

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON
UM 1810**

In the Matter of)
PACIFICORP, dba PACIFIC POWER)
)
Applications for Transportation) REPLY TESTIMONY OF THE OREGON
Electrification Program) DEPARTMENT OF ENERGY
)
)

Introduction

The Oregon Department of Energy (ODOE, Department) appreciates the opportunity to comment on the response testimony filed by ChargePoint on August 25, 2017 and October 4, 2017, opposing the public charging pilot program under the stipulation agreed upon by several intervening parties, including ODOE. The stipulation provides terms for three pilot programs by PacifiCorp to promote transportation electrification; ChargePoint does not object to the outreach and education and the demonstration and development pilot programs. ODOE welcomes and values the insights that ChargePoint has contributed in their testimony, particularly around the issues of promoting competition, innovation and customer choice with regard to electric vehicle (EV) charging infrastructure.

The Department continues to support the package of Transportation Electrification Program pilot programs as specified in the stipulation, believing that moving forward with the pilot projects as described will be a useful step to better understand how to advance EV infrastructure and accelerate EV adoption rates. As became apparent in conversations among parties to the UM 1810 proceeding, more information is needed to appropriately design transportation electrification programs that can meet the six criteria in Senate Bill 1547 (2016); the public charging pilot program in the stipulation will provide valuable learnings to guide the state toward that goal.

Effect of PacifiCorp's Proposal on Competition, Innovation and Customer Choice

One of the primary objections ChargePoint has to the stipulation, specifically the public charging pilot program, revolves around the proposal's ability to promote competition, innovation, and customer choice in the EV charging market. ODOE agrees that a healthy EV infrastructure market place should incorporate all of these values and recognizes the potential for a utility with access to ratepayer funds to negatively impact these values. Given the small size of PacifiCorp's proposed additions to public charging in comparison to the current and near-future status of the fast charging marketplace in the company's service area, ODOE believes that the PacifiCorp public charging pilot program will not impact the overall competitiveness of the EV charging market.

The U.S. Department of Energy (U.S. DOE) Alternative Fuel Data Center's alternative fuel locator¹ showed five networks operating at 21 locations accounting for 57 Direct Current Fast Chargers (DCFCs) in the PacifiCorp service territory as of September 11, 2017. The PacifiCorp service territory is expansive and diverse, including urban regions such as northeast Portland, Medford, Grants Pass and Albany, as well as rural areas in eastern, western and central Oregon including Enterprise, Bend, Cottage Grove and Roseburg. PacifiCorp serves more territory encompassing major transportation corridors in Oregon than any other utility, primarily Interstate 5 and Interstate 84. The additional seven DCFC public charging sites proposed by PacifiCorp would bring the total to 28 DCFC locations in their service territory.

Electrify America, the entity in charge of the Volkswagen Group of America's National Investment Plan, is investing \$1.2 billion over the next ten years primarily on EV infrastructure. The first \$300 million, 30-month investment proposal has been released and approved. The proposal includes several chargers supporting long-distance highway travel in Oregon; meanwhile Portland has been chosen as one of eleven metropolitan areas for the development of a community-based network encompassing several uses and charging capacities. It is unknown

¹ <https://www.afdc.energy.gov/locator/stations/>

at this time exactly what will be installed in the region in the next 30 months; however, it is expected that Electrify America's proposed network of chargers will significantly increase the number and functional capabilities of chargers in the region.

Additionally, a second pilot program under the stipulation, PacifiCorp's proposed demonstration and development pilot program, will give opportunity to other entities to provide public charging in the company's service territory. The original program application encouraged grant recipients to serve as project leads responsible for project design, project management, equipment purchase and installation, operations and maintenance and awareness building. The demonstration and development pilot will give customers in the PacifiCorp service territory more choice, competition and the possibility of further innovation.

Electric vehicle adoption has grown at a 35 percent year over year rate the last four years in Oregon and 32 percent nationally. A recent report by the U.S. DOE's Energy Efficiency & Renewable Energy Office² concluded that most EV charging currently occurs at home, but that widespread plug-in electric vehicle adoption would require the development of a network of non-residential charging stations. Strategically installing public charging stations early would maximize their economic viability while enabling efficient network growth as the EV market matures. In a scenario where EVs account for 20 percent of sales by 2030, about 8,000 fast-charging stations would be needed to provide a minimum level of urban and rural coverage nationwide. The report does not identify how many stations would be needed in Oregon however a likely share would be in the 150 to 200 range. The seven proposed stations in PacifiCorp's public charging pilot proposal will provide valuable information to the utility on development, operations, and maintenance of station sites and how to appropriately integrate this load into their grid as well as other learnings identified in a later stakeholder process.

In ODOE's opinion, the proposed public charger additions to PacifiCorp's service territory as stated in the Stipulation for Transportation Electrification Programs are not large

² "National Plug-In Electric Vehicle Infrastructure Analysis," September 2017, <https://energy.gov/eere/vehicles/downloads/national-plug-electric-vehicle-infrastructure-analysis>

enough to have significant inappropriate influence on competition, innovation or customer choice, but should provide additive positive impact on the market place in regards to these three market principles.

Conclusion

ODOE maintains its position that the package of transportation electrification programs to be implemented by PacifiCorp, as agreed to by the stipulating parties, is appropriate and should be approved by the Commission. The learnings from the pilots will be informative and valuable. If the stipulation proceeds, ODOE looks forward to actively participating along with other parties to further define those learnings and specify how the analysis should be performed.

DATED this 25th day of October 2017.

Respectfully submitted,

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