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VIA ELECTRONIC FILING

June 17, 2019

Daniel P. Wolf
Executive Secretary
Minnesota Public Utilities Commission
121 Seventh Place East, Suite 350
St. Paul, Minnesota 55101-2147

Re: Docket No. E015/M-19-337 – *In the Matter of Minnesota Power’s Petition for Approval of its Electric Vehicle Commercial Rate Pilot.*

Dear Secretary Wolf,

Attached for electronic filing in the above-referenced matter, please find Initial Comments on behalf of ChargePoint, Inc. in response to Minnesota Power’s Petition filed on May 16, 2019. Please let me know if you have any questions.

Respectfully,

A handwritten signature in black ink that reads "Justin Wilson". The signature is written in a cursive, flowing style.

Justin Wilson
Director, Public Policy
ChargePoint, Inc.

I. Introduction

ChargePoint is the world's leading electric vehicle (EV) charging network with charging solutions for every charging need and in all the places EV drivers go: at home, work, around town, and on the road. With more than 65,000 independently owned charging locations, including more than 500 public and semi-public spots in Minnesota, and thousands of customers (including workplaces, cities, retailers, apartments, hospitals and fleets), ChargePoint is the only charging technology company on the market that designs, develops, and manufactures hardware and software solutions across every category. ChargePoint drivers have completed 57 million charging sessions, saving upwards of 62 million gallons of gasoline and driving more than 1.5 billion gas-free miles.

ChargePoint respectfully submit the following Initial Comments in response to Minnesota Power's (The Company) Petition for Approval of its Electric Vehicle Commercial Charging Rate Pilot. ChargePoint commends the Company's efforts to address demand charges, which are currently a major obstacle to the deployment of electric vehicle charging equipment, in particular for fleet and DC fast charging applications.

II. Comments

a. Understanding the Customer Experience and Addressing Near Term Challenges is Critical to Meeting Customer Needs and The Public Interest

In its Petition, the Company seeks to develop a commercial EV tariff designed to address high demand charges and shift EV charging to off-peak times periods.¹ As referenced in its Petition, The Company has worked directly with the Duluth Transit Authority, other customers interested in converting their fleets to electric vehicles, and stakeholders with expertise in vehicle electrification, charging, and rate design.² Being responsive to customer needs as demonstrated by The Company's petition is in the public interest. Additionally, addressing these issues through a pilot will allow The Company to gain valuable insights for future filings as electrification expands in its service territory.

b. Tariff Structure

ChargePoint supports the general structure of the Company's tariff. As noted in the Petition, customers with EV charging are generally paying more than four times what the average General Service Demand customer is paying on a total billing basis.³ This analysis demonstrates a significant barrier to increasing the adoption of electric vehicles due to a new use case, EV charging, being applied to an existing rate structure. It is appropriate and in the public interest for The Company to address this mis-match, develop pilots to gain information,

¹ Petition at 9.

² Petition at 9 and 10.

³ Petition at 12.

and eventually implement rate structures that can recover the cost of service while ensuring customer needs are met.

ChargePoint agrees with The Company that a more targeted On-peak time period would be ideal for this rate. ChargePoint notes that charging vehicles from a near empty state with a Level 2 charger, which would be applicable for many fleet applications, can often take considerably more than 10 hours – the designated Off-peak period. ChargePoint appreciates The Company's proposal to eliminate off-peak demand charges but believes a considerable amount of charging is likely to take place on the edges of the On-peak period. Condensing the on-peak period two hours, ex. from 9am to 9pm, could be beneficial to fleet managers. Additionally, to manage the On-peak demand, managed charging and load control technologies will be needed – any EV charging programs for customers in this rate class in the future will need to prioritize smart charging through load management.

c. Three Year Term

While ChargePoint is supportive of the general structure, we have concerns about the temporal limitation of three years on the pilot.⁴ ChargePoint has identified two flaws with the short, three-year term for the pilot.

- Electrical vehicles and electric vehicle charging equipment are a significant capital investment for customers. Customers will often look at their return on investment on a temporal scale. In our experience for fleet and public applications this is generally in the five-year to ten-year timeframe. If customers only have three years of certainty under this tariff, it may discourage new investments in electric vehicles and electric vehicle charging equipment.
- While not specifically stated, we believe the intention of the three-year pilot is for it to be available to customers for a total of three years, ex. January 1, 2020 – December 31, 2022. For customers who may purchase new equipment based on this tariff, the applicability is likely shorter than three-years based on expected procurement and installation timelines, further limiting the opportunity to take advantage of this pilot.

ChargePoint suggest The Company modify their Petition from a three-year pilot to a five-year pilot and allow customers to enroll on a rolling basis for up to one year after the tariff becomes available. For example, if the pilot begins on January 1, 2020, a customer could enroll as late as December 31, 2020 and have the pilot rate be in effect until December 31, 2025. ChargePoint believes this structure would remedy the two flaws identified above, allow for a better customer experience, and allow for more data to be accumulated during the pilot period.

⁴ Petition at 13.

III. Conclusion

ChargePoint appreciates the Company's efforts to address the impacts of demand charges on customers with electric vehicle charging applications. With the proposed modification of the pilot timeline from three-years to five-years, we support The Company's Petition.

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Justin Wilson
Director, Public Policy
ChargePoint, Inc.