## COMMONWEALTH OF VIRGINIA

STATE CORPORATION COMMISSION SCC-CLERK'S OFFICE AT RICHMOND, JULY 19, 2022

2022 JUL 19 P 1: 24

APPLICATION OF

VIRGINIA ELECTRIC AND POWER COMPANY

CASE NO. PUR-2021-00151

For approval of five voluntary tariffs to support transportation electrification, pursuant to § 56-234 A of the Code of Virginia

#### ORDER APPROVING TARIFFS

On July 23, 2021, Virginia Electric and Power Company ("Dominion" or "Company") filed an application ("Application") with the State Corporation Commission ("Commission") for approval, pursuant to Code § 56-234 A and Rule 80 A of the Commission's Rules of Practice and Procedure, of five new voluntary companion tariffs to support transportation electrification in Virginia. Specifically, the Company seeks approval of three tariffs to provide mechanisms for customers to work with the Company to install electric vehicle ("EV") charging infrastructure at customers' premises ("Charging Tariffs") and two tariffs to establish rates for the Company to charge the public for EV charging at Company-owned and operated public charging stations ("Pricing Tariffs").2

In support of its Application, Dominion states that EV adoption continues to increase across the country and in Virginia, largely due to advancements in battery technology, additional EV model availability, declining costs, policy developments, and benefits provided to customers and the environment.<sup>3</sup> The Application states Dominion customers have sought guidance and

<sup>1 5</sup> VAC 5-20-10 et seq.

<sup>&</sup>lt;sup>2</sup> Application at 1.

<sup>3</sup> Id. at 2.

advisory support from the Company for charging infrastructure and installation, including requests for guidance on how customers can electrify their fleets.<sup>4</sup> The Company asserts that the Charging Tariffs will allow the Company to provide customers with near-term turnkey solutions.<sup>5</sup> Dominion further states that it does not currently own or operate any charging stations available to the public, but the Company intends to provide this service in the future to fill any identified gaps in charging availability, such as on secondary highways or in disadvantaged communities.<sup>6</sup> The Company asserts that the Pricing Tariffs will allow the Company to provide such service.<sup>7</sup>

The Application states that the three Charging Tariffs include one to support the Company's non-residential customers who wish to electrify their fleets ("Fleet Charging Tariff"); one to support the Company's non-residential customers who wish to provide Level 2 charging at their premises ("Level 2 Charging Tariff"), such as workplaces, multifamily communities, or retail establishments; and one to support the Company's residential customers who wish to have Level 2 charging installed in their homes ("Residential Charging Tariff"). The Company proposes participation limits for each Charging Tariff to ensure that availability is limited and will complement investment being made by the private sector. Specifically, the Company proposes the following participation limits on the Charging Tariffs: 165 customers in the Fleet

<sup>4</sup> Id. at 3.

<sup>&</sup>lt;sup>5</sup> *Id*.

<sup>6</sup> *Id*.

<sup>&</sup>lt;sup>7</sup> Id.

<sup>8</sup> Id. at 4.

<sup>9</sup> Id.

Charging Tariff; 100 customers in the Level 2 Charging Tariff; and 1,000 customers in the Residential Charging Tariff. The Company states further that the Residential Charging Tariff and the Level 2 Charging Tariff include incentives for the deployment of charging infrastructure to low-income customers and in low-income communities and communities of color. The Application also states that the Fleet Charging Tariff and the Level 2 Charging Tariff both cover a portion of the costs of EV supply infrastructure. The Company estimates the total program cost for these incentives and carveouts is approximately \$18.7 million.

The Application requests approval of two Pricing Tariffs, one to establish a rate for public fast charging ("DCFC Pricing Tariff") and one to establish a rate for Level 2 charging ("Level 2 Pricing Tariff"). The Company states that the rates for the DCFC Pricing Tariff and the Level 2 Pricing Tariff are based on the estimated costs for installation, operation, and maintenance of the charging station, plus the rate for services under the Company's Rate Schedule GS-2. Additionally, the Company asserts that rates are comparable to third-party rates in Virginia.

<sup>&</sup>lt;sup>10</sup> Direct Testimony of Nathan J. Frost ("Frost Direct"), Schedule 1 at 2; Schedule 2 at 2; and Schedule 3 at 1.

<sup>11</sup> Application at 5-6.

<sup>&</sup>lt;sup>12</sup> Application at 6.

<sup>&</sup>lt;sup>13</sup> Id. The Application states that if the Commission considers these incentives to be promotional allowances as defined in the Rules Governing Utility Promotional Allowances ("Promotional Allowance Rules"), 20 VAC 5-303-10 et seq., the Company requests a waiver of the Promotional Allowance Rules because the Charging Tariffs are just and reasonable, align with the policies of the Commonwealth, and are in the public interest. Id. at 6-7.

<sup>14</sup> Id. at 7.

<sup>15</sup> Id.

<sup>16</sup> *Id* 

On August 17, 2021, the Commission issued an Order for Notice and Comment that, among other things, required Dominion to publish notice of its Application; provided interested persons an opportunity to comment on the Application, file a notice of participation as a respondent, or request that a hearing be convened; directed the Commission's Staff ("Staff") to investigate the Application and present its findings and recommendations in a report ("Staff Report"); and permitted Dominion to file a response to the Staff Report, comments from interested persons, and requests for hearing.

On October 10, 2021, Dominion filed a motion ("Motion") to accept proof of notice and service. In its Motion, Dominion stated that due to an administrative oversight, it did not serve local officials by the September 22, 2021 deadline for doing so but served local officials on October 7, 2021.<sup>17</sup> The Company asserted that the two-week delay in serving local officials should not prejudice local officials, as interested persons had until November 4, 2021, to file written comments, notices of participation, and requests for hearings.<sup>18</sup>

The Commission received comments, notices of participation, and requests for hearing from various entities. Specifically, Chargepoint, Inc. ("ChargePoint"); Appalachian Voices; the Sierra Club and the Natural Resources Defense Council (collectively, "Sierra Club-NRDC"); the Virginia Department of Energy; the Alliance for Transportation Electrification; the County of York, Virginia; and Weave Grid, Inc., filed comments on the Application. Sierra Club-NRDC; ChargePoint; the Board of Supervisors of Culpeper County, Virginia; and Appalachian Voices

<sup>&</sup>lt;sup>17</sup> Motion at 2.

<sup>&</sup>lt;sup>18</sup> *Id*.

filed notices of participation. Sierra Club-NRDC and Appalachian Voices also requested a hearing.<sup>19</sup>

Staff filed its Staff Report on December 1, 2021. Dominion filed its responses to the Staff Report, to comments from interested persons, and to the requests for hearing on December 15, 2021.

On January 26, 2022, the Commission entered an Order that assigned a Hearing

Examiner to conduct further proceedings in this matter on behalf of the Commission, including

presiding over a public hearing on the Application and filing a final report.

On April 8, 2022, Dominion, Sierra Club-NRDC, and ChargePoint filed a Proposed Stipulation and Recommendation ("Stipulation"). The Stipulation states that Appalachian Voices did not join in the Stipulation other than with respect to Paragraph (9), regarding a hearing not being necessary, but did not oppose the Stipulation.<sup>20</sup> The Stipulation also states that Culpeper County neither joined nor opposed the Stipulation.<sup>21</sup> On April 12, 2022, Staff filed a letter response to the Stipulation stating that it does not request a hearing in this, or take a position on the Stipulation. Moreover, Staff stated it maintains its positions set forth in the Staff Report.

On May 2, 2022, the Hearing Examiner issued the Report of D. Mathias Roussy, Jr., Hearing Examiner ("Report"). In his Report, the Hearing Examiner found the following:

1. No opposition or other response was filed to Dominion's October 22, 2021 Motion to Accept Proof of Notice and Service.

<sup>&</sup>lt;sup>19</sup> Sierra Club-NRDC filed a request for hearing on October 22, 2021. In its November 4, 2021 comments, Appalachian Voices requested a hearing "if the Commission does not deny the [A]pplication on its face." Comments of Appalachian Voices at 1.

<sup>&</sup>lt;sup>20</sup> Stipulation at 1.

<sup>&</sup>lt;sup>21</sup> Id.

- 2. A hearing is no longer requested by any case participant or necessary.
- 3. Dominion's Pricing Tariffs, as modified by the Stipulation, are just and reasonable and would allow Dominion to provide electric charging service, as permitted by Code § 56-1.2:1.
- 4. Directing Dominion to initiate a future proceeding based solely on the number of volunteers for fully discounted infrastructure under the Charging Tariffs as proposed by Stipulation Paragraph (6) could fail to recognize the balancing of public interest considerations associated with limiting the number of customers eligible to receive such discounts.
- 5. Dominion's Charging Tariffs, as modified by the Stipulation, are otherwise just and reasonable to the extent the Commission finds the specific levels of proposed participation caps, carveouts, and incentives to be just and reasonable.<sup>22</sup>

Accordingly, the Hearing Examiner recommended that the Commission enter an order that (1) adopts the findings of the Report; (2) grants Dominion's Motion; and (3) approves the proposed Stipulation, in part, subject to the findings and recommendations contained in the Report.<sup>23</sup>

On May 16, 2022, Dominion, Staff, and Sierra Club-NRDC filed comments on the Report.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that the Pricing Tariffs, as modified by the Stipulation, should be approved and that the Charging Tariffs, as modified by the Stipulation, should be approved. We also find that the Company's Motion should be granted.

House Bill 2282 ("HB 2282") describes the policy of the Commonwealth regarding transportation electrification as follows:

<sup>22</sup> Report at 21.

<sup>&</sup>lt;sup>23</sup> Id.

It is the policy of the Commonwealth that transportation electrification will reduce dependence on petroleum, improve air quality and public health, reduce vehicle fueling costs, and reduce emissions of greenhouse gases from the transportation sector. To achieve these goals, among other steps, it is necessary to ensure there is adequate electric vehicle charging infrastructure deployed throughout the Commonwealth. It is further the policy of the Commonwealth to promote, to the greatest extent possible, private competition and investment in transportation electrification and to enable public utilities and the public sector to complement such private investment where most effective.<sup>24</sup>

HB 2282 also addresses the appropriate cost recovery mechanism for the costs of transportation electrification as follows:

Beginning July 1, 2021, any approved costs of any investor-owned electric utility associated with investment in transportation electrification, other than those costs approved prior to July 1, 2021, shall be recovered only through the utility's rates for generation and distribution, shall not be recovered through a rate adjustment clause pursuant to subdivision A 6 of § 56-585.1 of the Code of Virginia, and shall not be eligible for a customer credit reinvestment offset pursuant to subdivision A 8 d of § 56-585.1 of the Code of Virginia. To the extent that the provisions of this act are inconsistent with the provisions of § 56-585.1 of the Code of Virginia, the provisions of this act shall control.<sup>25</sup>

Code § 56-234 A provides, in part, that "[i]t shall be the duty of every public utility to furnish reasonably adequate service and facilities at reasonable and just rates to any person, firm or corporation along its lines desiring same."

The Commission finds that the Pricing Tariffs, as modified by the Stipulation, are just and reasonable and that the Charging Tariffs, as modified by the Stipulation, are just and reasonable. We further find that the tariffs approved herein are consistent with the policy of the Commonwealth set forth in HB 2282.

<sup>&</sup>lt;sup>24</sup> 2021 Special Session I Va. Acts ch. 268, Enactment Clause 1, § 1.

<sup>&</sup>lt;sup>25</sup> 2021 Special Session I Va. Acts ch. 268, Enactment Clause 1, § 2 (codified as Code § 56-585.1:13).

Next, we turn to the terms of the Stipulation. Specifically, the Hearing Examiner did not recommend approval of Paragraph (6) of the Stipulation "to the extent it contemplates the Commission affirmatively directing Dominion to initiate a future proceeding based on the sole consideration of participation." Paragraph (6) of the Stipulation states the following:

6. Additional Incentives for Low-Income Communities,
Communities of Color, and Low-Income Customers under the
Charging Tariffs: Within six months of hitting the cap for
incentives for customers located in a low-income community or
community of color (Fleet and Level 2 Charging Tariffs) or for
low-income customers (Residential Charging Tariff), the Company
will seek approval from the Commission to offer additional
incentives.<sup>27</sup>

The Hearing Examiner found that "[d]irecting Dominion to initiate a future proceeding based solely on the number of volunteers for fully discounted infrastructure under the Charging Tariffs—as proposed by Stipulation Paragraph (6)—could fail to recognize the balancing of public interest considerations associated with limiting the number of customers eligible to receive such discounts." The Hearing Examiner reasoned that "[t]he initiation of any future proceeding for the purpose of tariff revisions—including, but not limited to, a proposal to expand the availability of the most generous incentives offered (*i.e.*, 100% discounts)—could be informed by the type of detailed information on cost and usage that would be collected and regularly reported pursuant to the Stipulation—rather than merely by participation levels alone."

<sup>&</sup>lt;sup>26</sup> Report at 20.

<sup>&</sup>lt;sup>27</sup> Stipulation at 4.

<sup>&</sup>lt;sup>28</sup> Report at 21.

<sup>&</sup>lt;sup>29</sup> *Id.* at 20.

In response, the Company disagreed that Stipulation Paragraph (6) contemplates an affirmative direction from the Commission to take any specific action.<sup>30</sup> Dominion acknowledged that approval of the Stipulation would not change the standard of review for any future request for a tariff revision and that the Company would bear the burden of demonstrating the reasonableness of such a revision based on the facts at the time of any future proposal.<sup>31</sup> Sierra Club-NRDC agreed that "Paragraph (6) of the Stipulation merely ensures that the Commission will have an opportunity to balance the relevant 'public interest considerations' and decide—based on a record compiled by interested stakeholders—whether those factors weigh in favor of expanding carveouts for disadvantaged communities."<sup>32</sup>

The Commission will approve the Stipulation in full. In doing so, however, the Commission is not limiting the reasons for which the Company could seek tariff revisions to modify, amend, or expand the program or apply for additional programs. Any decisions in future cases will be based on the record developed in those cases.

Accordingly, IT IS ORDERED THAT:

- (1) The Stipulation, attached hereto as Attachment A, is hereby approved.
- (2) The Pricing Tariffs, as modified by the Stipulation, are hereby approved.
- (3) The Charging Tariffs, as modified by the Stipulation, are hereby approved.
- (4) The Company shall forthwith file the Pricing Tariffs and supporting workpapers with the Clerk of the Commission and submit the same to the Commission's Divisions of Public Utility Regulation and Utility Accounting and Finance, as is necessary to comply with the

<sup>&</sup>lt;sup>30</sup> Dominion Comments at 6-7.

<sup>31</sup> Id. at 7.

<sup>&</sup>lt;sup>32</sup> Sierra Club-NRDC Comments at 2.

directives set forth in this Order Approving Tariffs. The Clerk of the Commission shall retain such filings for public inspection in person and on the Commission's website:

scc.virginia.gov/pages/Case-Information.

- (5) The Company shall forthwith file the Charging Tariffs and supporting workpapers with the Clerk of the Commission and submit the same to the Commission's Divisions of Public Utility Regulation and Utility Accounting and Finance, as is necessary to comply with the directives set forth in this Order Approving Tariffs. The Clerk of the Commission shall retain such filings for public inspection in person and on the Commission's website:

  scc.virginia.gov/pages/Case-Information.
- (6) The Pricing Tariffs, as approved herein, shall become effective for usage on and after the first day of the month that is at least 15 days following the date of this Order Approving Tariffs.
- (7) The Charging Tariffs, as approved herein, shall become effective for usage on and after the first day of the month that is at least 15 days following the date of this Order Approving Tariffs.
  - (8) The Company's Motion is hereby granted.
  - (9) This case is continued.

A COPY hereof shall be sent electronically by the Clerk of the Commission to all persons on the official Service List in this matter. The Service List is available from the Clerk of the Commission.

#### COMMONWEALTH OF VIRGINIA

#### STATE CORPORATION COMMISSION

APPLICATION OF	)
VIRGINIA ELECTRIC AND POWER COMPANY	)
	) Case No. PUR-2021-00151
For approval of five voluntary tariffs to support	)
transportation electrification, pursuant to	)
§ 56-234 A of the Code of Virginia	)

#### PROPOSED STIPULATION AND RECOMMENDATION

This Proposed Stipulation and Recommendation ("Stipulation") represents the agreement among Virginia Electric and Power Company ("Dominion Energy Virginia" or the "Company"), the Sierra Club, the Natural Resources Defense Council ("NRDC"), and ChargePoint, Inc. ("ChargePoint") (collectively, the "Stipulating Participants") resolving all issues raised by the Stipulating Participants relating to the application filed by Dominion Energy Virginia on July 23, 2021, for approval of five new voluntary, companion tariffs to support transportation electrification in Virginia (the "Application"). Appalachian Voices does not join in the Stipulation other than with respect to Paragraph (9) regarding a hearing not being necessary, but does not oppose the Stipulation. Culpeper County does not join, but does not oppose, the Stipulation.

The Stipulating Participants, by their undersigned counsel, stipulate, agree, and recommend that this Stipulation be adopted and that the Application be approved as modified below:

1. <u>Charging Tariffs and Pricing Tariffs</u>: The Charging Tariffs and the Pricing Tariffs with the revisions set forth in <u>Attachment A</u> to this Stipulation are just and reasonable, are in the public interest, and should be approved.

- 2. <u>Cost Recovery</u>: Consistent with Va. Code § 56-585.1:13, the Company will recover the costs associated with the Charging Tariffs through its rates for generation and distribution services (*i.e.*, base rates). The Company will also ensure that customers receive the benefits from environmental attributes that result from the installation of electric vehicle supply equipment ("EVSE") under the Charging Tariffs.
- 3. Future EVSE Options for the Residential Charging Tariff: The Company will launch the Residential Charging Tariff with at least two networked EVSE models available, but will work to expand the list of EVSE options that meet specifications. In addition, the Company will continue to evaluate emerging technologies such as non-networked EVSE paired with vehicle telematics.
- 4. <u>Bi-Annual Reports</u>: The Company agrees to file bi-annual reports with the Commission on March 31 and September 30, beginning with the first date that occurs after 30 days of approval of the Charging and Pricing Tariffs, that include:
  - a. The price for charging at Company-owned charging stations compared to the price for charging at other publicly-available charging stations.
  - b. The number of Company-owned and -operated charging stations that are available to the public, by type of charging (i.e., DCFC or Level 2).
  - c. The enrollment numbers for each of the three Charging Tariffs, including the number of participants that qualified for the incentives to customers located in a low-income community or community of color (Fleet and Level 2 Charging Tariffs) or to low-income customers (Residential Charging Tariff).

- d. The methods the Company has used for education and outreach regarding the Charging Tariffs, with specific emphasis on outreach to low-income communities and communities of color.
- 5. Annual Reports: In addition to the bi-annual reports set forth in Paragraph (4) of this Stipulation, the Company agrees to file an annual report with the Commission summarizing aggregated charging data from (i) Company-owned charging stations and (ii) charging stations installed through the Charging Tariffs that the Company does not own. For charging stations that the Company does not own, the Company will seek consent from customers that enroll in the Charging Tariffs to collect and aggregate charging data and, if customer consent is obtained, will include aggregate charging data from these charging stations in its annual report. Aggregated charging data provided in this annual report will include: kilowatt-hours utilized; site host types; load profiles; number of charging sessions; and average costs to drivers to utilize each charging station. For each of the three Charging Tariffs, the annual report will also include the number of participants enrolled in each of the Charging Tariffs; the average cost for installation and equipment for each of the Charging Tariffs; the number of participants in the Charging Tariffs that qualified for the incentives to customers located in a low-income community or community of color (Fleet and Level 2 Charging Tariffs) or to low-income customers (Residential Charging Tariff). Finally, this annual report will include an update on the Company's progress toward consideration of additional EV-related offerings as set forth in Paragraph (8) of this Stipulation. The Company will file this annual report each year by March 31 based on aggregated charging data from the prior calendar year, beginning with the first full year of data.

- 6. Additional Incentives for Low-Income Communities, Communities of Color, and Low-Income Customers under the Charging Tariffs: Within six months of hitting the cap for incentives for customers located in a low-income community or community of color (Fleet and Level 2 Charging Tariffs) or for low-income customers (Residential Charging Tariff), the Company will seek approval from the Commission to offer additional incentives.
- 7. HB 2282 Stakeholder Process: The Stipulating Participants agree that the third-party led, public stakeholder process directed by House Bill 2282 from the 2021 Special Session I of the Virginia General Assembly does not preclude Commission consideration of the Charging Tariffs and the Pricing Tariffs prior to May 1, 2022.
- 8. Additional EV-Related Offerings: The Company will consider additional offerings beyond the proposed tariffs to incentivize both managed charging and additional charging infrastructure, including a potential EV-only time-of-use rate for residential customers. To the extent a robust market develops for environmental attributes related to EVSE, the Company will reconsider appropriate ownership of such attributes in future offerings.
- 9. <u>Hearing Not Necessary</u>: The Stipulating Participants and Appalachian Voices agree that an evidentiary hearing is not necessary to resolve this matter.
- 10. The Stipulating Participants agree that this Stipulation represents a compromise for purposes of settlement of this case and for resolution of issues raised by the Stipulating Participants in this proceeding. None of the signatories to this Stipulation necessarily agree with the treatment of any particular item, any procedure followed, or the resolution of any particular issue in agreeing to this Stipulation other than as specified herein, except that the Stipulating Participants agree that the resolution of the issues herein, taken as a whole, and the disposition of all other matters set forth in this Stipulation, are in the public interest.

11. This Stipulation is conditioned upon and subject to acceptance by the Commission and is non-severable and of no force or effect and may not be used for any other purpose unless accepted in its entirety by the Commission. In the event that the Commission does not accept the Stipulation in its entirety, each of the signatories herein retain the right to withdraw support for the Stipulation. In the event of such action by the Commission, any of the signatories to the Stipulation will be entitled to give notice exercising its right to withdraw support for the Stipulation; provided, however, that the signatories to the Stipulation may, by unanimous consent, elect to modify the Stipulation to address any modifications required, or issues raised, by the Commission. Should the Stipulation not be approved, it will be considered void and have no precedential effect, and the signatories to the Stipulation reserve their rights to participate in all relevant proceedings in the captioned case notwithstanding their agreement to the terms of the Stipulation. If the Commission chooses to reject the Stipulation, the Stipulating Participants may request that an ore tenus hearing be convened at which time testimony and evidence may be presented by the case participants and cross-examination may occur on any issues arising in this proceeding.

# ATTACHMENT A TO ORDER Page 6 of 20

The following parties join the Stipulation as accepted and agreed to this 8th day of April

2022:

VIRGINIA ELECTRIC AND POWER COMPANY

By:	/s/ Sarah R. Bennett
•	Counsel

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Counsel for Virginia Electric and Power Company

# ATTACHMENT A TO ORDER Page 7 of 20

	CHARGEPOINT, INC.
	By: /s/ Victoria L. Howell Counsel
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Counsel for ChargePoint, Inc.	
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	By: /s/ Evan D. Johns Counsel
Evan D. Johns, Esq. Appalachian Mountain Advocates P.O. Box 507 Lewisburg, WV 24901	

# ATTACHMENT A TO ORDER Page 8 of 20

The following party does not join in the Stipulation other than with respect to Paragraph

(9) regarding a hearing not being necessary, but does not oppose the Stipulation.

### **APPALACHIAN VOICES**

By:	/s/ William C. Cleveland	
	Counsel	

William C. Cleveland, Esq. Josephus Allmond, Esq. Nathaniel H. Benforado, Esq. Southern Environmental Law Center 201 West Main Street, Suite 14 Charlottesville, VA 22902

Counsel for Appalachian Voices

# ATTACHMENT A TO ORDER Page 9 of 20

The following party does not join, but does not oppose, the Stipulation.

# CULPEPER COUNTY

By:		/s/ Bobbi Jo Alexis	
•	Counsel		

Bobbi Jo Alexis, Esq. Culpeper County Attorney 306 N. Main Street Culpeper, Virginia 22701

Counsel for Culpeper County

# **Attachment A**

# Transportation Electrification Tariff Summary

## **Proposal: Fleet Charging Tariff (Schedule EVCF)**

Provide a turnkey solution for non-residential customers seeking to electrify their fleets by allowing the Company to install, own, and maintain the necessary charging infrastructure.

- <u>Type of Tariff</u>: Voluntary, companion tariff for the services outlined below; electricity and other services billed through principal tariff.
- <u>Eligibility Requirements</u>: Non-residential customer; agreement to use charging infrastructure for fleet vehicles; sites must install a minimum of two charging stations to support electric fleet.
- Company-Provided Service(s):
  - o Install, maintain, and own utility infrastructure, EV supply infrastructure, and, optionally, EV supply equipment ("EVSE") for eligible customers to support either DCFC or Level 2 charging as follows:
    - Utility Infrastructure:
      - The Company will install and maintain the utility infrastructure necessary for the provision of fleet EV charging under this tariff consistent with the Company's Terms and Conditions.
    - EV Supply Infrastructure:
      - The Company will work with the customer to prepare site plans based on its needs and circumstances and will install and maintain EV supply infrastructure in compliance with all applicable laws, codes, and standards.
      - The Company will retain title and ownership of the EV supply infrastructure once installation is completed.
    - Optional EVSE:
      - If requested by the customer, the Company will install, own, and maintain EVSE in compliance with all applicable laws, codes, and standards. The customer (i.e., the site host) shall have the choice of at least two providers of EVSE hardware and two providers of network services, regardless of EVSE ownership.
      - The Company will retain title and ownership of the EVSE once installation and commissioning are completed.
      - The EVSE, whether Company- or customer-owned, must remain connected to Wi-Fi, cellular, or other communications. In addition, for any Level 2 charging installed under this tariff, the EVSE must be ENERGYSTAR certified and UL listed.
  - o Provide comprehensive support and advisory services for the eligible customer's full fleet electrification transition, including advice on planning, vehicles, type of

<sup>&</sup>lt;sup>1</sup> If the customer chooses to purchase EVSE from a third party, the customer will be responsible for installing and commissioning the EVSE. Customers are eligible for the incentives related to the EV supply infrastructure regardless of whether they choose to obtain the EVSE from the Company.

charging, charging infrastructure, construction, installation, maintenance, rates, and managed charging solutions.

### - Charge to Customer:

- o For 10 eligible customers located in a low-income community or community of color, no costs. For all other customers, 100% of any utility infrastructure costs over the current line extension policy; 50% of EV supply infrastructure costs; 100% of EVSE costs.
- o Actual charges will be specific to the equipment and installation for each customer as outlined in a Customer Contract for Electric Vehicle Fleet Charging Service. The customer will pay a monthly charge—as a separate line item on the bill—equal to 1.2% of the installed cost of the EV supply infrastructure and 1.3% of the installed cost of the EVSE, if applicable.
- o The Customer Contract for Electric Vehicle Fleet Charging Service will be for a 10-year term. At the end of the 10-year term, the EVSE will be fully depreciated; the Company will either remove the EVSE or abandon the EVSE if the customer prefers to keep it and assume responsibility for it. Alternatively, after the initial 10-year term, the customer will have the option to request installation of new EVSE, which will renew for the contract for a subsequent 10-year period.

## - Program Costs (i.e., costs to broader customer base):

- o For 10 eligible customers located in a low-income community or community of color, 100% of any utility infrastructure costs over the current line extension policy, 100% of EV supply infrastructure costs; 100% of EVSE costs; costs for program support and advisory services. For all other customers, 50% of EV supply infrastructure costs; costs for program support and advisory services.
- <u>Participation Limitations</u>: 175 customers, with a carveout reserved for 10 customers located in a low-income community or community of color.
  - O The participation limit is based on the EV adoption forecasts provided by Navigant Consulting, Inc. Specifically, the cap of 165 customers represents approximately 50% of the jurisdictional customers expected to electrify their fleets during the first five years of the proposed program, plus an additional 10 reserved for customers located in a low-income community or community of color.
  - o Limiting participation allows the Company to respond to customer demand in fleet electrification in the near term, while allowing the Commission to continue to evaluate and consider the Company's role in transportation electrification.

#### - Justification (i.e., why just and reasonable):

- When properly deployed and managed, the expansion of transportation electrification can result in downward rate pressure for all customers resulting from the increased system load and associated revenues and more efficient grid utilization. The nature of fleet operations specifically provides a great opportunity for more efficient grid utilization because many fleet vehicles come back to "base" in the evening so are able to charge at nominal charging levels overnight when system costs are typically lowest.
- o Replacing internal combustion vehicles with EVs improves air quality and reduces emissions. This supports improved public health and plays a positive role in meeting important sustainability and decarbonization goals.

- o Incentivizing deployment in low-income communities or communities of color will help to ensure equitable access to EV charging.
- o Customers have requested this service from the Company.
- o The approach used to determine the proposed costs is consistent with the Company's existing facility charge model. Cost assumptions are based on Company, peer utility, and third-party experience. The Company will also perform competitive procurement processes to obtain best value equipment and services for the program.

- o For purposes of the carveout for low-income communities or communities of color, the Company incorporates the definitions set forth in Va. Code § 2.2-234.
- o If a customer discontinues all service with the Company during the term of the Customer Contract for Electric Vehicle Fleet Charging Service, the Company will sell to the customer—and the customer will buy—all EV supply infrastructure and EVSE at the undepreciated balance as reasonably determined by the Company.
- o If a customer meets the eligibility requirements set forth above, the customer can take service under the Fleet Charging Tariff regardless of the type of vehicle fleet the customer seeks to electrify (i.e., light-duty, medium-duty, or heavy-duty).
- o The customer retains the right to set pricing at the charging stations installed under the Fleet Charging Tariff as needed, regardless of EVSE ownership.
- o To the extent the Company installs, owns, and maintains the EVSE under the Fleet Charging Tariff, the Company retains the right to environmental attributes that result from the installation of EVSE.

# Transportation Electrification <u>Tariff Summary</u>

### **Proposal:** Level 2 Charging Tariff (Schedule EVCL2)

Provide a turnkey solution for non-residential customers seeking to install Level 2 charging stations by allowing the Company to install, own, and maintain the necessary charging infrastructure.

- <u>Type of Tariff</u>: Voluntary, companion tariff for the services outlined below; electricity and other services billed through principal tariff.
- <u>Eligibility Requirements</u>: Non-residential customer; sites must install a minimum of two charging stations.
- Company-Provided Service(s):
  - o Install, maintain, and own utility infrastructure, EV supply infrastructure, and, optionally, EV supply equipment ("EVSE") for eligible customers as follows:
    - Utility Infrastructure:
      - The Company will install and maintain the utility infrastructure necessary for the provision of providing EV charging under this tariff consistent with the Company's Terms & Conditions.
    - **EV** Supply Infrastructure:
      - The Company will work with the customer to prepare site plans based on its needs and circumstances and will install and maintain EV supply infrastructure in compliance with all applicable laws, codes, and standards.
      - The Company will retain title and ownership of the EV supply infrastructure once installation is completed.
    - Optional EVSE:
      - If requested by the customer, the Company will install, own, and maintain EVSE in compliance with all applicable laws, codes, and standards.<sup>2</sup> The customer (*i.e.*, the site host) shall have the choice of at least two providers of EVSE hardware and two providers of network services, regardless of EVSE ownership.
      - The Company will retain title and ownership of the EVSE once installation and commissioning are completed.
      - The EVSE, whether Company- or customer-owned, must remain connected to Wi-Fi, cellular, or other communications. In addition, the Level 2 EVSE must be ENERGYSTAR certified and UL listed.
- Charge to Customer:
  - o For 10 eligible customers located in a low-income community or community of color, no costs. For an additional 10 eligible customers located in a low-income community or community of color that are multi-family residential complexes, no costs. For all

<sup>&</sup>lt;sup>2</sup> If the customer chooses to purchase EVSE from a third party, the customer will be responsible for installing and commissioning the EVSE. Customers are eligible for the incentives related to the EV supply infrastructure regardless of whether they choose to obtain the EVSE from the Company.

- other customers, 100% of any utility infrastructure costs over the current line extension policy, 50% of EV supply infrastructure costs; 100% of EVSE costs.
- o Actual charges will be specific to the equipment and installation for each customer as outlined in a Customer Contract for Electric Vehicle Level 2 Charging Service. The customer will pay the Company a monthly charge—as a separate line item on the bill—equal to 1.2% of the installed cost of the EV supply infrastructure and 1.3% of the installed cost of the EVSE, if applicable.
- o The Customer Contract for Electric Vehicle Level 2 Charging Service will be for a 10-year term. At the end of the 10-year term, the EVSE will be fully depreciated; the Company will either remove the EVSE or abandon the EVSE if the customer prefers to keep it and assume responsibility for it. Alternatively, after the initial 10-year term, the customer will have the option to request installation of new EVSE, which will renew for a subsequent 10-year period.
- <u>Program Costs (i.e., costs to broader customer base)</u>:
  - o For 10 eligible customers located in a low-income community or community of color, 100% of any utility infrastructure costs over the current line extension policy, 100% of EV supply infrastructure costs; 100% of EVSE costs; costs of program administration. For an additional 10 eligible customers located in a low-income community or community of color that are multi-family residential complexes, 100% of any utility infrastructure costs over the current line extension policy, 100% of EV supply infrastructure costs; 100% of EVSE costs; costs of program administration. For all other customers, 50% of EV supply infrastructure costs; costs of program administration.
- <u>Participation Limitations</u>: 110 customers, with a carveout reserved for 20 customers—10 located in a low-income community or community of color and an additional 10 located in a low-income community or community of color that are multi-family residential complexes.
  - o Limiting participation allows the Company to respond to customer demand for Level 2 charging in segments such as workplace charging, multi-family charging, and public charging in the near term, while allowing the Commission to continue to evaluate and consider the Company's role in transportation electrification.
- Justification (i.e., why just and reasonable):
  - o Replacing internal combustion vehicles with EVs improves air quality and reduces emissions. This supports improved public health and plays a positive role in meeting important sustainability and decarbonization goals.
  - Additional EV charging infrastructure is needed to support anticipated EV adoption and decarbonization public policy. The Department of Energy's Electric Vehicle Infrastructure Projection Tool (EVI-Pro) Lite<sup>3</sup> and Atlas Public Policy's U.S. Passenger Vehicle Electrification Infrastructure Assessment<sup>4</sup> both recognize the need for additional EV charging infrastructure to support widespread transportation electrification.
  - o Customers have requested this service from the Company.
  - o Incentivizing deployment in low-income communities or communities of color will help to ensure equitable access to EV charging.
  - o The approach used to determine the proposed costs is consistent with the Company's

<sup>&</sup>lt;sup>3</sup> https://afdc.energy.gov/evi-pro-lite.

<sup>4</sup> https://atlaspolicy.com/rand/u-s-passenger-vehicle-electrification-infrastructure-assessment/.

existing facility charge model. Cost assumptions are based on Company, peer utility, and third-party experience. The Company will also perform competitive procurement processes to obtain best value equipment and services for the program.

- o For purposes of the carveout for low-income communities or communities of color, the Company incorporates the definitions set forth in Va. Code § 2.2-234.
- o If a customer discontinues service with the Company during the term of the Customer Contract for Electric Vehicle Level 2 Charging Service, the Company will sell to the customer—and the customer will buy—all EV supply infrastructure and EVSE at the undepreciated balance as reasonably determined by the Company.
- o The customer retains the right to set pricing at the charging stations installed under the Level 2 Charging Tariff as needed, regardless of EVSE ownership.
- o To the extent the Company installs, owns, and maintains the EVSE under the Level 2 Charging Tariff, the Company retains the right to environmental attributes that result from the installation of EVSE.

## Transportation Electrification <u>Tariff Summary</u>

### **Proposal: Residential Charging Tariff (Schedule EVCR)**

Provide a turnkey solution for residential customers seeking to install a Level 2 charging station in their homes by financing the installation of EV supply infrastructure and EV supply equipment.

- <u>Type of Tariff</u>: Voluntary, companion tariff for the services outlined below; electricity and other services billed through principal tariff.
- Eligibility Requirements: Residential customer; owns single-family home.
- Company-Provided Service(s):
  - o Install Level 2 charging station and associated infrastructure (i.e., breaker in the customer's panel, wiring from the panel to the charging station, outlet for the charging station).
    - The customer must have capacity to add the required breaker in electrical panel.
    - The customer will have the option of networked Level 2 EVSE from at least two hardware vendors, but the Company will aim to make a wider variety of EVSE available that meet specifications.
    - The Level 2 charging station must be connected to Wi-Fi, cellular, or other communications.
    - The Company reserves the right to designate the charging station installation location. The Company will not drill or bore through concrete or brick structures or underground.
  - o Provide ongoing maintenance and support, including a five-year warranty and responses to frequently asked questions.
  - o Educate customer on managed charging options.
- Charge to Customer:
  - o For 100 eligible low-income customers, no costs. For all other customers, \$40.27 per month for 60 months or \$1,835.96 upfront.
- Program Costs (i.e., costs to broader customer base):
  - o For 100 eligible low-income customers, 100% of costs. For all other customers, none.
- <u>Participation Limitations</u>: 1,000 customers, with a 10% carveout reserved for low-income customers.
- Justification (i.e., why just and reasonable):
  - o Replacing internal combustion vehicles with EVs improves air quality and reduces emissions. This supports improved public health and plays a positive role in meeting important sustainability and decarbonization goals
  - o The customer charge was designed based on market pricing for the EVSE and for the installation and maintenance of the charging infrastructure.
  - o The tariff is generally designed to recover all costs associated with the charging infrastructure, installation, and maintenance from participating customers.

- o Incentivizing deployment to low-income customers will help to ensure equitable access to EV charging.
- o Customers frequently contact the Company to request a charging station for their home; the tariff will provide a turnkey solution to meet customer interest while supporting broader transportation electrification initiatives.

- o The customer will assume title to the Level 2 charging station and associated infrastructure upon installation.
- o For purposes of the carveout for low-income customers, the Company incorporates the definitions set forth in Va. Code § 2.2-234.
- o If a participating customer discontinues service with the Company during the 60-month payment term, the customer will pay the undepreciated balance of the infrastructure. Customers will sign a contract with the Company when they enroll in the Residential Charging Tariff that will, among other things, include the methodology for calculating this undepreciated balance. The Company will work with customers to verify this calculation to the extent needed.
- o Customers participating in this tariff are eligible for the Company's energy efficiency rebate approved in Case No. PUR-2019-00201 (i.e., EV Charger Rewards) if they pay the one-time upfront cost under the Residential Charging Tariff. Customers participating in the Residential Charging Tariff that pay the monthly cost are not eligible for this energy efficiency rebate program.
- o The Company retains the right to environmental attributes that result from the installation of EVSE under the Residential Charging Tariff.

## Transportation Electrification Tariff Summary

## **Proposal:** Direct Current Fast Charging ("DCFC") Pricing Tariff (Schedule EVFCP)

Establish a rate for the Company to charge to the public for EV charging at Companyowned and operated DCFC stations for which the Company is responsible for the electric service.

- <u>Eligibility Requirements</u>: None—rate charged to any EV driver that uses the charging station, whether a customer of the Company or not.
- Company-Provided Service(s): EV charging services.
- Rate for Charging: \$0.40 per kilowatt-hour initially (as of March 1, 2022).
- Participation Limitations: None
- Justification (i.e., why just and reasonable):
  - o Rate designed based on the estimated costs for installation of DCFC stations, plus the rate for services under Rate Schedule GS-2. The Company will provide compliance filings to update this rate pursuant to changes that impact Rate Schedule GS-2.
  - o Comparable to third-party rates in Virginia. As of March 7, 2022, third party rates for DCFC in Virginia range from free to \$0.43/kWh, with an average of \$0.33/kWh.<sup>5</sup>

- o The Company will utilize a competitive solicitation process for all Companyowned and operated DCFC stations, and will select at least two vendors of EV charging hardware and software. To the extent a Company-owned and operated DCFC station is installed at a specific location in coordination with a site host, the site host shall have the ability to choose which EV charging hardware and network vendor is deployed at that location between two competitive options provided by the Company.
- o To the extent a Company-owned and operated DCFC station is installed at a specific location in coordination with a site host, the site host will have the option of setting a lower rate for charging by creating alternative pricing mechanisms for drivers, so long as technology exists to enable the site host to do so. The site host will be responsible for any difference between the actual price charged to drivers and Company's rate for charging.

<sup>&</sup>lt;sup>5</sup> The Company excluded the free DCFC charging prior to calculating the average price.

## Transportation Electrification Tariff Summary

## **Proposal:** Level 2 Pricing Tariff (Schedule EVL2P)

Establish a rate for the Company to charge to the public for EV charging at Companyowned and operated Level 2 charging stations for which the Company is responsible for the electric service.

- <u>Eligibility Requirements</u>: None—rate charged to any EV driver that uses the charging station, whether a customer of the Company or not.
- Company-Provided Service(s): EV charging services.
- Rate for Charging: \$0.27 per kilowatt-hour initially (as of March 1, 2022).
- Participation Limitations: None
- Justification (i.e., why just and reasonable):
  - Rate designed based on the estimated costs for installation of Level 2 charging stations, plus the rate for services under Rate Schedule GS-2. The Company will provide compliance filings to update this rate pursuant to changes that impact Rate Schedule GS-2.
  - o Comparable to third-party rates in Virginia. As of March 7, 2022, third party rates for Level 2 charging in Virginia range from free to \$0.49/kWh, with an average of \$0.46/kWh.<sup>6</sup>

- The Company will utilize a competitive solicitation process for all Companyowned and operated Level 2 stations, and will select at least two vendors of EV charging hardware and software. To the extent a Company-owned and operated Level 2 charging station is installed at a specific location in coordination with a site host, the site host shall have the ability to choose which EV charging hardware and network vendor is deployed at that location between two competitive options provided by the Company.
- o To the extent a Company-owned and operated Level 2 station is installed at a specific location in coordination with a site host, the site host will have the option of setting a lower rate for charging by creating alternative pricing mechanisms for drivers, so long as technology exists to enable the site host to do so. The site host will be responsible for any difference between the actual price charged to drivers and Company's rate for charging.

<sup>&</sup>lt;sup>6</sup> The Company excluded the free Level 2 charging prior to calculating the average price. The Company also excluded a station reportedly charging \$2.00/kWh as an outlier.