue to prescribe how residential CFP credit revenue is spent.

PROPOSED COMMISSION MOTION:

Adopt Staff's recommendation to adopt Staff's Guidance Document containing guidance on implementing the new Division 87 Oregon Administrative rules and amend the Clean Fuels Program Order No. 18-376 to the extent necessary for consistency with the new rules.

RA1 - UM 2165

Attachment 1

Staff Guidance on Implementing new Division 87 Rules

Use of TEINA as Commission-approved tool to estimate public infrastructure need and maximum level of investment

As referenced in draft rule Section 20(a)(F), utilities should use a Commission-approved tool to assess the charging infrastructure need in an electric company's service territory. Staff recommends the Oregon Department of Transportation's (ODOT) Transportation Electrification Infrastructure Needs Analysis (TEINA) to serve as this tool, providing a minimum level of rigor and granularity for estimating charging infrastructure need.[5] This will establish the maximum infrastructure need for a given year, and utilities should adapt this level based on the utility's forecast of EV adoption in its service territory. TEINA will serve as a maximum "guardrail" on TE Budget approval for public charging.

Staff views TEINA as the most rigorous available approach to establishing public charging infrastructure need in Oregon. TEINA is also the best currently available means of establishing a spending guardrail linked to the state's EV infrastructure needs. Staff recommends the use of TEINA because it is flexible and capable of incorporating updated information as the EV market evolves.[6]

Staff provides this guidance for using TEINA to assess the charging need in a utility's service territory:

- Utilities' use of TEINA should incorporate the tool's method, not necessarily its inputs. All assumptions ODOT made should be reviewed with the best and most current evidence utilities have available. The most reasonable assumptions should be used. For example, ODOT used the state LDV EV goals from Senate Bill (SB) 1044 as a what-if scenario for EV adoption rather than make a forecast of EV adoption. Utilities will need to update TEINA with the latest estimate of expected EV adoption in each companies' service territory.

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[5] ODOT. *Transportation Electrification Needs Analysis (TEINA)* June 28, 2021, https://www.oregon.gov/odot/Programs/Documents/Climate%20Office/TEINA_Final_Report_June282021.pdf.

[6] *See* Docket No. UM 2165, OPUC Staff, Staff Report, December 7, 2021, p 14.

- ODOT has made the analysis of this research available as a public facing spreadsheet. Electric companies are free to improve upon TEINA by customizing the tool in ways that do not reduce granularity.

- An important output that TEINA produces is the needed port count per census tract by use case. Utilities will use this to show how infrastructure need is distributed across their service territories.

- In addition to the boundary of infrastructure need, the reasonableness of a TE Budget will also be informed by the availability of external funding. This includes CFP credits, grants, and program participants' contributions. Utilities need to avoid ratepayer subsidization of charging infrastructure that a program participant is required to install due to a building code.

Benefit/Cost Analysis

To provide increased transparency into the range of relative benefits and costs of a proposed TE portfolio, Staff's draft rules require that utilities perform standard costs tests for program and infrastructure measures, when possible. This should include a Societal Cost Test, which adds the net social impact of electric company TE activities to a Total Resource Cost Test (TRC).

Utilities should not include expenditures of credit revenue from Oregon's Clean Fuels Program as costs in their SCT. Staff takes this position because, as external funds, CFP credit revenue does not require recovery from ratepayers. Utility participation or nonparticipation does not affect the cost to Oregonians of the CFP because unclaimed credits would otherwise go to DEQ's backstop aggregator.

At this time, Staff will not use benefit/cost analysis as the basis for recommending whether the Commission should approve a TE Budget. Public review of utility benefit/cost analysis in the 2022-2025 TE Plans will enhance an ongoing discussion about how this analysis will later serve in budget development. Staff will hold workshops on the development of a jurisdiction-specific test that aligns best practices in benefit/cost analysis with Oregon-specific policy requirements and goals. Staff envisions this benefit/cost test will replace the current budget approach as the required mechanism for developing and evaluating TE Budgets. Staff envisions collaboratively developing this benefit-cost framework for review of 2026-2028 TE Plans and Budgets.

Metrics for Portfolio Performance Areas

The draft rules contain seven performance areas but do not specify metrics for their tracking or assessment. This section prescribes specific metrics for the performance areas. The purpose of these metrics are to: monitor utility performance through the discussion of performance areas within TE Plans, establish targets within TE Plans, and track metrics within TE Plan Reports. Secondly, the metrics will consistently track and report on performance metrics to establish baseline data. The metrics are intended to utilize data to evaluate utility TE portfolio outcomes and gaps, and inform recommendations. Finally, these metrics are intended to prioritize the assessment of the equitable distribution of benefits and burdens as well as affordability.

The performance areas will have three kinds of metrics: performance, baselining, and tracking.

Performance Metric	– Measures of direct outputs of utility activities – Metric is mature enough to enable target-setting – Can be used in reporting and assessment of portfolio success or sufficiency – Utility forecasts metric performance for the proposed TE portfolio as part of the TE plan, then reports on progress – Assessed at a TE portfolio level – Related to programmatic activity and used in evaluation of TE portfolio
Baselining Metric	– Measures of outputs of utility activities – Metric is not yet mature enough to enable target-setting, or measures progress over a long time-horizon – May be turned into a performance metric at some future point – Not used in assessing portfolio success or sufficiency – Utilities do not forecast metric performance, but do report on progress – Related to programmatic activity, but not used in evaluation
Tracking Metric	– Not used in evaluating the TE portfolio because utility programs and investment are not able to significantly influence that variable, or measurement is impractical – Utility reports metric as part of TE plan – Assessed at a state/service area level – Included to track a key issue, but not used in evaluation

The following metrics are presented with each of the seven portfolio performance areas listed in Section 20(a)(A-G) of the draft Division 87 rules.

a. **Environmental benefits including greenhouse gas emissions impacts (860-087-0020(3)(c)(A))**
   Metric: GHG emission and air pollution reductions estimated from all EVs registered in a utility service area.

   Type of metric: Tracking

   Additional considerations: As a starting place, estimate criteria pollutants from tailpipe emissions including PM 2.5, SOx, and NOx from all EVs registered in a utility service area. Staff also suggests that utilities show the assumptions behind miles.

b. **Electric vehicle adoption (860-087-0020(3)(c)(B))**
   Metric: The TE Plan will have no metric for this performance area. Instead, utilities can meet this requirement by providing a qualitative description of the TE Plan's expected impact on EV adoption. The TE Report will compare actual EV adoption with the forecasted EV adoption.

c. **Underserved community inclusion and engagement (860-087-0020(3)(c)(C))**
   Metric: 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.

   Type of metric: Baselining metric

   Additional considerations: Metric may result in a qualitative description of how the utility has conducted these activities in the development and implementation of its TE portfolio.

d. **Equity of program offerings to meet underserved communities (860-087-0020(3)(c)(D))**
   Metric: Percent of program-enabled ports by use case located within and/or providing direct benefits and services to underserved communities or communities identified using a Commission-approved tool.

   Type of metric: Baselining metric

   Additional considerations: Use cases include residential, multifamily, workplace, corridor, non-corridor public, light-duty vehicle (LDV) fleet, and medium- and heavy-duty vehicle (MHDV) fleet. When possible, distinguish between public and private ports. Program-enabled ports do not include ports exclusively supported by line extension allowances.

Metric: For transit agencies who have participated in a utility EV program during the portfolio period, the transit agencies' annual service hours, number of routes, and number of routes serving underserved communities, to the extent this information is provided to the utility.

Type of metric: Tracking metric

Additional considerations: Decisions regarding a transit agencies' annual service hours, number of routes, and number of routes serving underserved communities are generally outside of the utilities control. Tracking this metric is intended to assess complementary services (i.e., transit service and transit electrification) and identify gaps in services. This metric does not suggest that there is a correlation between transit service changes and electrification of buses.

Metric: Types of electric transportation technology supported by a utility portfolio as a percent of total investments, organized into categories such as micromobility, passenger vehicles, light-duty fleet vehicles, medium- and heavy-duty fleet vehicles, school buses, and transit buses.

Type of metric: Baselining metric

e. Distribution system impacts and grid integration benefits (860-087-0020(3)(c)(E))

Metric: Percent of program-enabled charging load that occurs off-peak, by use case.

Type of metric: Performance metric

Additional considerations: Use cases include residential, multifamily, workplace, corridor, non-corridor public, LDV fleet, and MHDV fleet. When possible, distinguish between public and private ports. Program-enabled ports do not include ports exclusively supported by line extension allowances.

Metric: Total EV load enrolled in managed charging, and potential for managed charging. Estimated percent of EV load enrolled in managed charging.

Type of metric: Performance metric

Additional considerations: Managed charging includes direct load control, vehicle-to-grid, and behavioral demand response. Managed charging does not include time of use rates.

f. Program participation and adoption (860-087-0020(3)(c)(F))
Metric: Number of program-enabled ports by use case.

Type of metric: Performance metric

Additional considerations: Use cases include residential, multifamily, workplace, corridor, non-corridor public, LDV fleet, and MHDV fleet. When possible, distinguish between public and private ports. Program-enabled ports do not include ports exclusively supported by line extension allowances.

Metric: Percent of total public ports by use case within utility service territory that are program-enabled.

Type of metric: Baselining metric

Metric: Number of participants in utility programs, broken down by program and underserved community status.

Type of metric: Baselining metric

g. Infrastructure performance including charging adequacy, reliability, affordability, and accessibility (860-087-0020(3)(c)(G))
Metric: Price ($/kWh) to charge at program-enabled ports by use case.

Type of metric: Baselining metric

Additional considerations: Use cases include residential, multifamily, workplace, corridor, non-corridor public, LDV fleet, and MHDV fleet. When possible, distinguish between public and private ports. Program-enabled ports do not include ports exclusively supported by line extension allowances.

Metric: Uptime at utility-owned and supported ports by use case.

Type of metric: Performance metric

Additional considerations: Use cases include residential, multifamily, workplace, corridor, non-corridor public, LDV fleet, and MHDV fleet. When possible, distinguish between public and private ports. Program-enabled ports do not include ports exclusively supported by line extension allowances. Utilities should file TE Reports that compare actual annual results versus forecast for all performance areas. TE Reports should compare annual forecasted versus actual EV infrastructure installed in the utility's service territory.

Definitions of Underserved Communities

Section 2 of HB 2165 defines "underserved communities" as residents of rental or multifamily housing, communities of color, communities experiencing lower incomes, tribal communities, rural communities, frontier communities, coastal communities, and other communities adversely harmed by environmental and health hazards.[7] The purpose of defining underserved communities is to ensure utilities apply the same assumptions in TE program implementation and performance metrics, to inform these definitions with stakeholder feedback, and to align them with related programs where possible.

Based on stakeholder feedback at meetings and in written comments, Staff suggests further defining these communities as:

- **Residents of rental housing** are people, including a roomer, entitled under a rental agreement to occupy a dwelling unit to the exclusion of others, including a dwelling unit owned, operated, or controlled by a public housing authority.

- **Residents of multifamily housing** are people that reside in a structure or facility established primarily to provide housing that provides more than one living unit and may also provide facilities that are functionally related and subordinate to the living units for use by the occupants in social, health, educational or recreational activities. Multifamily housing includes special care facilities, which are defined by ORS 443.400-445 as, "for the elderly, including but not limited to individual living units within such structures, mobile home and manufactured dwelling parks and residential facilities licensed under ORS 443.400…and other congregate care facilities with or without domiciliary care. For persons with disabilities, including, but not limited to, individual living units within such structures, mobile home and manufactured dwelling parks and residential facilities licensed under ORS 443.400...other congregate care facilities with or without domiciliary care. This does not include nursing homes, hospitals, places primarily engaged in

[7] HB 2165, Section 2 (6) (a) and (b). https://olis.oregonlegislature.gov/liz/2021R1/Downloads/MeasureDocument/HB2165/Enrolled.

recreational activities and single-family, detached dwellings, except manufactured dwellings situated in a mobile home and manufactured dwelling park."

- **Communities of color** are communities of people who are not identified as White, emphasizing common experiences of racism.

- **Communities experiencing lower incomes** are residential customers whose household income is less than or equal to 120 percent of state median income adjusted for household size.

- **Tribal communities** are Oregon's nine recognized Native American tribes: Burns Paiute Tribe, Confederated Tribes of Coos, Lower Umpqua and Siuslaw Indians, Coquille Tribe, Cow Creek Band of Umpqua Tribe of Indians, Confederated Tribes of the Grand Ronde Community of Oregon, The Klamath Tribes, Confederated Tribes of Siletz, Confederated Tribes of the Umatilla Indian Reservation, and the Confederated Tribes of the Warm Springs Indian Reservation. Or a utility can recognize a credible claim of indigenous descendance by another group.

- **Rural communities** are people residing 30 or more miles by road from an urban community of 50,000 people or more.

- **Frontier communities** are people residing 75 miles by road from a community of less than 2,000 individuals.

- **Coastal communities** are people residing west of Oregon's Coastal Mountains.

- **Communities adversely harmed by environmental and health hazards** are people residing in a part of Oregon that is adversely affected by criteria pollutants or climate change.

Staff's guidance on how utilities can define underserved communities geographically will serve in the interim before the Oregon Environmental Justice Council completes a common state mapping tool. The statutory deadline for this mapping tool's development is September 15, 2025.[8] Staff will update this guidance as the development of a

[8] *See* HB 4077 Section 18 (1).

common environmental justice map for state policy is developed under the direction of HB 4077. [9] Utilities are free to create customized tools for establishing geographic designations of underserved communities provided the utility consults with each community before it geographically defines them.

Staff notes that some of the definitions above are inherently delineated geographically, but for underserved communities that are not inherently spatially defined, utilities should use the Environmental Protection Agency's EJScreen or ODOT's TEINA to monitor TE expenditures on underserved communities.[10]

Equity–Outreach and Investments

Staff includes this guidance for implementation of the portfolio performance area of "Underserved Community Engagement and Inclusion, in proposed rules Section 20(3)(c)

- Utilities should directly consult with representatives of underserved communities to self-identify their priorities for TE programs and infrastructure measures.

- Utilities may augment direct engagement with underserved communities with market research to overcome the selection bias that might miss the perspectives of individuals who choose not to attend workshops. Market research is warranted if it can reasonably improve the representation of underserved communities in utility engagement on TE needs.

- The City of Portland's *Pricing Options for Equitable Mobility (POEM)* process and Greenlining Institute's *Equity Mobility Framework* provide helpful best practices for utility engagement and distributional equity in TE.[11]

Staff includes this guidance for implementation of the portfolio performance area of "Equity of Program Offerings to Meet Underserved Communities," in proposed rules Section 20(3)(c)(D):

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[9] *See* HB 4077 Section 18 (1).
[10] *See* https://www.epa.gov/ejscreen
ODOT. *Transportation Electrification Needs Analysis (TEINA)* June 28, 2021, pp 36 and 37. https://www.oregon.gov/odot/Programs/Documents/Climate%20Office/TEINA_Final_Report_June282021.pdf.
[11] *See* Pricing Options for Equitable Mobility, https://www.portland.gov/transportation/planning/pricing-options-equitable-mobility-poem.
Mobility Equity Framework: Making Transportation Work for People, https://greenlining.org/publications/2018/mobility-equity-framework.

- Monthly meter charge budget expenditures established under HB 2165 serve as a minimum standard for spending to support TE in underserved communities. Staff suggests another means of tracking equity of investments is for utilities to use, as a benchmark, the TEINA needs-based analysis. Utilities can target a percentage of infrastructure buildout by census track, as compared to the need modeled by the TEINA tool. In this case, utilities can target investment in census tracks that meet demographic and income-related need.

- Staff supports utility plans to increase EV access and adoption in historically underserved communities. Staff recommends that utilities develop a map that overlays the location of TE spending, EV infrastructure, and EV adoption on top of demographic/underserved community GIS layers.

- Staff supports the metrics proposed by stakeholders and utilities for this performance area, as described on page five of this document.

- Staff supports Joint Party guidance on attributes of TE proposals for underserved communities, as filed in DEQ's 2020 CFP rulemaking proceedings. Joint Parties asserted that TE proposals should include "complete description of the project, the demonstration that the project promotes transportation electrification in communities that are most vulnerable to the impacts of climate change, tribes, low-income communities, rural communities, and other underrepresented communities or provides increased access to electric transportation for low-income individuals, and evidence that the project was developed in coordination with local environmental justice advocates, local community-based organizations, and local municipalities."

EV Adoption, Load Forecasting and Power Flow Analysis

Electric utilities currently file Distribution System Plans every two years. Under the new rules adopted in Division 87, utilities are required to file TE Plans every three years. As a result, EV adoption forecast and power flow analysis to estimate infrastructure need and distribution system costs will not be available in years that the two plans do not coincide. In those years, utilities should perform a new EV adoption forecast and power flow analysis to model the impact of TE on the distribution system.

Electrification of Company Fleets

Electric company expenditures on the electrification of their own fleet of vehicles are not required in the TE Budget. Instead, the TE Budget offers utilities an option to have expenditures on fleet electrification beyond the internal combustion engine alternative to be weighed from the perspective of supporting TE. If the Company chooses to include fleet electrification in its TE Budget, Staff will take that into account during the Company's next General Rate Case when determining whether that investment was prudent.