



Ms. Steffany Powell Coker
Public Service Commission of Wisconsin P.O. Box 7854
Madison, WI 53703-7854

Re: Application of Wisconsin Electric Power Company, as an Electric Public Utility, for Approval of Electric Vehicle Charging Pilots (Docket No. #6630-TE-106)

Dear Ms. Powell Coker,

Thank you for the opportunity to provide comments on the Wisconsin Electric Power Company (WEPCO) Electric Vehicle (EV) Charging Pilots docket. RENEW Wisconsin is a nonprofit organization dedicated to building a stronger, healthier, and more vibrant Wisconsin through the advancement of renewable energy and electric vehicles. We promote policies and programs that support renewable energy technologies and electric vehicles. RENEW intends to make identical comments in the Wisconsin Public Service Corporation EV docket (6690-TE-111), as RENEW understands these proposed utility EV programs to be identical, save for pilot scale and proposed rates.

We are excited to see Wisconsin utilities begin to implement EV programs that will be attractive to current and potential EV owners in their service area. The proposed pilot programs will help accelerate EV adoption throughout the state, in addition to manage the additional load from charging electric vehicles. **RENEW Wisconsin supports a number of important features in the WEPCO proposed pilot program.**

1. Utilities Must Support and Invest in the Electric Vehicle Market

In 2018, the United States federal government published the fourth National Climate Assessment, a report endorsed by 13 federal departments with contributions from 300 scientists. This report's findings clearly outlined that global climate change is directly and negatively impacting the United States. Currently, the country is experiencing higher average temperatures, increased frequency and intensity of extreme weather events, rising sea levels, and ocean acidification. The National Climate Assessment findings clearly states that these negative impacts are primarily due to human activities including fossil fuel-based transportation.

According to the Environmental Protection Agency, 28% of the United States' Greenhouse Gas (GHG) emissions originate from the transportation sector. Within this sector, personal transportation accounts for about 59%. These values confirm that personal transportation is a significant base of the country's GHG emissions and corresponding negative impacts. Alongside GHG emissions, internal combustion engine (ICE) vehicles also emit a large amount of air pollutants. One category of pollutant, particulate matter, is closely linked to cardiovascular and pulmonary health impacts that leads to increased early mortality rates and societal costs.

In order to transition to a cleaner transportation sector, utilities must take the lead. A near-identical pilot program created by Xcel Energy (Xcel) in Minnesota has proven that utility-led EV programs can produce substantial benefits to customers. Under this program, up to **96% of charging occurred off-peak**, leading to lower costs for customers and a more balanced grid.¹ Additionally, Xcel reports their program **saved customers on average \$2,196 each in upfront costs**. Xcel's similar program demonstrates that a properly designed utility led EV program yields monetary benefits to customers and utilities, increases grid stability, and creates global climate and air pollution benefits.

2. Benefits of the Proposed Program

WEPCO's proposed EV pilot program has the potential to provide significant benefits to its customer base. Within this program, we support WEPCO's proposal to create a 3-tier TOU rate structure. This rate structure will send clear price signals to customers regarding when to charge (and when not to charge) their electric vehicles. This will promote off-peak charging and allow customers to have more control over their electricity bills. A 3-tier TOU rate structure will also benefit non-participants by creating a more stable grid and flattening the demand curve. We also support WEPCO's inclusion of a monthly fixed rate option for using and installing the charger. RENEW believes this will make the electric vehicle market more accessible for residents to purchase EVs. It also provides customers a more stable electric bill for planning their future budgets. Overall, this is a well-designed EV program that needs only a few modifications.

3. Modifications to Improve the EV Pilot Program

RENEW recommends approval of this program with the following modifications to improve customer choice.

a. **Bundled service customers should own the charger after paying for the charger in full at the end of the 10-year contract.**

The bundled service option allows customers to pay for the cost of the charger and the installation fees through a monthly fee paid over the ten-year contract. Under the current proposal, customers choosing the bundled option don't earn ownership of the charger at the end of the agreement. If they wish to continue participating in the program, they must re-sign the 10-year contract and continue paying a fixed monthly fee for a charger they have effectively purchased through the original 10-year contract. This is not the case for customers who can afford to purchase the charger and installation up front, and maintain ownership of their charger once their 10-year contract expires. RENEW recommends amending this contract structure to include an option to own the charger at the end of the 10-year contract. Customers would have effectively paid for the charger in its entirety by the end of the contract; customers deserve ownership of the charger.

¹See page 13 of Xcel Energy's compliance filing before the Minnesota Public Utilities Commission:
<https://www.edockets.state.mn.us/EFiling/edockets/searchDocuments.do?method=showPop&documentId=%7bA0BF0F6B-0000-C016-839D-F8267E380A28%7d&documentTitle=20195-153306-01>.

b. Bundled service customers who terminate the service agreement early should have the option to purchase the charger.

Under WEPCO's EV pilot proposal, bundled-service customers who wish to terminate their contract early would be subject to a \$200 removal fee with no option to purchase the charger. We believe that pilot participants should have two options here: either pay the \$200 removal fee or purchase the charger at a prorated cost. RENEW believes that some customers will prefer the low-hassle option of paying the removal fee. Other customers will want to own the charger, especially after having paid for a portion of the charger through their monthly fixed fees. Providing this option will lead to higher program satisfaction.

c. WEPCO should clarify their plan for chargers after the 10-year bundled service contract is complete.

As the current proposal stands, WEPCO will own and manage the charger after the 10-year bundled service contract is complete. To continue service, customers would have to resubscribe to the program and continue to lease the charger. As stated previously, RENEW doesn't support this measure, and we believe customers should own the charger.

If the option of customer ownership is not included in the final ruling, RENEW urges WEPCO to clarify its plan for the chargers after the initial contract expires. Does WEPCO plan to replace and upgrade the charger or require that customers keep the original charger? Will customers continue to pay for installation fees in their monthly bundled service bill even if the original charger is not replaced under the second contract? It is important for customers to understand this, especially with the EV technology market evolving so rapidly.

d. WEPCO should be required to report data to ensure the rates are fair and allow other entities to learn from this program.

RENEW recommends the inclusion of publicly accessible evaluation, verification, and reporting requirements into the pilot programs. This would enable all stakeholders to benefit from the experience of each utility program and help the state identify the best programming features for supporting EV customers. These reporting requirements should include program budget and spending, customer satisfaction, interval data, analysis of cost savings for customers, and load management impacts. Xcel Energy's Minnesota program provides a good template for what WEPCO should be required to do.

e. WEPCO needs to reevaluate their low-income programs

RENEW fully supports funding initiatives targeting low-income customers through these EV pilot programs; however, we encourage WEPCO to provide more detail on how they plan to implement these programs. What WEPCO has put forward regarding low-income program components is incomplete. If this docket is to be approved, WEPCO needs to develop more concrete details on their plans before these pilot programs move forward.

WEPCO proposes to invest in electrifying municipal fleets and public transportation. We recommend WEPCO pursue the Pay-As-You-Save (PAYS) model. This model allows transit operators to purchase EV buses with utility incentives. The utility recovers their investment by

charging the transit operator a fixed charge on their utility bills. The PAYS model provides a win-win scenario where transit operators save money on fuel and maintenance with their electric bus, and utilities sell more electricity. Since the PAYS model requires customers to pay the utility back, there will be no cross-subsidization that impacts non-participants.

Additionally, we support utility investments in EV charging hubs and utility-funded rebates for workplaces and residential areas; however, these programs don't directly benefit low-income communities. WEPCO should design programs that specifically target low-income communities and ensure that they will provide targeted benefits. RENEW suggests that WEPCO meets with low-income advocates and partners with local municipalities to develop programs that will directly serve low-income communities. **Without adding substantive and thoughtfully designed low-income programs to this pilot, the docket should not be approved.**

Additionally, while RENEW doesn't have preferences for every Commission alternative outlined in the Commission staff memorandum, **below are the Commission alternatives that RENEW supports.**

Commission Alternatives – COEV-R Program Approval

RENEW supports Alternative Two: Subject to the Commission's determination relating to waivers of specific Wisconsin Administrative Code and tariff provisions, accept WEPCO's proposed COEV-R program with one or more of the conditions or modifications discussed below relating to accounting, marketing, performance metrics, and reporting.

RENEW supports the following COEV-R Program modifications:

- a. Bundled service customers should own the charger after paying for the charger in full at the end of the 10-year contract.
- b. Bundled service customers who terminate the service agreement early should have the option to purchase the charger.
- c. If WEPCO continues to own chargers after the 10-year bundled service contract is complete, WEPCO should clarify their plan for the chargers.

Commission Alternatives – WHEV-R Program Approval

RENEW supports Alternative Two: Subject to the Commission's determination relating to waivers of specific Wisconsin Administrative Code and tariff provisions, accept WEPCO's proposed WHEV-R program with one or more of the conditions or modifications discussed below relating to accounting, marketing, performance metrics, and reporting.

RENEW supports the following WHEV-R Program modifications:

- a. Bundled service customers should own the charger after paying for the charger in full at the end of the 10-year contract.
- b. Bundled service customers who terminate the service agreement early should have the option to purchase the charger.

- c. If WEPCO continues to own chargers after the 10-year bundled service contract is complete, WEPCO should clarify their plan for the chargers.

Commission Alternatives – Commercial Program

RENEW supports Alternative Two: Subject to the Commission’s determination relating to waivers of specific Wisconsin Administrative Code and tariff provisions, accept WEPCO’s proposed commercial program with one or more of the conditions or modifications discussed below relating to accounting, marketing, performance metrics, and reporting.

RENEW supports the following Commercial Program modifications:

- a. Commercial customers who terminate the service agreement early should have the option to purchase the charger.
- b. If WEPCO continues to own chargers after the service contract is complete, WEPCO should clarify their plan for the chargers.

Commission Alternatives – Marketing and Reporting

RENEW supports Alternative Two: For any approved EV program or pilot, modify WEPCO’s proposed reporting requirements to include one or more of the performance data reporting and/or load management reporting conditions identified

RENEW supports the following Marketing and Reporting modifications:

- a. WEPCO should work with Commission staff to develop an updated plan. A follow-up process could allow WEPCO and Commission staff to discuss in more detail how to provide comprehensive information on program outcomes without imposing excessive burdens on staff time or the program budget.
- b. WEPCO should be required to report data to ensure the rates are fair and allow other entities to learn from this program.

Commission Alternatives – Low-Income Program

RENEW supports Alternative Three: The Commission rejects WEPCO’s proposed low-income program and directs them to file a **more substantive plan *with* assistance from Commission staff and *with* information regarding community engagement efforts.**

RENEW supports the following Low-Income Program modifications:

- a. RENEW staff have experience working with EV owners, communities, utilities, and other stakeholders interested in EV deployment. RENEW staff are also willing to work with WEPCO and Commission staff in order to suggest more substantive plans and community engagement efforts.
- b. WEPCO should work with Commission staff and stakeholders in order to develop a PAYS model for electrifying municipal fleets and public transportation.

- c. WEPCO should design additional Low-Income Program components that specifically target low-income communities and ensure that they will provide targeted benefits to low-income customers.

In conclusion, RENEW supports the adoption of this EV program but encourages the Commission to incorporate our suggested modifications into the approved service. These modifications will provide greater customer satisfaction, increase grid stability, and still allow utilities to make a profit. RENEW appreciates the opportunity to provide comments on this docket and looks forward to continuing to engage with the Commission and WEPCO on continuing to advance electricity transportation in Wisconsin.

Sincerely,

Jeremy Orr

Jeremy Orr
Emerging Technologies Program Manager
RENEW Wisconsin
jeremy@renewwisconsin.org