

Decision No. C19-0854

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 19M-0574E

IN THE MATTER OF THE COMMISSION'S IMPLEMENTATION OF SENATE BILL 19-077
REGARDING TRANSPORTATION ELECTRIFICATION AND TRIENNIAL
APPLICATIONS.

**DECISION OPENING A MISCELLANEOUS PROCEEDING
TO SOLICIT COMMENT AND INFORMATION
REGARDING FUTURE UTILITY APPLICATIONS FOR
TRANSPORTATION ELECTRIFICATION PROGRAMS**

Mailed Date: October 23, 2019

Adopted Date: October 16, 2019

I. BY THE COMMISSION

A. Statement, Findings, and Conclusions

1. By this Decision, the Commission opens a miscellaneous proceeding to solicit comment and information from utilities and interested stakeholders regarding utility applications for transportation electrification programs. We direct Staff of the Public Utilities Commission (Staff) to lead this stakeholder outreach proceeding.

2. Senate Bill (SB) 19-077¹ directs electric utilities to file with the Commission by May 15, 2020, and every three years thereafter, an application “for a program for regulated activities to support widespread transportation electrification” within the utility’s service territory. This is codified at § 40-5-107(1)(a), C.R.S.

¹ SB 19-077 was passed by the 2019 General Assembly on May 15, 2019, and signed into law by the Governor on May 31, 2019.

3. SB 19-077 further requires an application to seek to minimize overall costs and maximize overall benefits. The legislation specifies that applications may include investments or incentives to facilitate the deployment of customer-owned or utility-owned charging infrastructure, including facilities, make-ready infrastructure, and electrical equipment that support transportation electrification; investments or incentives to facilitate electrification of public transit and other vehicle fleets; rate designs, or programs that encourage vehicle charging that supports operation of grid; and customer education, outreach, and incentive programs that increase awareness of the programs and benefits of transportation electrification and encourage greater adoption of electric vehicles.²

4. SB 19-077 identifies certain considerations for the Commission when reviewing transportation electrification applications and determining cost recovery. These include whether the investments or expenditures are reasonably expected to improve the use of the grid; increase access to electricity as a transportation fuel; ensure safety and reliability; contribute to meeting air quality standards and reducing statewide emissions of greenhouse gases; stimulate innovation, competition, and consumer choice; are transparent; and provide transportation electrification access for low-income customers. § 40-5-107(2)(a)-(g), C.R.S.

5. We find a public dialogue among Staff, the electric utilities, and any interested stakeholders would be helpful prior to the utilities filing their first transportation electrification applications.³ To help inform those conversations, and in order for the Commission to receive

² § 40-5-107(1)(b), C.R.S.

³ The Commission may determine at a later date to consider opening a rulemaking, most likely after the Commission, Staff, the utilities, and other stakeholders have had the benefit of reviewing the utilities' first triennial applications in 2020.

applications that are complete and ready for review, we solicit comment and information from the utilities and any interested stakeholders on the following questions:

- (a) What information⁴ should the utilities include in their transportation electrification applications in order to allow the Commission to assess whether the proposed programs are:
 - (i) maximizing benefits and minimizing costs;
 - (ii) reasonably expected to improve the use of the grid;
 - (iii) reasonably expected to increase access to electricity as a transportation fuel;
 - (iv) designed to ensure safety and reliability;
 - (v) contributing to meeting air quality standards;
 - (vi) fostering competition and innovation in transportation electrification;
 - (vii) transparent; and
 - (viii) provide access for low-income customers.
- (b) In addition to the considerations in SB 19-077, what other factors should the Commission assess when evaluating transportation electrification applications and what information is needed from utility applicants in order to evaluate these additional factors?
- (c) What information should utilities include in their transportation electrification applications in order to allow the Commission to assess whether the applications address the following considerations:
 - (i) Cost recovery (including what cost recovery mechanisms, from which customer classes, and under what timeframes).
 - (ii) Customer education efforts currently underway or planned in the future.
 - (iii) Customer rates for residential, small commercial, commercial, or industrial customers, to assist with transportation electrification efforts.
 - (iv) Programs or activities best suited for limited trials or pilot programs.

⁴ By “information,” we are referring to times such as, **but not limited to**, when baseline data should be included for comparison with proposed goals, and the inclusion of definitions for terms otherwise open to multiple interpretations.

- (d) In what regulated and/or unregulated activities are Public Service and Black Hills engaging in other jurisdictions? Is there information from those processes that the Commission and stakeholders would find useful here in Colorado?
- (e) Among other U.S. states that allow regulated utility investment in transportation electrification, which states and/or utilities offer noteworthy examples for cost effective regulated investments, incentives, and/or customer education and outreach in transportation electrification?
- (f) Which market failures, if any, are regulators best able to address via regulated electric vehicle infrastructure investments, incentives, and/or education and outreach?

6. We encourage utilities and interested stakeholders to file comments and information into this Proceeding No. 19M-0574E through the Commission's E-Filings System at: <https://www.dora.state.co.us/pls/efi/EFI.homepage>. Comments and information should be filed no later than **November 22, 2019**. Any responsive comments should then be filed by **December 6, 2019**. After any comments and information are submitted, Staff will schedule at least one workshop to discuss with and among stakeholders, the comments and information filed to date. Staff may raise additional questions and issues for discussion at the workshop(s) or request follow-up written comments.

7. We direct Staff to present at a future Commissioners' Weekly Meeting a summary of the comments and information received in this miscellaneous proceeding. We also direct Staff to file information into this miscellaneous proceeding that may be relevant to the Commission's consideration of transportation electrification applications.

8. We direct that transportation electrification applications be filed no sooner than 30 days following a decision closing this miscellaneous proceeding. This timing allows for conclusion of this administrative process prior to engaging in adjudication of individual utility applications.

II. ORDER

A. The Commission Orders That:

1. The Commission opens a miscellaneous proceeding to solicit comment and information from utilities and interested stakeholders regarding utility applications for transportation electrification programs, consistent with the discussion above.

2. Staff of the Public Utilities Commission (Staff) is directed to hold at least one workshop with utilities and interested stakeholders to discuss the information and comments received in this Proceeding, in addition to other questions and issues that Staff may raise for discussion at the workshop(s).

3. Transportation electrification applications shall be filed no sooner than 30 days following a Commission decision closing this miscellaneous proceeding.

4. This Decision is effective upon its Mailed Date.

**B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING
October 16, 2019.**

(S E A L)



ATTEST: A TRUE COPY

Doug Dean,
Director

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

JEFFREY P. ACKERMANN

FRANCES A. KONCILJA

JOHN GAVAN

Commissioners