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April 8, 2019

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

Re: Case 18-2660-INV – Response to Commission Information Request

Dear Ms. Whitney,

The Town of Stowe Electric Department (“Stowe” or “the Utility”) submits the following informational filing in response to a request from the Public Utility Commission (“PUC” or “Commission”) dated March 22, 2019 to inform a PUC workshop to be held on April 23.

1. *What incentives do you currently have in place to encourage ownership and/or use of EVs in their respective territories? This response should include any incentives for the purchase of EVs and EVSE such as Level 2 home chargers, as well as any rate structure in place to encourage home charging.*

As part of its 2019 Tier 3 Plan, Stowe currently offers its customers vehicle rebates in the amount of \$850 for fully electric all-electric vehicles (“EV”), \$450 for plug-in hybrids (PHEV), and an additional \$250 incentive for income-qualifying customers towards either an EV or PHEV. Stowe also has 10 utility-owned EV charging points, made up of 9 dual-port Level 2 stations and 1 DC fast charger. All of these stations are made available for public use.

Stowe is also partnering with Nissan to offer its customers and employees discounts on the Leaf and Leaf Plus with specific rebate amounts yet to be determined.

Stowe also has a residential Time of Use/Critical Peak Pricing rate structure. Although it not only available to EV drivers, it was designed in anticipation of increased deployment of energy transformation projects such as electric vehicles and cold-climate heat pumps. The rate structure encourages participants with EVs to schedule charging sessions for off-peak periods and in turn rewards that behavior change through a lower kWh rate.

2. *How does your company fund the various incentives offered to your customers? Please include in your response any matching-funds programs in which your company participates.*

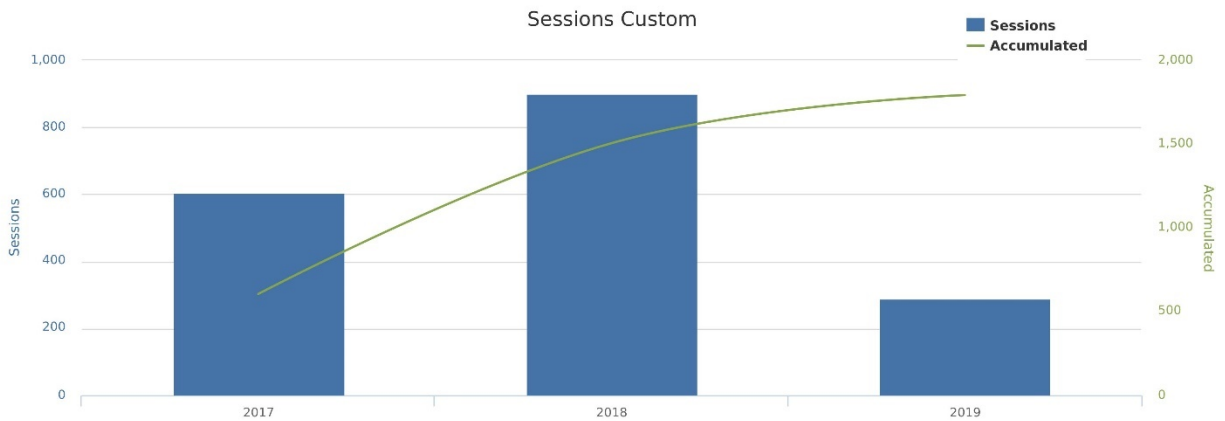
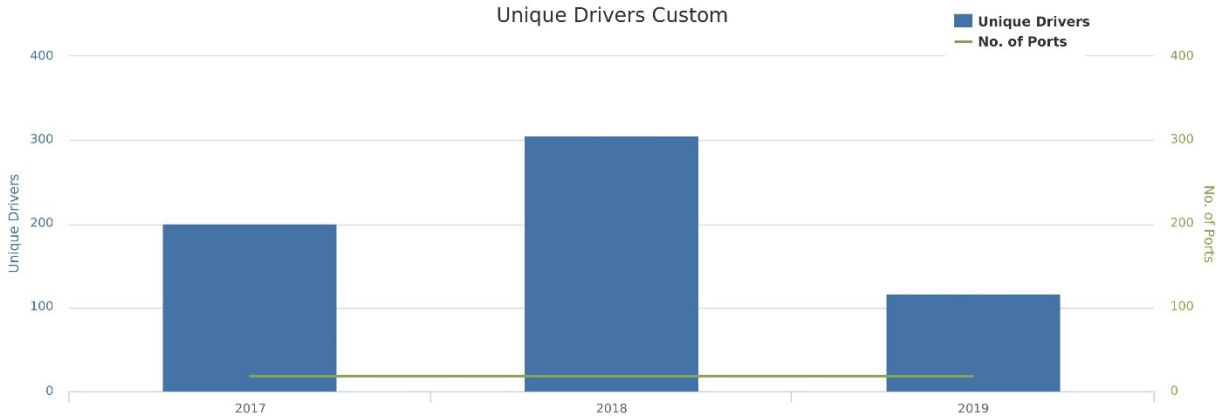
Stowe's customer EV incentives are derived from operating revenue. Stowe's public EVSE program was funded through grant support from VLITE. Stowe provided in-kind contributions in the form of labor to install the charging stations. The partnership with Nissan is funded through the automaker's own efforts and requires no funding from Stowe.

3. *What have been the customer participation rates in responding to these incentives, including the purchase of new EVs, the installation of Level 2 home chargers, and participation in any EV-specific rate offerings?*

The customer EV incentives and the Nissan Leaf program are so new that there is no data which can yet provide meaningful insight into their effectiveness for Stowe customers.

Stowe's public EVSE program was completed in the fall of 2016. Included below are two charts which represent the charging sessions and unique drivers who have utilized our fleet of EVSE in 2017, 2018, and so far in 2019. Although these two metrics both indicate higher rates of EV usage in Stowe and a higher number of EVs on the road generally, it would be inaccurate to claim that the availability of these specific charging stations were the sole motivating factor behind the purchase or use of a particular EV. However, more EVSE does allow for more public charging among EV drivers and raises the profile of EVs among non-EV drivers so it is therefore understood that the growing presence of public EVSE will help to increase the rate of adoption and use of EV technology generally. Stowe intended for its program to make EVSE common enough in Stowe that EV drivers will know they can find convenient charging options

in town and will therefore elect to drive their EVs or will charge their PHEVs rather than rely on the vehicles' internal combustion engine and increase the total electric miles driven in Vermont.



4. *Please provide specific examples of distribution-utility-sponsored programs from other states designed to encourage the purchase or lease of EVs of which you are aware, including how those programs are funded. If possible, please note those utility programs that have been the most successful at increasing the deployment of EVs.*

The Los Angeles Department of Water and Power offers a few different incentives for the purchase of electric vehicles by providing rebates for charging equipment and the vehicles

themselves.<sup>1</sup> They offer a \$450 incentive for qualifying used vehicles. These vehicles cannot be leased and must have a model year at least two years older than the calendar year in which they were purchased. Residential LADWP customers are also eligible for \$500 towards the cost of Level 2 charging equipment installed at their home. LADWP also offers its commercial customers a \$5,000 rebate for single-port Level 2 charging equipment with \$750 for each additional charge port.

Duke Energy recently announced a \$76 million program to deploy EVSE in North Carolina.<sup>2</sup> The utility plans to promote the installation of about 2,500 new charging locations and electric public transit. The program will offer \$1,000 towards the cost of residential Level 2 EVSE, fund the cost of 800 public charging stations including DC fast chargers, provide a \$2,500 rebate for 900 qualifying EVSE for commercial and industrial customers to help them transition their fleets to EV technology, provide support for up to 85 electric school buses, and fund more than 100 electric transit bus charging stations for transit agencies.

5. *What efforts have you made with respect to conveying the benefits of transportation electrification to your customers, including environmental benefits, lower maintenance and fuel costs, and lower costs for ratepayers generally? Please describe any plans to engage in educational activities regarding transportation electrification. Please include descriptions of information outreach such as information on your website, direct mailings to customers, bill stuffers, and promotional events.*

While Stowe has not launched an independent EV education campaign, it makes extensive use of existing resources such as those curated by Drive Electric Vermont (“DEV”). This includes providing links to DEV’s website on Stowe’s Tier 3 programs webpage and providing it as a resource when speaking with customers who express any interest in EVs. It’s regularly proven to be a useful tool for Vermonters who are looking information and comparisons of EV models available in Vermont, the cost of EV ownership, the societal benefits of EV technology,

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<sup>1</sup> Los Angeles Department of Water and Power, <https://www.ladwp.com/ladwp/faces/ladwp/residential/r-gogreen/r-gg-driveelectric>

<sup>2</sup> Inside EVs, *Duke Energy intends to leverage the charging infrastructure in North Carolina*, <https://insideevs.com/duke-energy-ev-charging-north-carolina/>

and other topics. Stowe, as well as other Vermont DUs, view DEV as a sort of clearinghouse for this type of customer-focused information and an important instrument for promoting EV ownership among its customers. One concern would be that the general public is still largely unaware of this resource. Though strictly anecdotal, the author of these comments spoke with a friend just recently who had thought about purchasing an EV for their next vehicle but had decided against it, yet had never even heard of Drive Electric Vermont or its website.

5. *What pace of adoption and EVSE deployment is needed for Vermont to achieve the goals of the State's Comprehensive Energy Plan and its greenhouse gas reduction goals? How can Vermont's utilities assist in meeting those goals, and what level of effort and investment is required to meet them? What can the PUC do or change to help in meeting those goals? Are you aware of the type of incentive, the level of incentive, or any approaches (such as marketing and sales information) that have proven to motivate a substantial shift to buying EVs, in Vermont or elsewhere?*

As identified in the 2016 Comprehensive Energy Plan, the state of the Vermont EV market is still in the “innovators” phase of the adoption curve. It calls for a 30% annual growth in the rate of EV sales through 2025 to reach 4,600 vehicle sales per year.<sup>3</sup> As there are currently 2,985 EV registrations in Vermont, including used vehicles, it is clear that there is still plenty of work to be done.

As we've heard from many stakeholders in the course of this proceeding, the most often-cited hurdle for potential EV drivers is the upfront cost of the vehicles. Every VT DU currently offers some level of incentive to help address this concern through their Tier 3 offerings. Stowe is not aware of an incentive level which is generally accepted as being the most effective, but it is certainly reasonable that public response will increase as the incentive levels increase. As these incentives bear fruit, DUs will be able to make an assessment as to what level of financial incentive produces the best results while also keeping in mind least-cost principles.

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<sup>3</sup> Department of Public Service, *2016 Comprehensive Energy Plan*, p 161, [https://outside.vermont.gov/sov/webservices/Shared%20Documents/2016CEP\\_Final.pdf](https://outside.vermont.gov/sov/webservices/Shared%20Documents/2016CEP_Final.pdf)

Thank you for the opportunity to comment on this matter.

A handwritten signature in black ink, appearing to read 'Matthew DS Rutherford', with a long horizontal flourish extending to the right.

Matthew DS Rutherford  
Manager of Regulatory Compliance  
Town of Stowe Electric Department