

April 1, 2025

Will Seuffert
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, Minnesota 55101-2147

RE: Comments of the Minnesota Department of Commerce
Docket No. E015/M-23-258

Dear Mr. Seuffert:

Attached are the comments of the Minnesota Department of Commerce (Department) in the following matter:

In the Matter of a Commission Inquiry into Electric Vehicle Charging and Infrastructure.

The Supplemental Filing to Minnesota Power's 2023 Transportation Electrification Plan ("Petition") was filed by Minnesota Power on December 20, 2024. Minnesota Power filed its reply comments on March 19, 2025.

The Department recommends denial of the proposed pilot, modifications in the alternative, and is available to answer any questions the Minnesota Public Utilities Commission may have.

Sincerely,

/s/ Dr. SYDNIE LIEB
Assistant Commissioner of Regulatory Analysis

RW/LN/ad
Attachment



Before the Minnesota Public Utilities Commission

Comments of the Minnesota Department of Commerce

Docket No. E015/M-23-258

I. INTRODUCTION

The Minnesota Department of Commerce, Division of Energy Resources (Department) provides its participant reply comments on the Supplemental Filing (Petition) filed by Minnesota Power (MP or the Company) in Docket No. E015/M-23-258.¹

On May 17, 2022, the Minnesota Public Utilities Commission (Commission) accepted MP's 2021 Transportation Electrification Plan (TEP).² Order Point 2B of *Order Accepting 2021 Transportation Electrification Plans and Adopting Additional Informational Requirements* directed MP to "provide a timeline for development of a pilot program facilitating access to charging facilities for residents of multi-dwelling units." On July 15, 2022, MP submitted a letter to the commission that states MP plans to develop and submit a pilot program for multi-dwelling units by the fourth quarter of 2024.³ The current Petition contains the proposal for a pilot program to address access to charging facilities in multi-dwelling units.

MP states that it recognizes continued obstacles to charging access for those living in multi-dwelling units (MDU). To address these obstacles, MP proposes a pilot program that will "promote just, equitable, and affordable access to home charging for customers in MDUs."⁴ MP states that the make-ready nature of the projects proposed in its Petition will also provide a useful framework to advance public, workplace, and fleet charging initiatives.⁵

On March 19, 2025, MP filed its reply comments in the docket in response to the initial comments of the Office of the Attorney General's Residential Utilities Division (OAG), the Clean Energy Groups (CEG), and the Department.

¹ *In the Matter of a Commission Inquiry into Electric Vehicle Charging and Infrastructure*, Minnesota Power, Supplement Filing, December 20, 2024, Docket No. E015/M-23-258, (eDockets) [202412-213271-01](#), (hereinafter "Petition"), at 1-2.

² *In the Matter of a Commission Inquiry into Electric Vehicle Charging and Infrastructure*, *Order Accepting 2021 Transportation Electrification Plans and Adopting Additional Informational Requirements*, May 17, 2022, Docket No. E999/CI-17-879, (eDockets) [20225-185855-01](#), (hereinafter "2021 TEP Order").

³ Minnesota Power, Letter, July 15, 2022, Docket No. E999/CI-17-879, (eDockets) [20227-187526-01](#), (hereinafter "MP Letter").

⁴ Petition at 1-2.

⁵ *Id.*

II. PROCEDURAL BACKGROUND

May 17, 2022	The Commission accepted MP's 2021 Transportation Electrification Plan. ⁶
July 15, 2022	MP filed a letter informing the Commission that it will provide a timeline for the development of a pilot program that facilitates charging facilities for residents of multi-dwelling units. ⁷
October 16, 2023	MP filed its 2023 TEP as part of its IDP and included its proposal for a pilot project to facilitate access to charging facilities for residents of multi-dwelling units. ⁸
September 16, 2024	The Commission accepted Minnesota Power's 2023 IDP and TEP. ⁹
December 20, 2024	MP filed its Petition proposing an MDU EV Charging pilot program in docket E015/M-23-258. ¹⁰
January 16, 2025	The Commission issued its Notice of Comment Period in the current proceeding. ¹¹
March 3, 2025	Parties (OAG, Department, and the CEGs) filed initial comments.
March 19, 2025	Minnesota Power filed utility reply comments.

III. DEPARTMENT ANALYSIS

A. DENIAL

The Department concludes that the goal of the TEPs is to encourage the adoption of EVs in line with the public interest of electrifying Minnesota's transportation sector. Further, the Department concludes that the intent of the Commission in ordering a pilot to address access to EV charging for residents of MDUs is to determine the best practices for encouraging EV adoption for residents of MDU. As proposed, MP is not intending to test how to best encourage EV adoption through the application of EV charging infrastructure.

⁶ Order Accepting 2021 TEP.

⁷ MP Letter.

⁸ *In the Matter of Minnesota Power's 2023 Integrated Distribution Plan*, Minnesota Power, Integrated Distribution Plan, October 16, 2023, Docket No. E015/M-23-258, (eDockets) [202412-213271-01](#), at Appendix E (hereinafter "2023 TEP").

⁹ *In the Matter of Minnesota Power's 2023 Integrated Distribution Plan, Order Accepting 2023 Integrated Distribution Plan and Transportation Electrification Plan, and Modifying Reporting Requirements*, September 16, 2024, Docket No. E015/M-23-258, (eDockets) [20249-210224-01](#) (hereinafter "2023 TEP Order").

¹⁰ Petition.

¹¹ *In the Matter of Minnesota Power's 2023 Integrated Distribution Plan, Notice of Comment Period*, January 16, 2025, Docket No. E015/M-23-258, (eDockets) [20251-214059-01](#).

A.1. Commission Intent

In its reply comments, MP reiterates its response to an OAG information request¹² that sought the goal of the Company's pilot proposal stating:

[O]ne of the main goals of this pilot proposal is to determine what level of funding is needed to incentivize EV charging infrastructure for different customer segments.¹³

Further, MP states:

Minnesota Power aims to test the level of funding needed to support EV infrastructure adoption for residents of MDUs in hopes of informing future products and services for its customers.¹⁴

These goals, as stated, do not meet the goal of the broader TEP process or the intent of the Commission in increasing access to charging for residents of MDU. The Department understands the overall goal to be, rather, to encourage EV adoption.

The Commission Order in 2019 requiring TEP filings asserted that electrifying Minnesota's transportation sector can further the public interest in:

- a. *Affordable, economic electric utility service* by improving utility system utilization/efficiency and placing downward pressure on utility rates through increased utility revenues and better grid utilization;
- b. *Renewable energy use* by increasing electricity demand during hours when renewable energy is most prevalent on the system and developing tariffs that correlate renewable energy resources to electric vehicle charging; and
- c. *Clean energy* by reducing statewide greenhouse gas and other environmentally harmful emissions.¹⁵

The Commission also finds, in the same Order, that the Investor-Owned Utilities should "take steps to encourage the cost-effective adoption and integration of EVs."¹⁶ To meet this expectation, a Utility should develop, and file EV-related proposals intended to encourage the adoption of EVs by:

¹² OAG Information Request 12, Attached.

¹³ *In the Matter of a Commission Inquiry into Electric Vehicle Charging and Infrastructure*, Minnesota Power, Reply Comments, March 19, 2025, Docket No. E015/M-23-258, (eDockets) [20253-216601-01](#), at 3 (hereinafter, "MP Reply Comments").

¹⁴ *Id.*, at 6

¹⁵ *In the Matter of a Commission Inquiry into Electric Vehicle Charging and Infrastructure*, Order Making Findings and Requiring Filings, February 1, 2019, Docket No. E-999/CI-17-879, (eDockets) [20192-149933-01](#) at order point 1 (hereinafter 2019 CI Order)

¹⁶ 2019 CI Order at order point 5

- i. Expanding the availability of charging infrastructure, both home and public;
- ii. Enhancing consumer awareness of EV benefits and charging options beyond what utilities could otherwise do under Minn. Stat. § 216B.1614, subd. 2(c)(2), without specific Commission approval; and
- iii. Facilitating the electrification of vehicle fleets.¹⁷

Therefore, in the analysis of the 2019 Order and the docket history to present (as addressed in the Department's initial comments), the Department concludes that the goal of the Commission and the TEP processes generally is to encourage EV adoption. MP's petition does not meet this intent as it does not intend to measure the impact of its EV charging proposal on the greater goal of EV adoption. For example, a proposed pilot to meet this goal could test different installation schemes (i.e. testing technology types, testing charger location, testing number of chargers) for charging infrastructure to determine which approach achieved the greatest increase in EV adoption rates. Determining the level of investment that incents MDU, fleets, or workplaces to install charging infrastructure does little to inform the best practices of increasing EV adoption rates in line with the public interest of electrifying Minnesota's transportation sector.

A.2. Cost Uncertainty

As discussed in the Departments initial comments, MP responded to an OAG information request for clarity on the discrepancies of costs discussed in its Petition, MP states that actual cost data available to the Company is several years old, is extremely limited, and is based on relatively small installations.¹⁸ In further response to the OAG, MP stated that the installation of EV charging infrastructure in MDUs is complex and highly variable.¹⁹ The Department requested in its initial comments that MP secure contractor estimates from at least the MDUs it had contacted, and cite to additional, more recent research to address the cost uncertainties.²⁰ The Company did provide one estimate from 2023, for one project at an MDU.²¹ However, one contractor estimate, for one type of project, for one MDU is not an appropriate cost on which to base a pilot budget. The Company did not cite to additional, recent cost data to determine more firm estimates on which to set its pilot budget, customer-side rebates, cost recovery mechanisms, or a cost cap.

Therefore, as proposed by MP, the pilot proposal does not contain adequate cost information on which to set a budget and the subsequent rate design elements (Cost recovery mechanism and cap, customer-side rebate amounts, etc.).

The Department recommends that the Commission deny MP's proposed pilot. The Department recommends the Commission order MP to propose, in its next TEP, a pilot that tests the effects of MDU-sited EV charging on EV adoption in MDU residents.

¹⁷ 2019 CI Order at order point 5b.

¹⁸ MP response to OAG Information Request 006, at 2; Department Initial Comments, at 4-5

¹⁹ MP Response to OAG Information Request 0006, at 2.

²⁰ Department Initial Comments at 5.

²¹ MP Reply Comments, Attachment A

B. MODIFICATIONS AS ALTERNATIVE TO DENIAL

While the Department recommends that the Commission deny the pilot as proposed and order the Company to propose a new pilot in its next TEP, in the alternative, the Department proposes several modifications to the proposed pilot in the subsections below.

The Department recommends the Commission require MP to modify its proposal in a compliance filing to be filed within 60 days following issuance of the Commission's order.

B.1. Focus on MDU

As discussed in the Department's initial comments, the Commission's 2021 TEP Order stated its support for expanding for MDU charging access: "[b]ecause Minnesota Power serves urban environments with apartment buildings, it is appropriate that the utility give additional focus to meeting the needs of this population."²² Further, at Order Point 2.B, the Commission ordered that, "Minnesota Power shall provide a timeline for development of a pilot program facilitating access to charging facilities for residents of multi-dwelling units."²³ The Department continues to assert that the intent of the Commission's order was to direct MP to focus on implementing charging solutions for residents of MDU, specifically, not funding EV charging across customer segments.²⁴ In addition, the Department is concerned that the focus on multiple customer segments would not provide statistically significant data for any one of the segments. The Company would have to secure sample sizes for each segment that are large enough for the results to be representative of the whole segment. As proposed, a minimum of four MDU and no firm minimum targets for public, workplace or fleet applications would not generate statistically significant results representative of the whole.²⁵ Accordingly, the proposed pilot will not produce the data necessary to test what it proposes to test; a focus on a singular customer segment will more likely yield relevant findings to how much funding is required to incent private investments in EV charging.

The Department recommends the Commission require MP to revise its pilot to focus only on MDU.

B.2. Program-level Metrics

As discussed in the Department's initial comments, MP's proposal does not include metrics to evaluate the ultimate success or failure of its pilot. The Department provided the following example metrics in its initial comments:

²² 2021 TEP Order at 8

²³ 2021 TEP Order

²⁴ Petition at 13: *Table 1: Summary of Maximum Contribution Per Project* lists MDU Building, Public, Workplace, and Fleet in its customer segment column; Petition at 19: also includes hospitality as a customer segment/charging application in the information it proposed to include in an annual report.

²⁵ Petition at 19: "Minnesota Power has intentionally designed the Pilot Program with flexibility to accommodate a mixture of projects from each sector. However, Minnesota Power will reserve funding for a minimum of four MDU projects per year. The remaining projects could be additional MDU projects or a mixture of public, workplace, or fleet charging (limited to one project per year) customers."

- A comparison of the number of EV drivers before and after the installation of EV charging at each MDU pilot site.
- Utilization rate of the EV charging and/or kWh usage at the EV charging in each MDU pilot site.
- A comparison of technology/equipment types—e.g., is one type utilized more frequently than the other type, why?
- A comparison of charger sites – does the location of the charger(s) impact usage, why?
- Lessons learned in communication and marketing of the pilot to potential pilot participants including the learnings from the direct outreach initiatives proposed in the Petition.
- Any opportunities for improvement or modification of the pilot toward potential creation of a permanent program.

The Commission has previously asserted the necessity of metrics:

*In the case of a proposed pilot, the utility filing should include specific evaluation metrics for the pilot and identify what the utility expects to learn from the pilot. An extensive cost-benefit analysis may not be needed for a pilot, depending on the scope and cost of the pilot.*²⁶

The Department recommends the Commission require MP to file within its compliance filing, a list of program-level evaluation metrics. The Department recommends the Commission require ongoing program-level reporting within MP's annual report.²⁷

B.3. Budget

MP provided an estimate from Belknap Electric in response to a Department request that MP, in reply comments, address the feasibility securing contractor estimates for at least the contacted MDU.²⁸ However, the Belknap Electric estimate is from 2023.²⁹ MP states the vendor estimates the price quoted for Spring 2025 would likely be 15% higher.³⁰ One contractor estimate is not adequate evidence toward setting a budget.

The Department recommends the Commission require MP to file within its compliance filing contractor estimates for at least the contacted MDU.

Further, as discussed in section A above, the Department asserts the MP's proposal does not contain adequate cost information on which to set a budget.

²⁶ 2019 CI Order, at order point 6b.

²⁷ Petition at 19: "If this proposal is approved, Minnesota Power offers to file an annual report to the Commission on participation in the Pilot Program."

²⁸ MP Reply Comments at 3; Department Initial Comments at 4-5.

²⁹ MP Reply Comments, Attachment A

³⁰ MP Reply Comments at 3.

If the Commission approves the petition, the Department recommends the Commission require MP to file within its compliance filing its proposed pilot budget including supporting data for project costs and rebate amounts.

B.4. Application Evaluation Criteria

MP states that it would be amenable to proposing a separate application evaluation category that applies specific weight to the site location being within low- and moderate- income communities, disadvantaged communities, tribal lands, environmental justice areas or communities most impacted by emissions as requested by the Department.³¹

The Department recommends the Commission require MP to file within its compliance filing a separate application evaluation category that applies specific weight to the site location being within low- and moderate- income communities, disadvantaged communities, tribal lands, environmental justice areas or communities most impacted by emissions.

B.5. CIAC Waiver

There is Commission precedent approving a CIAC waiver for EV pilot programs, as discussed in the Department's initial comments.³²

The Department recommends the Commission approve MP's request for a CIAC waiver for eligible participants. The Department recommends the Commission require MP to track, as part of its annual report, the application and additional costs of the CIAC waiver including information on whether rebates have incentivized increased construction and utilization of charging equipment.

B.6. Customer-Side Spending

B.6.1. \$500 Rebate for Smart Level 2 Chargers

The Department finds the \$500 Rebate for Smart Level 2 Chargers is a reasonable expansion of the Commission's approval of MP's current residential Smart Level 2 Charger rebate. The Department agrees with MP that this rebate offers the same opportunity to those who reside in MDUs as those who reside in single family homes.³³

The Department recommends that the Commission approve MP's request for a \$500 rebate for any resident of an MDU with a dedicated EV service in its service territory.³⁴

³¹ MP Reply Comments at 4-5; Department Initial Comments at 6-7.

³² Department Initial Comments at 7-8

³³ Petition at 9.

³⁴ Department Initial Comments at 9.

B.6.2. Customer-side Contribution

In MP's Petition it stated:

The customer would install, own, and maintain all equipment beyond the meter including a new service panel, conduit, and wiring up to the EV charger. Depending on charging application and income eligibility, participating customers will be eligible to receive a rebate to cover anywhere from zero to 100 percent of the costs of infrastructure on the customer side of the meter. The Company will include the cost of two Level 2 chargers in the rebate calculation for MDU projects.³⁵

The CEGs requested clarification on MP's proposal for a maximum of two rebates for two level two chargers in its initial comments.³⁶ MP stated limiting the number of rebates per MDU was an attempt to limit the budget for the pilot.³⁷ However:

Minnesota Power would be willing to increase the maximum number of level 2 chargers incentivized through the pilot proposal to 3, in alignment with the CEG's recommendation of 3 charging ports per MDU. Additionally, MDUs will be encouraged to future-proof by building out infrastructure to support the installation of additional chargers as adoption increases.³⁸

If the Commission approves a rebate for customer-side contributions, the Department recommends the Commission require MP to file in its compliance filing the budget impact of providing an additional rebate per MDU.

B.7. Cost Recovery Mechanism

The Department did not provide a recommendation for a cost recovery mechanism in its initial comments as MP asserted in its replies.³⁹ The Department reserved its opinion on cost recovery in initial comments because it requested more recent cost data and budget revisions from MP.⁴⁰ However, MP declined to answer many of the Department's requests. MP states that it hosted a stakeholder process that Department staff attended and participated in.⁴¹ The Department appreciated the opportunity to participate in the stakeholder meetings cited by MP. However, the Department's participation in a stakeholder process does not serve as preapproval, nor does it prohibit questions at the time a proposal is filed.

³⁵ Petition at 9.

³⁶ CEG Initial Comments at 9.

³⁷ MP reply comments at 3.

³⁸ MP Reply Comments at 3

³⁹ MP Reply Comments at 5: "The Company recognizes that cost recovery via rider is not the preferred choice among intervenors, as expressed by both the OAG and the Department, and will accept deferred accounting for this project if that is the Commission's preference."

⁴⁰ Department Initial Comments, at 9-10

⁴¹ MP Reply Comments at 6

The Department is generally not supportive of deferred accounting. The Department generally prefers that a utility seek recovery through the normal rate case process after it demonstrates that the investments are used, useful and prudent. However, the Commission has permitted deferred accounting for other EV pilots that “are clearly intended to serve important public policy objectives” and when the record demonstrates that the pilot(s) are “targeted to explore the potential public benefits of EV adoption and have the potential to be transformative.”⁴² The Commission has also previously confined deferred accounting treatment to the scope and duration of the pilot, and to only the costs that are incurred before the beginning of the test year for the next anticipated rate case.⁴³ Further, allowing pilot costs to qualify for deferred accounting does not guarantee recovery of those costs; costs will not be recoverable unless shown by the utility to be reasonable and prudent.⁴⁴

If the Commission permits deferred accounting in this case, the Department recommends:

- The Department recommends the Commission limit deferred accounting to the approved budget/costs of the pilot.
- The Department recommends the Commission limit deferred accounting treatment and potential recovery to only the costs incremental to MP’s most recent rate case.
- The Department recommends the Commission limit deferred accounting treatment to only the cost incurred before the start of the next rate case test year.
- The Department recommends the Commission deny return on capital accrual for the deferred account.
- The Department recommends the Commission require MP to file in its compliance filing the approved budget that will be subject to deferred accounting treatment.

B.8. Cost Cap

The Department recommends the Commission set a cost cap with the cap set at the budget approved by the Commission. A cost cap places the burden on the Company to fully justify any cost overruns that may be charged to Minnesota ratepayers.

B.9. Tariff Pages

The Department recommends the Commission require MP to file tariff pages. The Department also recommends the Commission delegate authority to the Executive Secretary to approve the tariff pages

⁴² *In the Matter of Xcel Energy’s Petition for Approval of Electric Vehicle Pilot Programs*, Order Approving Modifications, Authorizing Deferred Accounting, and Setting Reporting Requirements, July 17, 2019, Docket No. E002/M-18-643, (eDockets) [20197-154444-01](#), at 19.

⁴³ *In the Matter of Xcel Energy’s Petition for Approval of Electric Vehicle Pilot Programs*, Order Approving Modifications, Authorizing Deferred Accounting, and Setting Reporting Requirements, July 17, 2019, Docket No. E002/M-18-643, (eDockets) [20197-154444-01](#), at 20

⁴⁴ *Id.*

via notice if no objections are filed within 30 days of MP's filing.⁴⁵ This general process is based in Commission precedent.⁴⁶

B.10. Support for Party Comments

The Department appreciates the initial comments of both the Office of the Attorney General's Residential Utilities Division (OAG) and the Clean Energy Groups (CEGs).

B.10.1. Time of Use Rates

As discussed in the OAG's initial comments, the Commission has found that rate design, and specifically TOU rates, are important tools toward the cost-effective integration of EVs on to the electric system.⁴⁷ TOU rates send clearer price signals to end users by implementing higher prices when demand is highest and lower prices when demand is lowest. The Commission has spoken to this issue before:

A time-of-use rate could therefore encourage charging during times of low demand and impose higher rates for usage when demand is high to reflect the additional costs this usage imposes on the system. Using rate design to encourage charging during times of low demand can help the electric grid absorb and accommodate the new load created by EVs without the need for new generation or distribution infrastructure, thereby enhancing the efficient use of existing infrastructure and potentially driving down electricity rates.⁴⁸

The Department supports the OAG's recommendation to require that Time-of-Use (TOU) be the default option for pilot participants.

Additionally, the OAG recommends the Commission require that chargers installed in MDU projects be capable of active load management.⁴⁹ As discussed in the OAG's comments,⁵⁰ the Commission has recognized that active management is additive to rate design toward the cost-effective integration of EVs on to the electric system:

Smart or managed charging takes rate design a step further by enabling the utility to actively manage the charging load. Chargers can be equipped with two-way communication capabilities between the utility and the EV, which allows the utility to remotely control the rate of EV charging in order

⁴⁵ Department Initial Comments, at 10.

⁴⁶ *In the Matter of Minnesota Power's Electric Vehicle Charging Infrastructure Investment*, Order Approving Proposal as Modified, Authorizing Deferred Accounting, and Requiring Reporting, October 22, 2021, Docket No. E015/M-21-257, (eDockets) [202110-179031-01](#), at order point 4.

⁴⁷ *In the Matter of Minnesota Power's Proposal for a Commercial and Multiunit Residential Electric-Vehicle Infrastructure Pilot Program*, Initial Comments of the Office of the Attorney General – Residential Utilities Division, Docket No. E015/M-23-258, (eDockets) [20253-216093-01](#), (hereinafter "OAG Initial Comments") at 8

⁴⁸ 2019 CI Order at 5.

⁴⁹ OAG Initial Comments at 10

⁵⁰ *Id.*

to meet a local or regional system need. For example, the utility could ramp up EV charging during times of high wind generation, and the utility could curtail charging during peak demand in areas with high EV penetration to defer the need for distribution infrastructure upgrades.⁵¹

The Department supports the OAG's recommendation to require that chargers installed in MDU projects be capable of active load management.

Finally, the Department concludes that Level 2 charging located off-street within designated MDU parking addresses the needs of MDU residents and best allows for the cost-effective integration of EVs on to the electric grid. As discussed in the Department's support for the OAG's comments above, the Department asserts that a key component of the cost-effective integration of EVs is the ability to charge overnight (on TOU rates) and the capability of managed charging. Level 2 charging at the MDU provides the opportunity to maximize both rate design tools with the added convenience of charging a battery electric vehicle to full charge in approximately 4-10 hours.⁵²

The Department recommends the Commission require MP to focus its pilot to off street, level two charging in designated MDU parking.

B.10.2. Reservations for Income Qualified MDU

In its initial comments, the CEGs discussed a budget reservation aimed at including at a minimum, one income-qualified MDU.⁵³ In initial comments, the Department requested MP create a separate evaluation criterion that applies specific weight to the site location being within low- and moderate-income communities, disadvantaged communities, tribal lands, environmental justice areas or communities most impacted by emissions.⁵⁴ The Department proposed the evaluation criterion as a method to meet the statutory requirement of Minn. Stat. § 216B.1615, subd. 3, (2):

(2) increase access to the use of electricity as a transportation fuel for all customers, including those in low- and moderate-income communities, rural communities, and communities most affected by air emissions from the transportation sector.⁵⁵

The CEGs' recommendation complements and adds to the Department's recommendation to meet the statutory requirement.

⁵¹ 2019 CI Order at 5.

⁵² U.S. Department of Transportation, *Charger Types and Speeds*, <https://www.transportation.gov/rural/ev/toolkit/ev-basics/charging-speeds>

⁵³ In the Matter of Minnesota Power's Supplemental Filing to its 2023 Transportation Electrification Plan, Initial Comments of the Clean Energy Groups, Docket No. E015/M-23-258, (eDockets) [20253-216105-01](#) (hereinafter "CEG Initial Comments") at 9.

⁵⁴ Department Initial Comments at 7

⁵⁵ [Minn. Stat. § 216B.1615, subd. 3\(2\)](#).

The Department supports the CEGs' recommended goal of including a minimum of one income-qualified MDU per pilot year. If MP cannot include an income-qualified MDU, it should explain why in its annual reporting.

IV. DEPARTMENT RECOMMENDATIONS

Based on analysis of the Petition, party reply comments, and the information in the record, the Department has prepared recommendations, which are provided below. The recommendations correspond to the subheadings of Section III above.

A. HEADING OF SECTION A

The Department recommends that the Commission deny MP's proposed pilot. The Department recommends the Commission order MP to propose, in its next TEP, a pilot that tests the effects of MDU-sited EV charging on EV adoption in MDU residents.

B. HEADING OF SECTION B

B. The Department recommends the Commission require MP to modify its proposal in a compliance filing to be filed within 60 days following issuance of the Commission's order.

B.1. The Department recommends the Commission require MP to revise its pilot to focus only on MDU.

B.2. The Department recommends the Commission require MP to file within its compliance filing, a list of program-level evaluation metrics. The Department recommends the Commission require ongoing program-level reporting within MP's annual report.

B.3. The Department recommends the Commission require MP to file within its compliance filing contractor estimates for at least the contacted MDU.

B.3. If the Commission approves the petition, the Department recommends the Commission require MP to file within its compliance filing its proposed pilot budget including supporting data for project costs and rebate amounts.

B.4. The Department recommends the Commission require MP to file within its compliance filing a separate application evaluation category that applies specific weight to the site location being within low- and moderate- income communities, disadvantaged communities, tribal lands, environmental justice areas or communities most impacted by emissions.

B.5. The Department recommends the Commission approve MP's request for a CIAC waiver for eligible participants. The Department recommends the Commission require MP to track, as part of its annual report, the application and additional costs of the CIAC waiver including information on whether rebates have incentivized increased construction and utilization of charging equipment.

B.6.1. The Department recommends that the Commission approve MP's request for a \$500 rebate for any resident of an MDU with a dedicated EV service in its service territory.

B.6.2. If the Commission approves a rebate for customer-side contributions, The Department recommends the Commission require MP to file in its compliance filing the budget impact of providing an additional rebate per MDU.

B.7. The Department recommends the Commission limit deferred accounting to the approved budget/costs of the pilot.

B.7. The Department recommends the Commission limit deferred accounting treatment and potential recovery to only the costs incremental to MP's most recent rate case.

B.7. The Department recommends the Commission limit deferred accounting treatment to only the cost incurred before the start of the next rate case test year.

B.7. The Department recommends the Commission deny return on capital accrual for the deferred account.

B.7. The Department recommends the Commission require MP to file in its compliance filing the approved budget that will be subject to deferred accounting treatment.

B.8. The Department recommends the Commission set a cost cap with the cap set at the budget approved by the Commission.

B.9. The Department recommends the Commission require MP to file tariff pages. The Department also recommends the Commission delegate authority to the Executive Secretary to approve the tariff pages via notice if no objections are filed within 30 days of MP's filing.

B.10.1. The Department supports the OAG's recommendation to require that Time-of-Use (TOU) be the default option for pilot participants.

B.10.1. The Department supports the OAG's recommendation to require that chargers installed in MDU projects be capable of active load management.

B.10.1. The Department recommends the Commission require MP to focus its pilot to off street, level two charging in designated MDU parking.

B.10.2. The Department supports the CEGs' recommended goal of including a minimum of one income-qualified MDU per pilot year. If MP cannot include an income-qualified MDU, it should explain why in its annual reporting.

**State of Minnesota
Office of the Attorney General
Utility Information Request**

*In the Matter of Minnesota Power's 2023
Integrated Distribution Plan*

MPUC Docket No.

E-015/M-23-258

Requested from: Minnesota Power

Requested by: OAG-RUD

Date of Request:

February 7, 2025

Due Date:

February 20, 2025

Reference:

- Petition, Table 1 (proposed incentive caps per project)
- Petition, Figure 1 (average installation costs for commercial EV infrastructure)

Request:

- A. Explain the discrepancies between the proposed incentive caps in Table 1 and the average cost of commercial EV infrastructure shown in Figure 1.
- B. By way of example, but not limitation, explain the following discrepancies:
 1. Figure 1 shows average Minnesota Power-owned infrastructure costs of \$1.7k to support a Level 2 charger, while Table 1 provides for a Minnesota Power contribution of up to \$10k for utility-owned infrastructure to support Level 2 charging. Why is the potential utility-owned infrastructure cost assumed in Table 1 (via the \$10k incentive cap) so much larger than the \$1.7k figure in Table 1?
 2. Figure 1 shows \$6.7k in customer-side costs for a Level 2 charger. Table 1 allows for customer-side incentives of up to \$45,000 per MDU project or \$60,000 for an income-qualified project. Why is the proposed maximum customer-side incentive for MDU Level 2 charging more than six times the customer-side Level 2 costs shown in Figure 1?

Response by: Jonathon Sullivan

Title: Supervisor – Customer Programs & Services

Department: Customer Programs & Services

Telephone: (218) 393-5059

Email: jtsullivan@mnpower.com

Response:

A.

The values presented in Figure 1 were derived from the company's experience with a limited number of Level 2 and Direct Current Fast Charger (or, "DCFC") station installations and do not represent all sectors outlined in the pilot proposal. The purpose of Figure 1 is to provide context regarding the costs incurred during actual EV charging installation projects, segmented into customer-side and utility-side expenses.

The proposed incentive caps were designed to address the unique needs of each sector, ensuring flexibility to support a wide range of projects. Additionally, the Company accounted for anticipated cost increases resulting from inflation, technology advancements, etc. to ensure that the proposed incentives remain sufficient to encourage participation in the proposed pilot program.

B.1

Figure 1 reflects average installation costs derived from the Company's participation in a limited number of public level 2 charger installations associated with dedicated commercial EV services. The referenced installations included a maximum of two Level 2 chargers with a total of four plugs.

While actual data was used in the design of the EV make ready pilot program, the Company recognizes that the scope of the data is extremely limited. The actual cost data available to Minnesota Power is several years old and is based on relatively small installations. Minnesota Power determined the budget caps proposed in this pilot based on expected costs when updated to reflect larger charging stations, anticipated installation complexities and inflation. These adjustments are intended to ensure that the pilot program accommodates a broader range of projects, thereby providing more comprehensive data to evaluate the level of funding required to stimulate activity across various sectors.

B.2

Figure 1 reflects average installation costs derived from the Company's limited experience with public level 2 charger installations associated with dedicated commercial EV services. At present, no Multi Dwelling Units (or, "MDUs") served by Minnesota Power have a dedicated commercial EV service. As a result, the cost estimates presented in Figure 1 do not account for the potential costs specific to MDUs.

Installation of EV charging infrastructure in MDUs is complex and highly variable due to factors such as building age, parking configurations, existing electrical infrastructure, and other site-specific considerations. In the absence of observed actual costs, the Company has established customer-side incentive maximums at levels intended to provide meaningful financial support to MDUs while incorporating cost-control mechanisms to limit the financial impact on non-participating customers. The Company believes that the proposed incentive

Response by: Jonathon Sullivan

Title: Supervisor – Customer Programs & Services

Department: Customer Programs & Services

Telephone: (218) 393-5059

Email: jtsullivan@mnpower.com

levels are sufficient to encourage participation, thereby providing the data necessary to inform the design of future programs.

Any responsive documents must be provided in their unlocked native format with all formulas and links intact.

Response by: Jonathon Sullivan
Title: Supervisor – Customer Programs & Services
Department: Customer Programs & Services
Telephone: (218) 393-5059
Email: jtsullivan@mnpower.com

**State of Minnesota
Office of the Attorney General
Utility Information Request**

*In the Matter of Minnesota Power's 2023
Integrated Distribution Plan*

MPUC Docket No.

E-015/M-23-258

Requested from: Minnesota Power

Requested by: OAG-RUD

Date of Request:

February 7, 2025

Due Date:

February 20, 2025

Request:

- A. What metrics does Minnesota Power propose to track as part of the pilot?
- B. What does Minnesota Power expect to learn from the pilot?
- C. What pilot design features will ensure that Minnesota Power is able to derive valuable learnings from the pilot?

Any responsive documents must be provided in their unlocked native format with all formulas and links intact.

Response:

- A. Minnesota Power has proposed to file an annual report to the Commission on participation in the Pilot Program. The Company will not own any of the EV chargers installed through this Pilot Program, so information reported will be based on meter data, project costs, and qualitative feedback from participating customers and contractors via surveys. This information will include:
 - Number of applications received, and number of projects selected by customer segment/charging application (Multi Dwelling Unit (or, "MDU"), public, fleet, workplace, hospitality)
 - Site characteristics
 - MDU Projects: makeup of renters vs. owners, building age, parking structure, charger availability details, payment mechanism and responsibilities of building owner vs. tenant

Response by: Jonathon Sullivan

Title: Supervisor – Customer Programs & Services

Department: Customer Programs & Services

Telephone: (218) 393-5059

Email: jtsullivan@mnpower.com

- Public and Workplace Projects: site host amenities, payment mechanism
 - Fleet Projects: number and types of vehicles charging, future expansion plans
 - Number of chargers installed including ports and port capacity
 - Project costs broken down by utility-side and customer-side infrastructure
 - Rebate amount provided (if applicable)
 - Billed energy and demand to determine charger utilization
 - Feedback from participating customers including drivers and barriers to participation, and any unexpected project challenges or costs.
- B. The main objectives of this program are to determine what level of funding is needed to incentivize EV charging infrastructure for different customer segments, better understand the costs associated with this infrastructure, and determine the drivers and barriers to participation for future program offerings.
- C. Minnesota Power designed the proposed pilot program based on best practices from other utility programs and input from interested stakeholders. A large barrier to make ready programs, particularly in multifamily buildings, is the large degree of variation from project to project. Minnesota Power's pilot program was intentionally designed to be flexible with budget caps set at a level high enough to cover unforeseen installation costs while maintaining a relatively small program budget. Projects are required to meet minimum participation requirements but will be weighted based on an evaluation framework that accommodates multiple project types.

The Company also incorporated an outreach component into the program to increase awareness among customers and engage with electricians to provide training and support project coordination. Together, these program features will help Minnesota Power gather information needed to evaluate the program against the objectives outlined above.

Response by: Jonathon Sullivan
Title: Supervisor – Customer Programs & Services
Department: Customer Programs & Services
Telephone: (218) 393-5059
Email: jtsullivan@mnpower.com

CERTIFICATE OF SERVICE

I, Sharon Ferguson, hereby certify that I have this day, served copies of the following document on the attached list of persons by electronic filing, certified mail, e-mail, or by depositing a true and correct copy thereof properly enveloped with postage paid in the United States Mail at St. Paul, Minnesota.

Minnesota Department of Commerce
Comments

Docket No. E015/M-23-258

Dated this 1st day of **April 2025**

/s/Sharon Ferguson

#	First Name	Last Name	Email	Organization	Agency	Address	Delivery Method	Alternate Delivery Method	View Trade Secret	Service List Name
1	Anjali	Bains	bains@fresh-energy.org	Fresh Energy		408 Saint Peter Ste 220 Saint Paul MN, 55102 United States	Electronic Service		No	23-258Official
2	Matthew	Brodin	mbrodin@allte.com	Minnesota Power		30 West Superior Street Duluth MN, 55802 United States	Electronic Service		No	23-258Official
3	Jennifer	Cady	jjcady@mnpower.com	Minnesota Power		30 W Superior St Duluth MN, 55802 United States	Electronic Service		No	23-258Official
4	Generic	Commerce Attorneys	commerce.attorneys@ag.state.mn.us		Office of the Attorney General - Department of Commerce	445 Minnesota Street Suite 1400 St. Paul MN, 55101 United States	Electronic Service		Yes	23-258Official
5	Sharon	Ferguson	sharon.ferguson@state.mn.us		Department of Commerce	85 7th Place E Ste 280 Saint Paul MN, 55101-2198 United States	Electronic Service		No	23-258Official
6	Nicholas	Haeg	haeg@fresh-energy.org			12298 Bass Trail Sauk Centre MN, 56378 United States	Electronic Service		No	23-258Official
7	Joe	Halso	joe.halso@sierraclub.org	Sierra Club		1536 Wynkoop St Ste 200 Denver CO, 80202 United States	Electronic Service		No	23-258Official
8	Tiana	Heger	theher@mnpower.com	Minnesota Power		30 W. Superior Street Duluth MN, 55802 United States	Electronic Service		No	23-258Official
9	Samantha	Houston	shouston@ucsusa.org	Union of Concerned Scientists		1825 K St. NW Ste 800 Washington DC, 20006 United States	Electronic Service		No	23-258Official
10	Benjamin	Levine	blevine@mnpower.com	Minnesota Power		30 West Superior Street Duluth MN, 55802 United States	Electronic Service		No	23-258Official
11	Discovery	Manager	discoverymanager@mnpower.com	Minnesota Power		30 W Superior St Duluth MN, 55802 United States	Electronic Service		No	23-258Official
12	Jess	McCullough	jmccullough@mnpower.com	Minnesota Power		30 W Superior St Duluth MN, 55802 United States	Electronic Service		No	23-258Official
13	David	Moeller	dmoeller@allte.com	Minnesota Power			Electronic Service		No	23-258Official
14	Generic Notice	Residential Utilities Division	residential.utilities@ag.state.mn.us		Office of the Attorney General - Residential	1400 BRM Tower 445 Minnesota St St. Paul MN,	Electronic Service		Yes	23-258Official

#	First Name	Last Name	Email	Organization	Agency	Address	Delivery Method	Alternate Delivery Method	View Trade Secret	Service List Name
					Utilities Division	55101-2131 United States				
15	Will	Seuffert	will.seuffert@state.mn.us		Public Utilities Commission	121 7th PI E Ste 350 Saint Paul MN, 55101 United States	Electronic Service		Yes	23-258Official
16	Dean	Taylor	dtaylor@pluginamerica.org	Plug In America		6380 Wilshire Blvd, Suite 1000 Los Angeles CA, 90048 United States	Electronic Service		No	23-258Official