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January 11, 2019

Judith Whitney, Clerk  
Vermont Public Utility Commission  
112 State Street, Drawer 20  
Montpelier, VT 05620-2701

Re: Case No. 18-2660-INV, Investigation into promoting ownership and use of Electric Vehicles,  
**Reply comments to Joint Responses of Agency of Transportation, Agency of Natural Resources, and Department of Public Service**

Dear Ms. Whitney,

On January 9, 2019 the Agency of Transportation, Agency of Natural Resources, and Department of Public Service ("Agencies") filed comments and responses in the above referenced case to several questions asked by the Public Utility Commission ("PUC"). In the Agencies' response the PUC's first question, asking for the commenter's "preferred method for generating revenue from users of EVs in Vermont," the Agencies write, in part:

...the Agencies believe that funds collected under the Energy Efficiency Charge ("EEC") are not appropriately used in support of transportation electrification, consumers should not be required to pay the EEC on kWh that are used to charge an EV. One possible method of phasing in a per-kWh fee would be to disallow the EEC on kWh that are used to charge an EV and collect the same amount in a transportation infrastructure fee which would then be passed along to the AOT by the DUs.

Efficiency Vermont makes no representation of a position or preference to the Commission's original question but wishes to provide short reply comments in response the Agencies' suggestion that the EEC should not be collected from the charging of electric vehicles.

Presently, Efficiency Vermont is not aware of any statute, Commission rule, or Order that limits the Energy Efficiency Utilities ("EEUs") from using funds collected via the EEC in support of efficient electric transportation measures. Like any other electric appliance, there may be significant opportunities to improve the efficiency of electric transportation equipment through EEU programs and services. This could include promoting more efficient chargers, charging stations, and vehicles. While Efficiency Vermont does not currently provide services for these measures, working to find cost-effective savings in connection with these measures has never been ruled outside of the EEU's purview. From Efficiency Vermont's perspective, the direction within the Order of Appointment to design and implement demand-side services and initiatives that comprehensively address cost-effective

opportunities associated with electric efficiency would encompass services to improve the efficiency of electric transportation technologies.<sup>1</sup>

Efficiency Vermont understands that not all stakeholders interpret the Order of Appointment in this way. In Case No. 17-2867-INV, there have been several rounds of comments regarding the role of the EEU in providing services to assure *efficient* electrification as customers embrace clean energy solutions, driven in part by distribution utility Tier III programs. On December 20<sup>th</sup>, Efficiency Vermont submitted comments in Case No. 17-2867 stating that as the transportation and heating sectors electrify, customers will be making EEC payments based on their increased electricity consumption. Efficiency Vermont suggested it would be appropriate to calculate annually how much EEC is being paid by those sectors, and present EEU-DU collaboration proposals to the Commission for approval that direct those contributions to the transportation and heating sectors to assure that Vermont's future electrification is also *efficient* electrification.

We ask that the Agencies' comments referenced above should be taken in the context that the EEU's role in assuring efficient electrification is a matter presently before the Commission. Should the Commission conclude that EEU-DU proposals to advance efficient electrification in the transportation and heating sectors are cost effective and appropriate for Vermonters, EEC funds collected from electric vehicle charging would remain relevant and necessary to partially or fully fund those services for the transportation sector.

Should you have questions concerning this submission, please do not hesitate to contact me.

Respectfully submitted,



David C. Westman

Director, Regulatory Affairs

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<sup>1</sup> See Efficiency Vermont Order of Appointment dated February 12, 2016 at Section II.1.