

STATE OF MINNESOTA
PUBLIC UTILITIES COMMISSION

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May 10, 2024

**RE: In the Matter of Minnesota Power’s 2023 Transportation Electrification Plan
Docket No. E002/M-23-258**

Reply Comments of Fresh Energy, Union of Concerned Scientists, Sierra Club, and Plug In America

Fresh Energy, Union of Concerned Scientists, Sierra Club and Plug In America (the Clean Energy Groups, or CEGs) submit these Reply Comments in response to Minnesota Power’s reply comments filed April 26, 2024, focused on Minnesota Power’s Transportation Electrification Plan (TEP).

The CEGs appreciate Minnesota Power’s response to our initial comments. We reiterate our recommendation that the Commission accept Minnesota Power’s 2023 TEP with requirements for subsequent TEP filings to fill in gaps in the plan. The CEGs’ recommendations for subsequent TEP filings include:

- Additional discussion of how Minnesota Power is preparing for and supporting adoption of more medium- and heavy-duty electric vehicles (EVs), particularly transit buses, school buses, and trucks;
- A robust discussion of equity, including analysis on how Minnesota Power’s EV programs are serving those disproportionately impacted by transportation pollution, as well as renters, multifamily housing residents, communities of color, “low-to-moderate income”¹ customers, and rural communities; and what gaps may remain;

¹ **Note on the use of quotations:** while Fresh Energy, based on input from key partners, often uses the term *under-resourced* to describe customers with fewer financial resources, the CEGs are using “low-to-moderate income” to align with the language of the [Minnesota Statute 216B.1615](#) which directs what utilities’ Transportation Electrification Plans should include, and which uses the term “low-to-moderate income.” The quotations indicate a reference to that usage.

- Discussion of coordination between EVs, energy efficiency, and building electrification planning, including, for example, Energy Conservation & Optimization (ECO) programs.

We also ask the Commission to require Minnesota Power propose an additional EV residential managed charging program that does not require installation of a second service or participation in a whole-home time-of-use rate by or before their next TEP filing.

Below, we respond to the points raised by Minnesota Power in their reply.

1) General Response

The CEGs appreciate Minnesota Power’s responses to our questions and recommendations, which expand on how the utility is incorporating environmental justice mapping tools into its placement of fast chargers, and how it cross-promotes its various energy offerings through its consolidated customer experience department.

We believe adding robust discussion on the topics of equity, cross-collaboration with ECO and other energy programs, and medium/heavy-duty vehicles in all investor-owned utilities’ future TEPs will provide valuable insight for advocates and decision-makers.

2) Additional Residential EV Managed Charging Program

In its reply comments, Minnesota Power notes its “limited resources” as being a barrier to offering an additional residential EV managed charging program, and states its desire to focus on providing public charging and designing a multifamily offering.² The Company also suggests that moving forward with a new residential EV managed charging offering while its shift to a default residential Time of Day rate is underway would be premature “until more data can be collected and evaluated.”³

The CEGs acknowledge that a default residential Time of Day rate will likely incentivize beneficial, off-peak EV charging behaviors once it’s rolled out fully by 2027.⁴ However, that shift will not be in place for several years, and a new residential EV managed charging program or pilot in the meanwhile can provide grid benefits and garner additional useful data and feedback

² Minnesota Power Reply Comments at 3

³ *Ibid.*

⁴ Minnesota Power’s webpage summarizing its Residential Time of Day rate shift shows the Company shifting its customers over to the new default rate between 2025 and 2027.

<https://www.mnpower.com/ResidentialRates>

to inform future EV charging programs as well as support more Minnesota Power customers in acclimating to time-of-use rates.

Minnesota Power also shares that at least 56 of its residential Time of Day customers own an EV.⁵ With this estimate added to the EV drivers participating in the Residential Electric Vehicle Service rate,⁶ at least 17 percent of Minnesota Powers' light-duty EV customers are on a managed charging program, indicating room for growth in customer adoption of time-of-use rates and for innovation in how to shape customer's charging patterns for the benefit of the electric grid and all utility customers.

For its reply comments, the Company also asked EV owners for preliminary feedback on the residential Time of Day rate, through its online forum for EV drivers. It shares two of the responses received, including the following:⁷

"I have not changed to ToD rate since it only looks like a \$6 annual savings while restricting myself to specific times to charge (unless I want to increase my cost vs. save)"

The above response alludes to the concern the CEGs expressed in our initial comments regarding the material difference between the underlying rates and off-peak periods of the residential Time of Day rate as compared to the Residential Electric Vehicle Service rate [REF - initial comments]. Namely, the latter may be a more attractive option for some EV drivers looking to maximize their fuel savings, but drivers who are otherwise interested in managed charging may be deterred from enrolling due to the need to install a second service.

This concern is underscored by comparing the number of EV drivers participating in the whole-home residential Time of Day rate (i.e. at least 56) compared to the Residential Electric Vehicle Service Rate (i.e. 27). The number of EV drivers enrolled in the whole-home residential Time of Day rate is almost *double* the number of EV drivers enrolled in the Residential Electric Vehicle Service rate. This strongly suggests that installing a second service is a barrier to access cheaper off-peak charging rates, even with the available rebates from Minnesota Power,⁸ and it further supports the need for a new residential EV managed charging program *without* needing to install a second service or switching to a whole-home residential Time of Day rate yet.

⁵ Minnesota Power Reply Comments at 3

⁶ Appendix E - Transportation Electrification Plan of MP IDP, at 10, states that 27 EV drivers participated in the Residential Electric Vehicle Service Tariff.

⁷ *Ibid.*

⁸ Minnesota Power offers a \$500 rebate for installing a second service, and a \$500 rebate for purchasing a level 2 smart charger. See Minnesota Power Reply Comments at 3.

The CEGs ask the Commission to require Minnesota Power propose an additional EV residential managed charging program that does not require installation of a second service or participation in a whole-home time-of-use rate by or before their next TEP filing.

Finally, the CEGs support the Company in its efforts to increase access to public charging and multifamily charging. We recommend Minnesota Power include some managed charging component into its multifamily program, either passive (e.g. time-of-use rates), active/direct control, or both. The CEGs welcome further discussion on the design of the multifamily charging program with Minnesota Power staff in the coming months.

3) Conclusion

The CEGs thank the Commission for the opportunity to comment on Minnesota Power's TEP. We look forward to continued work with the Commission, the Company, and other stakeholders to support the growth of EVs in Minnesota in a manner that lowers barriers to EV adoption for all customers, supports an innovative and sustainable EV marketplace, and maximizes the environmental and grid benefits of transportation electrification.

Sincerely,

/s/ Anjali Bains

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CERTIFICATE OF SERVICE

I, Anjali Bains, hereby certify that I have this day, served a copy of the following document to the attached lists of persons by electronic filing and electronic mail.

Comments of Fresh Energy, Sierra Club, Union of Concerned Scientists, and Plug In America

Docket No. E002/M-23-258

Dated this 10th day of May 2024

/s/ Anjali Bains

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