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Texas Public Utility Commission Docket/Control #53719

<u>Letter in Support of Entergy Texas' proposed Transportation Electrification and Charging Infrastructure ("TECI") and Transportation Electrification and Charging Demand Adjustment ("TECDA") Riders</u>

Dear Commissioners:

We write in support of Entergy Texas' proposed Transportation Electrification and Charging Infrastructure ("TECI") and Transportation Electrification and Charging Demand Adjustment ("TECDA") Riders and encourage you to approve the proposals.

In his letter to the Executive Director of TxDOT, March 22, 2022, Governor Greg Abbott indicated the state Electric Vehicle Infrastructure Deployment Plan should ensure that every Texan can access the infrastructure they need to charge an EV.

Entergy Texas has submitted two electric vehicle infrastructure-related proposals to the Public Utilities Commission of Texas to help achieve the breadth and scope of the electric vehicle charging infrastructure development that is needed. These proposals support and advance the Governor's priority through voluntary solutions funded by the customers seeking them.

Transportation Electrification and Charging Infrastructure Rider:

Through the TECI Rider, Entergy Texas will partner with interested non-residential customers to construct, own, and maintain TE-related infrastructure and equipment on customer-owned property for their own use or for public use. Such customers include, among others, residential property developers, fleet managers, tax-exempt organizations such as governmental agencies and schools, ports considering electrifying shore operations, and business owners. The costs incurred by Entergy Texas for the equipment, installation, and any ongoing operations and maintenance ("O&M') will be added to each TECI Rider customer's monthly bill as a fixed payment in accordance with well-established cost causation principles. Thus, no costs associated with Entergy Texas's investment will be imposed on the Company's other customers.

Transportation Electrification and Charging Demand Adjustment Rider:

The TECDA Rider is a temporary and self-correcting measure that reduces electric bill uncertainty caused by low adoption rates and normal utility demand charges for non-residential customers installing separately metered charging equipment. Depending on a customer's load and resulting "load factor" (i. e., the relative proportion of monthly energy usage to peak

demand), demand charges can represent a significant proportion of a monthly electric bill. It may be prohibitively expensive for an EV charger site host to operate during the early phase of EV market growth, which may deter capital investment in EV chargers with separate electric service. Stabilizing the effective cost per kWh for electric service to new separately metered TE infrastructure and equipment would facilitate investment and foster greater EV adoption by customers, which in turn is expected to provide important economic, environmental, and societal benefits to the residents of Texas. Additionally, the EV charging will increase Entergy Texas's revenues contributing to the recovery of the utility's fixed costs, putting downward pressure on electric rates and thereby benefiting all Entergy Texas customers.

The transportation sector is the largest contributor to greenhouse gas emissions in the United States. In order to align with the 1.5° C global climate goal, well over 20% of all US vehicles need to be electric by 2030. Electric transportation generates lower emissions, requires lower maintenance, and encompasses lower cost of ownership. Therefore, the transportation sector is vital to helping the country and planet achieve net-zero emissions by mid-century.

We offer the support of the United States Business Council for Sustainable Development for Entergy Texas' application.

Regards,

Executive Director

US Business Council for SUstainable Development