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APPLICATION OF ENTERGY	§	BEFORE THE STATE OFFICE
TEXAS, INC. FOR AUTHORITY	§	OF
TO CHANGE RATES	§	ADMINISTRATIVE HEARINGS

AMERICANS FOR AFFORDABLE CLEAN ENERGY’S STATEMENT OF POSITION

Americans for Affordable Clean Energy (AACE) timely files this Statement of Position in the above-captioned docket.¹ In support thereof, AACE would show the following:

On July 1, 2022, Entergy Texas, Inc. (ETI) filed a Statement of Intent and Application for Authority to Change Rates.² AACE filed its motion to intervene in this proceeding on October 11, 2022³, and its intervention was granted by the State Office of Administrative Hearings (SOAH) in SOAH Order No. 8 on October 25, 2022.⁴ AACE filed a Statement of Position in Lieu of Testimony on October 26, 2022.⁵

I. STATEMENT OF POSITION

AACE is a non-profit organization whose members consist of owners and operators of convenience stores, public travel facilities, and truck stops that provide retail fuel supply as well as other services at existing locations in Texas and across the United States. AACE members are interested in installing, owning, and operating electric vehicle (EV) charging stations in Texas, and the organization’s goal is to work with state policymakers to create a robust marketplace for EV fast charging in Texas. AACE makes this Statement of Position regarding ETI’s proposed Transportation Electrification and Charging Infrastructure (TECI) Rider, Transportation Electrification and Charging Demand Adjustment (TECDA) Rider, and the specific issues posed

¹ Pursuant to 16 Texas Administrative Code § 22.124(a) (TAC), each party that has not prefiled direct testimony shall file a statement of position no later than three working days before the start of a hearing. The start of the hearing is December 5, 2022. Three working days before December 5, 2022 is November 30, 2022. Therefore, AACE’s Statement of Position is timely filed.

² Entergy Texas, Inc.’s (ETI) Statement of Intent and Application for Authority to Change Rates (Jul. 1, 2022).

³ Americans for Affordable Clean Energy’s (AACE) Late-Filed Motion to Intervene (Oct. 11, 2022).

⁴ SOAH Order No 8 – Memorializing Prehearing Conference; Granting Motions to Intervene; Granting ETI’s Sixth Motion to Consolidate; Setting Deadline for Parties (Oct. 25, 2022).

⁵ AACE’s Statement of Position in Lieu of Testimony (Oct. 26, 2022).

by the Commission in its preliminary order related to transportation electrification.⁶ Because AACE's interests lie with both the consumers and market participants, AACE is uniquely positioned in this proceeding in opposing the TECI Rider, but supporting the TECDA Rider.

A. Transportation Electrification and Charging Infrastructure (TECI) Rider

It is AACE's belief that if the Public Utility Commission of Texas (Commission) approves the TECI Rider, AACE's members would be adversely impacted by undercutting the development of a competitive EV charging market in Texas. AACE's members as well as other private, unregulated businesses would be less inclined to install EV charging at their locations, and approval of the TECI Rider would undermine the creation of a robust and sustainable EV charging market in Texas. AACE believes the most effective way to achieve a robust marketplace for EV charging is through free-market principles that incentivize private sector engagement and investment. Allowing electric utilities to own EV charging stations creates the potential that private businesses—who must raise and deploy capital entirely at risk—may find themselves forced to compete on an uneven playing field with utilities that rely on ratepayer supported funding to provide EV charging services. AACE joins and supports the TECI Rider direct testimony of Evan Evans on behalf of the Office of Public Utility Counsel (OPUC),⁷ in which these concerns are further explained.

Further, unregulated businesses that compete on price and quality of service are better-positioned to own and operate charging stations, while electric utilities should focus on key challenges such as infrastructure investments necessary to accommodate EV charging stations (so-called “make-ready” investments) and grid modernization. Allowing ETI to own and operate all EV charging-related infrastructure at the site would create an anti-competitive risk to private investment by creating a substantial competition barrier. Therefore, AACE supports the direct testimony of Justin D. Wilson on behalf of ChargePoint, Inc. (ChargePoint), and agrees with ChargePoint's position that it is appropriate for electric utilities to own make-ready infrastructure in order to support EV chargers.⁸ Allowing for utility ownership of make-ready infrastructure will not cause a competitive risk because this infrastructure is not considered a competitive source,

⁶ Draft Preliminary Order at 15 (Jul. 27, 2022).

⁷ Direct Testimony and Workpapers of Evan D. Evans on Behalf of the Office of Public Utility Counsel (OPUC) (Oct. 26, 2022).

⁸ Direct Testimony of Justin D. Wilson on Behalf of ChargePoint, Inc. at 11 (Oct. 26, 2022).

unlike EV chargers.⁹ AACE agrees with ChargePoint that the Commission should allow utility ownership of make-ready infrastructure, but does not agree with ChargePoint's position that regulated utilities should have limited ownership of EV chargers. Instead, AACE supports the Staff of the Public Utility Commission of Texas (Commission Staff) in finding that by allowing energy utilities to own EV charging stations, ETI's proposed TECI Rider is unreasonably preferential and discriminatory.¹⁰ AACE supports Commission Staff's recommendation that the Commission should reject the TECI Rider as it is not just and reasonable, because a regulated monopoly should not provide a competitive service when private sector interests are prepared to invest in and provide such services. ETI's proposed TECI Rider would allow a regulated monopoly to provide such a competitive service by authorizing ETI to construct, own, and maintain EV charging stations on non-residential customers' property for customer use.¹¹

B. Transportation Electrification and Charging Demand Adjustment (TECDA) Rider

AACE is in favor of the concept behind ETI's proposed TECDA Rider. AACE believes the approval of the proposed TECDA Rider could give demand relief, which may be beneficial to AACE's members. If applied properly, demand charge relief would promote investment in EV chargers by private, unregulated businesses.

For these reasons, AACE supports the cross-rebuttal testimony of Justin D. Wilson on behalf of ChargePoint regarding the TECDA Rider.¹² As stated in Mr. Wilson's cross-rebuttal testimony, the Commission has already reviewed and approved an EV-specific rate, which was exclusively available for residential and commercial customers using a facility dedicated solely for an EV.¹³ The Commission's prior approval of a similar rider shows that ETI's proposed TECDA Rider does not conflict with prior determinations regarding EV-specific rate offerings by vertically integrated utilities in Texas.¹⁴ AACE also joins and supports the direct testimony of

⁹ *Id.*

¹⁰ Direct Testimony of William B. Abbott, Rate Regulation Division, on Behalf of the Public Utility Commission of Texas (Commission) at 7 (Nov. 2, 2022).

¹¹ *Id.* at 8.

¹² Cross-Rebuttal Testimony of Justin D. Wilson on Behalf of ChargePoint, Inc. at 10 (Nov. 16, 2022).

¹³ *Id.*, referring to El Paso Electric Company's Schedule No. EVC.

¹⁴ *Id.*

Matthew McCaffree on behalf of FlashParking, Inc.¹⁵ As explained in Mr. McCaffree's testimony, the TECDA Rider will lessen the prospect of higher demand charges due to EV-related load, which will lessen the disincentive for a customer wanting to install EV charging at a commercial property.¹⁶

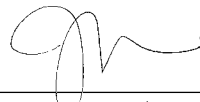
II. CONCLUSION

For the reasons stated above, AACE supports ETI's proposed TECDA Rider, but opposes ETI's proposed TECI Rider. AACE continues to evaluate the other parties' testimonies and reserves the right to undertake cross-examination and to participate on these issues at the hearing on the merits.

Respectfully submitted,

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¹⁵ Corrected Direct Testimony of Matthew McCaffree on Behalf of FlashParking, Inc. (Nov. 1, 2022).

¹⁶ *Id.* at 9.

CERTIFICATE OF SERVICE

I certify that, unless otherwise ordered by the presiding officer, notice of the filing of this document was provided to all parties of record via electronic mail on November 30, 2022, in accordance with the Order Suspending Rules, issued in Project No. 50664.



JAMIE L. MAULDIN