

STATE OF VERMONT
PUBLIC UTILITY COMMISSION

Case No. 23-1364-INV

Public Utility Commission 2023 Investigation into Rates Related to Electric Vehicles	
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e-filed through e-PUC on September 21, 2023

TOWN OF STOWE ELECTRIC DEPARTMENT COMMENT

The Town of Stowe Electric Department (“SED”) respectfully submits its response to the Vermont Public Utility Commission’s (“Commission”) August 23, 2023 Order (“Order”).

I. New Tariff Filings Under Section 33 of Act 55.

A. New Tariff Filings Under Section 33 of Act 55

The Commission stated in its Order that all electric and plugin hybrid vehicle (“BEV”) “tariffs should be filed by October 16, 2023, to allow the necessary time for investigation and implementation before the June 30, 2024, deadline.” *August Order* p.2. SED reiterates its comment filed on May 30th, 2023 which stated that “SED anticipates filing updated tariffs 45 days before the June 30, 2024 deadline.”

SED is onboarding a new enterprise software system to improve the management of SED’s outage management system, advanced metering infrastructure, meter data management, and other customer service, IT, operations, and finance functions. This places increased demands on SED’s staff between July, 2023 through January, 2024. SED also does not have the staffing capacity or expertise to design and implement a new tariff for BEV or electric vehicle supply equipment (EVSE) on or before October 16, 2023. This includes providing a tariff to address BEVs and EVSE at multi-family housing and commercial addresses.

However, SED has an existing time of use rate for residential customers that is an opt-in

rate, Residential Rate 03, and a public charging rate, Rate 35. These tariffs are available to BEV owners and are combined with outreach to inform BEV owners of the best practices available to manage and control BEV charging.

SED informs all ratepayers who own BEVs (those who received a BEV rebate directly or inquired about installing Level 2 chargers) about best charging practices and the availability of public chargers within SED's service territory and Vermont. SED encourages new BEV owners to take a trial period to determine if home Level 1 charging and public charging stations can meet their charging requirements. SED encourages BEV owners to charge during overnight hours to develop best practices before more prescriptive programs are developed. Scheduling BEV charging is becoming more convenient as BEV models increasingly offer scheduled charging through an onboard computer and applications, which assists Vermont distribution utilities inform customers about automated charging.

SED has a fleet of networked and controlled Level 2 and Level 3 chargers owned and managed by SED staff. These chargers are available for any user under SED's Electric Vehicle charging station Rate 35. SED understands that several commercial customers in SED's service territory offer Level 2 charging available as an amenity or as part of a parking lot fee. While these are technically uncontrolled loads, the limited number of Level 2 chargers has not created cost, safety or reliability concerns for SED's distribution system. Similarly, SED's 2020 Integrated Resource Plan and draft 2023 Integrated Resource Plan did not identify critical load growth or power supply concerns that warrant a change in current tariffs or policies to control BEV charging prior to June 30, 2024.

SED is committed to a rate design Q1 of 2024 to comprehensively look at all our rate classes and rate structures, which may include new BEV and EVSE tariffs. SED prefers to avoid

updating our current rates until a comprehensive evaluation of all tariffs can be completed by the utility in Q1 2024

As of the date of this filing, SED has no indication from our ratepayers that this strategy does not meet their needs and interest in BEV and EVSE adoption. SED also argues the current rates satisfy the intent of the Legislature and Commission to encourage increased BEV and EVSE adoption and integrate electrification of our transportation sector into our distribution system.

B. Requests for Extension of Deadline.

Assuming the PUC does not extend the tariff filing deadline to 45-days before the June 30, 2024 deadline or does not accept SED's position that the current residential Rate 03 and Rate 35 satisfies the requirements of the Order, then SED will submit a request for an extension on or before October 16, 2023.

SED encourages the PUC to extend the filing deadline for municipal electric departments to allow their staff to take advantage of the extension without spending additional staff time and ratepayer funds on expert consulting fees for a new petition case, testimony, and affidavits. At a time when most Vermont utilities have filed rate increases, continue to face an inflationary market, and have staffing shortages, additional petition filings increase demands on utility and administrative agency staff with limited positive outcomes for Vermont ratepayers.

C. Exemption Claims under Section 33(d) of Act 55.

1. Specific Tariffs.

SED's Rate 03 and Rate 35 were approved by the PUC prior to July 1, 2021. Rate 03 applies to residential customers and Rate 35 is available to any user charging a public charging station owned by SED. These tariffs do not apply to any other customer class.

a) The title of each PEV tariff or tariffs for which an exemption is claimed.

SED's Rate 03 and Rate 35.

b) The rate classes, market segments, or customer segments for which each PEV tariff is available.

SED Rate 03 – residential customer class taking service under the time of use rate. SED Rate 35 – agnostic to individuals and customer classes, but available to any BEV user.

c) The date the Commission approved each PEV tariff for each rate class, market segment, or customer segment for which the utility is claiming an exemption.

Rate 03 was approved 10/01/2013; the most recent version went into effect 02/01/2023. Rate 35 was approved 10/15/2013; the most recent version went into effect 02/01/2023.

d) Any rate classes, market segments, or customer segments within the distribution utility's service territory for which the distribution utility does not offer a PEV tariff.

As of the date of this filing, SED does not offer a specific BEV or EVSE tariffs for the small commercial, interruptible load, and large commercial ratepayer classes.

2. Accomplishes the goal of Section 33(a) of Act 55.

SED's Rate 03 and Rate 35 accomplishes the goals of Section 33(a) of Act 55 and should be considered as exemptions from the filing deadline. Both tariffs encourage BEV and EVSE adoption, integration of transportation electrification projects into the electrical grid, offers load management, and provides time-differentiated price signals to customers. SED Rate 35 was designed to encourage public charging and BEV adoption by placing the operation and maintenance of the EVSE infrastructure under SED's control. This offers users comfort in knowing SED staff are available to troubleshoot charging issues and provide near real time service restoration. SED staff actively manages EVSE owned by SED and can set pricing,

institute load controls, and implement a reservation system to respond to high demand periods or curtail charging during peak events.

SED Rate 35 was modified in the most recent rate cases to recognize volumetric charging. This brought the pricing more aligned with current BEV charging rates and encourages users to move their vehicle after a session has completed or their battery is sufficiently charged to reach their intended destination.

The current Rate 35 is also intended to encourage SED residential customers, both in single and multifamily housing, to install Level 2 charging infrastructure at their property. SED offers an incentive for Level 2 and Level 3 charging infrastructure that reflects this strategy and recognizes that networked and controllable EVSE is expensive.

SED developed Level 2 and Level 3 charging incentives to encourage commercial and multifamily ratepayers to install EVSE behind a separate meter from their general service meter to decouple EVSE from general service electric usage. As of the date of this filing, no SED customer has installed networked EVSE that can control loads and pricing – all charging infrastructure located at commercial addresses is offered as free charging or part of a parking fee and all multifamily charging that SED is aware of is through Level 1 or public charging.

SED recognizes that the Residential Rate 03 and Rate 35 can be improved and expanded to capture additional customer classes. This will be accomplished in Q1 2024 when SED reviews and revises as needed all rate classes with a rate specialist. Until that happens, SED argues that Rate 03 and Rate 35 allow for the efficient use of BEV charging loads consistent with objectives 30 V.S.A. § 218c, and 30 V.S.A. § 202(b) and (c), and allows any BEV user to benefit from EVSE infrastructure.

II. Additional Discussion Topics.

A. Demand Charges.

SED does not have demand charges for residential customers and anticipates implementing a TOU rate that would incentivize customer charging after 10PM. Currently, SED provides customers with best practices designed to encourage charging BEVs using a residential Level 1 or Level 2 charger overnight.

SED does not have a mechanism for commercial customers to avoid demand charges if EV charging usage would cause the customer to exceed 6,000kWh during two consecutive months. SED does not know of any small commercial customer that was placed into demand because of BEV charging - it's unlikely that this would occur based on current charging levels. SED also does not know of any commercial or workplace customer that has avoided installing EVSE to avoid triggering demand charges. SED encourages all multi-family and commercial customers to separately meter BEVs and EVSE on their premises to avoid kWh usage that could increase costs for residents (multifamily locations), place commercial customers into the demand rate, and provides the opportunity for load control and peak event alerts.

B. Multi-Unit Residences.

SED has received interest from condominium associations and mixed-use buildings (commercial and residential) regarding installing Level 2 EVSE, but as of the date of this filing SED is unaware of a multi-family building in Stowe that installed Level 2 or Level 3 EVSE. There are significant barriers to installing EVSE infrastructure that is networked and can manage users, pricing, and loads, which includes make ready costs, communication infrastructure, contractor selection, hardware and software vendor selection, and metering.

SED ratepayers include owners of short-term rentals and second homes, which puts additional barriers to installing EVSE – most notably, if the property owner does not have a

BEV, then there is little incentive to install Level 2 or Level 3 charging infrastructure.

C. Effectiveness and Design of Whole Premises Time-of-Use Rates.

SED has no experience with the design of a whole building time of use rate that would include BEV charging. SED is unclear how to disaggregate electric heating and cooling loads from BEV charging loads for the purposes of a whole building TOU rate.

D. Other Experiences and Lessons Learned.

SED has no additional lessons learned to share at this time.

Sincerely,
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