



Docket Nos. UM 2165 and AR 654

**Transportation Electrification
Investment Framework and
Division 87 Rulemaking**

**OPUC Staff Workshop
July 6, 2022**



Operating Agreements

1. Be energy efficient. (Allow room for multiple perspectives. Leave time for everyone.)
2. Stay engaged (connected) without tripping the circuit breaker. (Don't overheat.)
3. Consider environmental conditions. (Mute when not speaking.)
4. Seek understanding. (Listen to understand, not to respond.)
5. Group Norms. (Suggestions from participants.)

Who's Who

Hosts and Presenters (OPUC)

Sarah Hall, Resource and Programs Development Manager

Eric Shierman, Senior Utility Analyst

Today's Workshop – Topics for Discussion

- Public Process and Schedule
- Context: TE Investment Framework
- Guidance Document Discussion
 - Topics identified by stakeholders, utilities and Staff during public process
 - Additional topics and comments
- Next Steps

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 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 | May – October 2021 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 Public Meeting |
| Formal rulemaking period | May - August |
| UM 2165 Stakeholder workshop on Staff Guidance Written comments due Draft Staff Guidance published Special Public Meeting for discussion of Guidance Commission consideration of rules and Staff Guidance | July 6 July 19 August 2 August 9 August 23 Public Meeting |
| Draft TE Plan filings by utilities for 2022-25 | Q4 2022 |



Context: Staff's 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 ratepayer impact analysis of TE portfolio, both forecast and reported actual

Draft Division 87 Rules

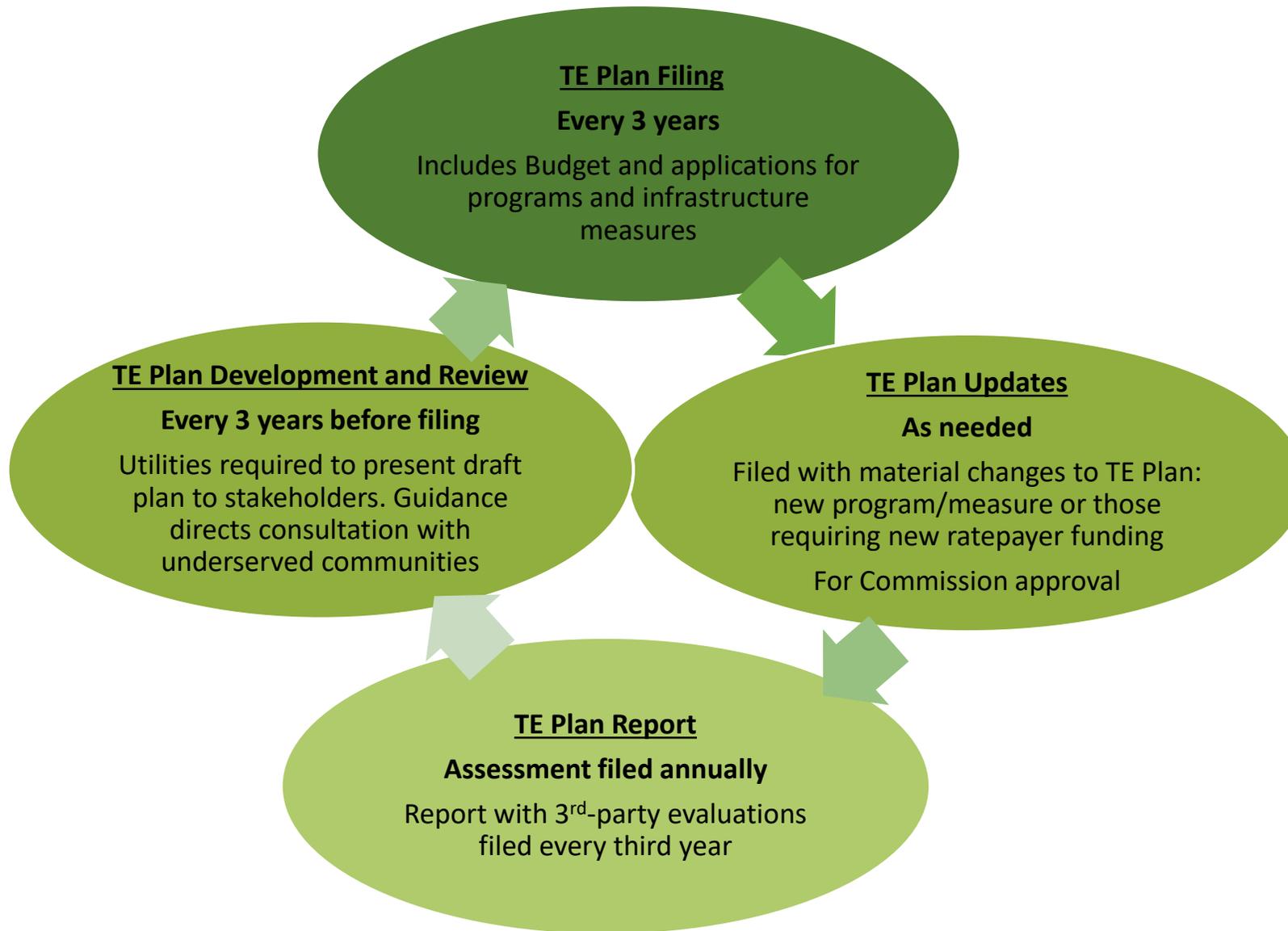
Informed by Stakeholder feedback: Comments and Staff response
<https://edocs.puc.state.or.us/efdocs/HAC/ar654hac17143.pdf>

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>

Context: Holistic Planning Process



Guidance Document Discussion

Topics Identified by Stakeholders, Utilities and Staff During Process

Definitional guidance: Budget

- “Commission-approved tool”- TEINA methodology
- Benefit/Cost Analysis

Definitional guidance: Underserved Communities

Portfolio Performance Areas

- Underserved community engagement and inclusion
- Equity of program offerings
- Metrics

Budget scope: Clean Fuels Program coordination, Fleet electrification

Stakeholder review of TE Plans

Planning Updates and Interactions

- Updates with TE Plan Report: EV adoption forecasts
- Distribution system impacts and benefits, power flow analysis (DSP)

Other topics you'd like to discuss?



Definitional Questions:

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)

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

Benefit/Cost and Ratepayer Impact 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
- 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)

Definitional Questions: Underserved Communities

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

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)

Portfolio Performance Areas: Equity of Program Offerings

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

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

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 Areas: Underserved Community Engagement and Inclusion

- Direct consultation with relevant communities to self-identify priorities
- POEM and Greenlining Institute best practices
- 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.

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

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

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Portfolio Performance Areas: Equity of Program Offerings

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

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

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

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Portfolio Performance Areas: 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.

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

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

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Portfolio Performance Areas: Metrics

- Metrics for performance areas:
 - 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
- Utilities and Joint Parties working on a list
- Other parties welcome to contribute

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

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

Clean Fuels Program Coordination, Residential Credits

- Amend Order No. 18-376
 - 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 fourth principle: “Programs are designed to be independent from ratepayer support”
 - Remove the separate review process to integrate with TE Plan review
- Does not necessarily mean a change
 - Better context for stakeholder engagement
 - Approval of ratepayer expenditures contingent on how utilities maximize external funding

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

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

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

Stakeholder Review of TE Plans

- Utilities will submit draft TE Plans to Staff and stakeholders for feedback
- Staff will work with parties to develop review schedule per Plan
- Possible process:
 - Two Staff workshops followed by written comments
 - Utility reply comments
 - Staff recommendation to Commission
- Your thoughts?

Planning Interactions

- Updates with TE Plan Report: EV adoption forecasts
- Distribution system impacts and benefits, power flow analysis (DSP)

Next Steps – Docket No. AR 654

Schedule

- Written comments due - July 19
- Draft Staff Guidance - August 2
- Special Public Meeting - August 9
- Final written comments due - August 12
- Public Meeting - August 23



Questions and Discussion

Thank You

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