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SOAH DOCKET NO. 473-22-04394 PUC DOCKET NO. 53719

| APPLICATION OF ENTERGY TEXAS, | § | BEFORE THE STATE OFFICE |
|-------------------------------|---|-------------------------|
| INC. FOR AUTHORITY TO CHANGE | § | \mathbf{OF} |
| RATES | § | ADMINISTRATIVE HEARINGS |

OFFICE OF PUBLIC UTILITY COUNSEL'S RESPONSE TO SOUTHWESTERN PUBLIC SERVICE COMPANY'S FIRST REQUEST FOR INFORMATION

The Office of Public Utility Counsel ("OPUC") submits this response to Southwestern Public Service Company's ("SPS") First Request for Information that was received on November 4, 2022. Pursuant to State Office of Administrative Hearings Order No. 2, OPUC's response is timely filed within five business days of receipt of SPS's discovery request. Friday, November 11, 2022, is a State holiday. Therefore, this response is timely filed. OPUC stipulates that all parties may treat this response as if it were filed under oath.

Date: November 14, 2022

SOAH Docket No. 473-22-04394 PUC Docket No. 53719 OPUC's Response to Southwestern Public Service Company's First Request for Information

The following requests pertain to the direct testimony of Evan D. Evans

SPS-OPUC 1-1:

Referencing page 33, lines 12 and 13, provide all analyses conducted or reviewed, materials reviewed, or other resources relied upon which establish that reasonable and adequate service in relation to electric vehicle charging infrastructure and equipment is being provided by the competitive market in Texas.

RESPONSE:

In his direct testimony, Mr. Evans did not express a position as to whether reasonable and adequate service in relation to electric vehicle charging infrastructure and equipment is currently being provided by the competitive market in ETI's service area or in Texas. Furthermore, Mr. Evans is not aware of any instances in which a competitive market is providing electric service to electric vehicle charging infrastructure and equipment in Texas.

Prepared by: Evan D. Evans

SOAH Docket No. 473-22-04394 PUC Docket No. 53719 esponse to Southwestern Public Service Co

OPUC's Response to Southwestern Public Service Company's First Request for Information

SPS-OPUC 1-2:

Referencing page 33, lines 12 and 13, provide all analyses conducted or reviewed, materials reviewed, or other resources relied upon which establish that reasonable and adequate service in relation to electric vehicle charging and infrastructure and equipment is being provided or is planned to be provided by the competitive market in rural and low/moderate income counties in Texas.

RESPONSE:

In his direct testimony, Mr. Evans did not express a position as to whether reasonable and adequate service in relation to electric vehicle charging infrastructure and equipment is currently being provided or is planned to be provided by the competitive market in rural and low/moderate income counties in ETI's service area or in Texas. Furthermore, Mr. Evans is not aware of any instances in which a competitive market is providing electric service or is planning to provide electric service to electric vehicle charging infrastructure and equipment in Texas.

Prepared by: Evan D. Evans

OPUC's Response to Southwestern Public Service Company's First Request for Information

SPS- OPUC 1-3:

Referencing page 33, lines 12 and 13, provide all analyses conducted or reviewed, materials reviewed, or other resources relied upon which establish that utility ownership of electric vehicle charging infrastructure and equipment precludes competitive market investment in similar equipment.

RESPONSE:

Mr. Evans does not believe utility ownership of electric vehicle charging infrastructure and equipment precludes competitive market investment in similar equipment.

In Mr. Evans's direct testimony at 33:12-19, Mr. Evans stated:

"I am concerned that the proposed TECI-1 Rider could <u>limit</u> the competitive offering of similar equipment and services in the competitive market. ETI already has contacts with most, if not all, of the potential customers and proposes to use personnel and equipment that are included in ETI's base rates to market the TECI-1 Rider. Therefore, ETI will have a regulated rate-subsidized competitive advantage over other potential participants. In addition, if ETI is permitted to have the fallback protection of recovering any costs of facilities from its electric service customers, ETI would have an additional advantage that is subsidized by its non-participating customers." (**Emphasis Added**)

Prepared by: Evan D. Evans

OPUC's Response to Southwestern Public Service Company's First Request for Information

SPS-OPUC 1-4:

Please provide the definition of transportation electrification and charging infrastructure as used by OPUC and/or Mr. Evans in his testimony.

RESPONSE:

In his testimony, Mr. Evans relied on the definition and description provided in the Direct Testimony of Samantha F. Hill, at 6:13-8:9.

Prepared by: Evan D. Evans

OPUC's Response to Southwestern Public Service Company's First Request for Information

SPS-OPUC 1-5:

Is it OPUC's or Mr. Evans' (*sic*) position that ownership by the vertically integrated utility of Electric Vehicle Supply Infrastructure (EVSI) and Electric Vehicle Supply Equipment (EVSE) is inappropriate? If the answer is anything other than no, please provide a full explanation including all analyses conducted or reviewed, materials reviewed, or other resources relied upon.

RESPONSE:

OPUC and Mr. Evans are still considering this issue in general within the State of Texas and have not finalized their position on whether ownership by the vertically integrated utility of EVSI and EVSE is inappropriate. However, it is OPUC's and Mr. Evans's position that if a vertically integrated utility owns EVSI and EVSE, the Commission should ensure at least the following:

- Appropriate allocations of the utility's overhead costs are assigned to the utility's investment in make-ready transportation electrification infrastructure and charging equipment, the utility's activities to market these services, and the utility's operation and maintenance of associated equipment. These overhead costs should include investment in general and intangible rate base, administrative and general expenses, wages and salaries, property insurance, property taxes, payroll taxes, etc.;
- Non-participant retail electric service customers are adequately compensated for the fact that they financially support the utilities, as this enables the utilities to compete from the advantageous position of being the certificated public utilities in their service area and possess immense customer information; and
- Adequate steps and procedures are instituted that fully protect the utility's non-participant
 retail electric service customers from bearing any costs or risk associated with the utility's
 investment and efforts to provide make-ready transportation electrification infrastructure
 and charging equipment, including protection from the risk of default by Transportation
 Electrification customers.

Prepared by: Evan D. Evans

SOAH Docket No. 473-22-04394 PUC Docket No. 53719 OPUC's Response to Southwestern Public Service Company's First Request for Information

SPS-OPUC 1-6:

Referencing page 33, lines 5 through 7, is it OPUC's or Mr. Evans' position that bad debt, or uncollectible expense, related to electric vehicle charging infrastructure or transportation electrification infrastructure should be treated differently than other bad debt/uncollectible expense incurred by the utility? Please provide all analyses conducted or reviewed, materials reviewed, or other resources relied upon for these positions and responses to this question.

RESPONSE:

Yes. Mr. Evans believes the provision of TE infrastructure and equipment are not essential public services that must be provided by ETI, a certificated electric utility. Mr. Evans believes these services have been provided by a competitive market and can continue to be effectively provided by a competitive market. Mr. Evans's opinion is based on his understanding of the TE market and his understanding of PURA § 11.002 and 16 TAC § 25.1(a).

Prepared by: Evan D. Evans

OPUC's Response to Southwestern Public Service Company's First Request for Information

SPS-OPUC 1-7:

Referencing page 33 starting at line 20 and continuing on page 34, is it OPUC's or Mr. Evans' position that utilities should employ a more restrictive line extension policy to customers installing transportation electrification infrastructure than to other customers requesting a line extension for new service? Please provide all analyses conducted or reviewed, materials reviewed, or other resources relied upon for these positions and responses to this question.

RESPONSE:

No. Mr. Evans's position is that ETI's approved Extension Policy should be applied to all retail electric service customers served under ETI's rates. However, ETI's proposed Rider TECI-1, Section V – Other Provisions contains specific provisions related to the reimbursement of the cost of construction and installation of New Facilities incurred by ETI to extend electric service to the transportation electrification charging infrastructure. Based on Mr. Evans's review of ETI's current and proposed rate schedules, no other rate schedule contains comparable provisions.

Prepared by: Evan D. Evans

Date: November 14, 2022

Respectfully submitted,

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ATTORNEYS FOR THE OFFICE OF PUBLIC UTILITY COUNSEL

CERTIFICATE OF SERVICE

SOAH DOCKET NO. 473-22-04394 PUC DOCKET NO. 53719

I hereby certify that a copy of the foregoing document was served on all parties of record in this proceeding on this 14th day of November 2022 by facsimile, electronic mail, and/or first class, U.S. Mail.

Renee Wiersema