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this case permits the Commission and other stakeholders to begin with a set of real world scenarios to understand, develop, and direct such policies for the Texas electric industry.

The two *voluntary* electric vehicle charging infrastructure tariffs proposed by Entergy are a reasonable means to assist in the continued development of electric vehicle charging stations in the Entergy service area. The financial limitation (cap) Entergy places on this program ensures that Entergy ratepayers will not suffer from the relatively small investment in an effort to benefit many – not just the users of the EV tariffs but the EV drivers and passengers.

Finally, Entergy is uniquely situated in Texas as a vertically integrated utility not in the Electric Reliability Council of Texas (ERCOT) footprint with a very defined and discrete EV program. Therefore, the Commission’s decision supporting Entergy’s proposed tariffs in this case does not set a precedent; and it is not binding on the Commission as they explore other policy questions with regard to electric vehicle charging stations and infrastructure development in other Texas utility service territories, whether vertically integrated or not.³

II. Preliminary Order Issue No. 68. Is it appropriate for an electric utility in a vertically integrated area to own vehicle-charging facilities or other transportation electrification and charging infrastructure, or should the ownership of such facilities be left to competitive providers?

That answer depends on the vertically-integrated utility in question. In this case, Flash supports Entergy’s proposal to own vehicle charging facilities and other transportation electrification (TE) technologies as proposed. Entergy is proposing two new voluntary riders to address its customers’ increasing adoption of EVs by providing more charging opportunities across their primarily suburban and rural service territory.⁴ Entergy correctly demonstrated that EV adoption continues to grow and will accelerate as more vehicle models are available in the market.⁵ Flash supports the expansion of EV charging as a general principle, and specifically supports Entergy’s proposals to increase those charging opportunities and extend the benefits of EVs to their customers.

³ FlashParking Ex. 1 at 11.

⁴ ETI Ex. 4 at 14 (Direct Testimony of Entergy witness Mr. Eliecer Viamontes).

⁵ *Id.*; *See also*, ETI Ex. 40 (Direct Testimony of Entergy witness Ms. Samantha F. Hill), generally.

Entergy has creatively developed its Transportation Electrification and Charging Infrastructure (TECI) Rider allowing the utility to partner with interested non-residential customers to plan, construct, own, and maintain TE-related infrastructure and equipment, while also allowing the customer to determine the degree of Entergy's investment on the customer's premise.⁶ In addition, Entergy is proposing the Transportation Electrification and Charging Demand Adjustment (TECDA) Rider which, as designed, will provide less uncertainty for the customers installing separately metered equipment by attenuating potential demand charges caused by on-site EV charging.⁷

The two policy issues in the Preliminary Order in this case are limited to this utility, this case, and only to the two very defined tariffs.⁸ Flash understands that the purpose of the tariff designs is to animate EV charging and, by extension, encourage EV adoption by customers across their unique service territory. In the same vein, Entergy is proposing the first vertically integrated utility to put forth an original program, however small, for electric vehicles charging infrastructure in Texas, which can now provide the Commission a chance to obtain information and data to better analyze an EV charging infrastructure program in action.⁹

Entergy is proposing a very discrete program regarding EVs with only two tariffs: the Transportation Electrification and Charging Infrastructure (TECI) Rider and the Transportation Electrification and charging Demand Adjustment (TECDA) Rider. The utility is making it non-discriminatory regarding:

- 1) EV charging station ownership (eliminating any competitive supply issues regarding charging stations), and
- 2) the necessary supporting infrastructure and incentive for the program.¹⁰

⁶ Such TE-related infrastructure and equipment includes, for example, electric vehicle charging and Shore Power facilities. ETI Ex. 4 at 14 -15.

⁷ *Id.*

⁸ *See* Preliminary Order, generally, and at 4-5; *see, also*, FlashParking Ex. No. 1 at 11.

⁹ FlashParking Ex. 1 at 10.

¹⁰ *Id.*

The TECI Rider as proposed would allow for the individual customer to determine the degree of Entergy's involvement, thus allowing the customer to solicit bids on Electric Vehicle Supply Equipment (EVSE hardware) and Electric Vehicle Service Provider (EVSP) services from the existing competitive landscape. In addition, as the utility has testified, the demand cap in the proposed TECDA Rider will have a *de minimis* impact on all of Entergy's Texas customers.

Approval of these two tariffs will not preclude future consideration of alternative or additional EV charging station treatment(s). Further, there are benefits to customers in, and traveling through, the Entergy footprint that operate electric vehicles. There is no reason to delay implementation of these tariffs.¹¹

In spite of the need for a rulemaking for all issues involving the implementation, process, and other policy questions for stakeholders invested in EV and EVSE regulatory issues, this very limited portion of the rate design phase of this case is narrow and focused, so much so that the parties agreed to handle these two issues on a separate track from the rest of the case as not to delay the briefing of these issues.¹²

It is important to understand that Entergy is but one type of utility in the entire State of Texas. Entergy is one of the few remaining fully-integrated utilities in Texas, with the exception of electric cooperatives and municipally-owned utilities which are only partly regulated by the PUCT. The resolution to the two issues in this Preliminary Order should take into consideration the uniqueness of the applying utility, including, but not limited to, its service territory and the lack of retail competition.

Therefore, this should not be the forum to address the many global issues surrounding EVs from the Commission's perspective, much less resolved in this one rate case. The Commission has the continued discretion to pursue a rulemaking regarding charging stations, the necessary infrastructure, rate structures, broad policy issues promoting EVs, and other considerations for ensuring the best practices for promoting EVs in Texas. Consideration of

¹¹ *Id.* at 10-11.

¹² SOAH Order No. 14 granted the joint parties' proposed briefing outline and schedule, as well as admitted the evidence relating to the two Preliminary Order Issues (Dec. 27, 2022).

these tariffs in this case does not preclude further review in a non-rate case proceeding or in another rate case.

III. Preliminary Order Issue No. 69. Should Entergy be allowed to own transportation electrification and charging infrastructure—including vehicle-charging facilities—in the manner it has proposed in its application, or should such ownership be wholly left to customers or third parties?

In this case under Entergy’s proposal, FlashParking agrees that Entergy should be allowed to own transportation electrification and charging infrastructure – including vehicle-charging facilities – in the manner it has proposed in its application.

FlashParking offers two recommendations for the program, which it proposes below in subsection III.A. To best understand these recommendations, it is helpful to understand FlashParking’s business model in the context of this proceeding.¹³ Among other things, FlashParking provides electric vehicle charging solutions, built specifically to meet the growing demand for urban EV charging and address unique infrastructure challenges. The company’s EV charging solutions focus on Level 2 charging and enable parking operators to manage primary traffic, off-peak hours, and potentially balance demands on the electric grid.¹⁴ FlashParking seeks to work cooperatively with all stakeholders, including Entergy, to facilitate development of EV charging across Texas.¹⁵

FlashParking has a specific perspective on development of EV charging in vertically integrated utility service areas as FlashParking is a national leader in the management and logistics of vehicle parking which increasingly involves the business of EV charging. FlashParking’s technology is able to monitor how parking assets are used, for how long, and by whom, which allows FlashParking to increase utilization of parking assets for its clients. Like our industry peers, FlashParking recognizes that there are currently a number of choices for EV

¹³ Generally, FlashParking, located in Austin, Texas, is a national leader in commercial parking technology and connected mobility technology solutions. It provides software and on-site hardware parking solutions to over 10,000 sites across the country. FlashParking Ex. 1 at 4.

¹⁴ FlashParking works with parking operators, commercial real estate companies, and other stakeholders. It actively works with clients to deploy charging infrastructure across the country. *Id.*

¹⁵ *Id.*

charging, and therefore FlashParking has created a platform that works both with its own deployed hardware and other EVSE providers.¹⁶

As more of these resources hit the market, FlashParking similarly recognizes the critical role of distribution utilities, like Entergy, in providing the distribution and make-ready infrastructure to enable widely-available, practical, and affordable EV charging sites.

A. Transportation Electrification and Charging Infrastructure (TECI) Rider

The rider allows non-residential Entergy customers to distribute the costs of installing one or more EV chargers and related infrastructure over a customer-selected Recovery Term, while also allowing the customer to determine the level of Entergy's investment at that site. It allows for partnerships between Entergy and commercial installers of electric vehicle charging stations. This service would permit the utility to plan, construct, own, operate, and maintain electric vehicle charging stations with costs to be recovered in the electric bill of the participating commercial customer.¹⁷

The Entergy proposal appears to be competitively neutral, which would permit FlashParking and others to develop EV charging stations and services in Entergy's service area. Should the opportunity arise, FlashParking would have the flexibility to provide alternative or supplemental finance and payment options for an EVSE installation at a customer site, while potentially educating the customer on the opportunity to leverage the TECI Rider to assist in the investment.¹⁸

Entergy witness Ms. Samantha Hill provides a discussion of EVSE original equipment manufacturers (OEMs) stating that Entergy will "work with EVSE OEMs to provide and maintain the charging station equipment and cloud software".¹⁹ FlashParking's witness Mr. McCaffree, however, sees this more accurately describes an electric vehicle service provider (EVSP), which is in part what FlashParking provides for its clients. Like EVSE manufacturing, this is an increasingly competitive space. FlashParking works with EV equipment manufacturers

¹⁶ *Id.* at 5.

¹⁷ *Id.* at 6.

¹⁸ *Id.* at 7.

¹⁹ ETI Ex. 40 at 24.

to deploy hardware that they provide, while FlashParking installs and maintains the equipment in the field, as well as creating and maintaining the enabling cloud software.²⁰ It is FlashParking's position that Entergy's customers would be best served if Entergy broadens its approach to include all EVSPs as potential partners.

Given the existing competitive landscape for EVSE and related services, FlashParking recommends that the Commission order Entergy to inform customers exploring the TECI Rider that there are installers and service providers that may offer EV charging services that accommodate a customer's specific needs at a competitive price. Further, FlashParking recommends the Commission eliminate the requirement in the TECI Rider which only allows the installation and maintenance of EVSE ports to EVSPs solely approved by the utility.

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

The TEDCA Rider helps commercial customers who are trying to install EV charging stations by providing relief from demand charge uncertainty for operating EV charging stations.²¹

FlashParking endorses Rider TEDCA. The prospect of higher demand charges due to EV-related load creates a disincentive for a customer that would otherwise install EV charging at a commercial property. FlashParking also supports this Rider because it serves to lessen that disincentive in order to encourage further EVs adoption in a rapidly expanding market.²²

²⁰ FlashParking Ex. 1 at 7 - 8.

²¹ *Id.* at 8.

²² *Id.* at 9.

III. Conclusion

Entergy’s proposed tariff riders address the immediate needs of its customers: both those that want to drive electric vehicles without “charge anxiety” by having access to charging opportunities across their service territory, customer operated fleet electric vehicles, and those that want to provide those EV drivers with convenient charging locations. Entergy’s proposed tariffs should be approved to provide Entergy, the Commission, and the consumers of Texas with some practical experience to support the proliferation of electric vehicles.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document has been submitted for filing at the Public Utility Commission of Texas on the 13th day of January 2023 and served as required by the Public Utility Commission of Texas’ Procedural Rules.

Shannon K. McClendon
