

**THE STATE OF NEW HAMPSHIRE
BEFORE THE
PUBLIC UTILITIES COMMISSION**

Unitil Energy Systems, Inc.

Request for Change in Rates

Docket No. DE 21-030

**OBJECTION TO MOTION TO REMOVE UNITIL ENERGY SYSTEMS, INC.'S
ELECTRIC VEHICLE TIME OF USE RATE PROPOSALS**

Pursuant to N.H. Admin. Rules Puc 203.07(e), Unitil Energy Systems, Inc. (“Unitil” or the “Company”) respectfully objects to the Motion to Remove Unitil Energy Systems, Inc.’s Electric Vehicle Time of Use Rate Proposals submitted by the Commission Staff (“Staff”) on May 11, 2021. Staff has failed to demonstrate that it is reasonable to remove the Company’s Electric Vehicle Time of Use Rate (“EV TOU”) proposals from this docket, or that the interests of ratepayers, the parties to this Docket, or the Commission will be better served by doing so. Rather, removing the EV TOU proposals would clearly prejudice the Company, potentially prejudice ratepayers, and potentially delay the key policy objective of EV adoption in New Hampshire. At least one other party to this Docket (Clean Energy New Hampshire or “CENH”) has articulated similar concerns in a separate objection, and two other parties (the New Hampshire Department of Environmental Services, and ChargePoint) have indicated that they support the Company’s objection.

In support of this Objection, Unitil states as follows:

I. Background

1. On August 11, 2018, RSA 236:133 took effect, requiring the Commission to determine, *inter alia*, whether it is appropriate to implement EV TOU rates for residential and commercial

customers. RSA 236:133,V(b). The Commission thereafter commenced an investigation into this issue and issues related to electric vehicle charging stations in January 2020. IR 20-004, *Investigation into Rate Design Standards for Electric Vehicle Charging Stations and Electric Vehicle Time of Day Rates*, Order of Notice (Jan. 16, 2020).

2. Based on the record in IR 20-004, the Commission concluded that TOU rates are appropriate for electric vehicle charging. IR 20-004, Order Determining the Appropriateness of Rate Design Standards for Electric Vehicle Charging Stations (Order No. 26,394) at 11, 18 (Aug. 18, 2020). The Commission also adopted (with modifications) certain guiding principles for separately-metered residential EV TOU rates. *Id.* at 15, 17. Believing “a separate proceeding to adjudicate the merits of various proposals from each utility” was warranted, the Commission ordered that a new docket be opened to consider utility-specific EV TOU proposals. *Id.* at 18. Order 26,394 does not require the new docket to be the exclusive proceeding for considering EV TOU rates, nor does it, by its terms, preclude an electric distribution company from proposing EV TOU rates in a rate case.

3. On October 16, 2020, the Commission opened Docket DE 20-170 “to facilitate the development and subsequent review of utility-specific EV TOU rate proposals.” DE 20-170, *Electric Vehicle Time of Use Rates*, Order at 1 (Oct. 16, 2020). The Commission approved a procedural schedule on November 13, 2020 requiring EV TOU filings to be made by April 30, 2021. That procedural schedule has already been amended several times, most recently to delay the EV TOU filing date until June 15, 2021.

4. Unitil submitted the rate case filing now pending before the Commission on April 2, 2021. Included with the Company’s case is the testimony, with attachments, of witnesses Cindy Carroll, Carleton Simpson, and Carol Valianti supporting a comprehensive suite of proposals

including EV TOU rates, a whole house TOU rate, an EV Program Infrastructure Proposal (including a residential behind-the-meter EV installation and incentive program designed to incentivize EV adoption), and an EV and TOU Marketing, Communications and Education (“MC&E”) Plan. Unitil also submitted the testimony of John Taylor of Atrium Economics, LLC supporting the rate design for the Company’s whole house and EV TOU rates. Of particular note, along with the testimonies, the Company has submitted a comprehensive set of illustrative tariffs encompassing its proposals, including specific charges supported by the calculations of Mr. Taylor (Exhibit JDT-1), and which the Company is prepared to implement along with its other proposed tariff changes. See Exhibits CSV-4 through CSV-7, at numbered pages 000703 through 000718 of the Company’s April 2 filing. These proposals are enabled by the Company’s Advanced Metering Infrastructure (“AMI”) powerline carrier technology (in operation since 2006) and its plans to upgrade its existing system with new collectors and transmitters, enabling the recording of 15 minute metered intervals read three times a day. The Company’s meter data management system (“MDMS”) and customer information system (“CIS”) already support these enhanced AMI capabilities. This infrastructure is unique among New Hampshire’s electric distribution companies (“EDCs”), enabling the Company to offer a distinct EV proposal that is markedly consistent with the guidelines established by the Commission in IR 20-004.

5. The Staff filed its Motion to Remove on May 11, 2021, more than a month after the Company submitted its initial filing, several weeks after the prehearing conference and initial technical session, and after the establishment of a procedural schedule in this matter. CENH submitted a timely objection to the Staff’s Motion to Remove on May 20, 2021.

II. Unitil's EV TOU Rates Are an Inextricable Component of a Comprehensive Suite of Proposals

6. As noted above, the Company's EV TOU rates were developed and proposed as part of a comprehensive suite of offerings and initiatives that are inextricably linked by common witnesses and policy objectives. Unitil has advanced these proposals as a holistic approach to incentivizing and enabling adoption of distributed energy resources, transportation electrification, and individualized energy management to reduce carbon emissions from electricity consumption while providing savings for the Company's customers. Testimony of Carroll, Simpson, and Valianti at 4-5.

7. Removing Unitil's EV TOU proposals to DE 20-170, a docket with no timeline for adjudication and no procedural events beyond July 9, 2021, will disrupt the Company's carefully considered, holistic proposal. For example, it is not practical or efficient for the parties to this case and the Commission to investigate the Company's residential behind-the-meter EV smart charger installation and incentive program without investigating the corresponding EV TOU rates. Similarly, removing the proposed EV TOU rates would hamper the evaluation of the Company's proposed MC&E plan within the parameters of this case. The MC&E plan is designed to increase customer awareness, interest in and adoption of EVs, EV charging infrastructure and EV TOU rates, and includes an education campaign, and a marketing and promotion program. The Company's EV TOU rates are an essential component of the MC&E plan; it is difficult to conceive how the parties or the Commission could evaluate the plan, or how the Company could implement it (if approved), in the absence of EV TOU rates.

8. Removing the EV TOU rates also would compel the Company's witnesses to attempt to "carve out" EV TOU rates from their respective testimonies and testify in two separate proceedings on separate procedural tracks and separate evidentiary records. This will inevitably

lead to confusion, a lack of complete contextual information in each respective docket, and the inefficient use of resources, including but not limited to the witnesses' time. For example, the Company's outside rate design consultant, John Taylor of Atrium Economics, LLC, modeled and developed the Company's proposed whole house and EV TOU rates in tandem and as a complete suite of rates. See generally Testimony of Taylor at 13-26. The Company's TOU proposals cannot simply and cleanly be cleaved apart; to try and do so would be unreasonable and manifestly inefficient as it would require Mr. Taylor to appear and testify twice, at separate times and in separate dockets. The Company's witnesses would experience similar inefficiencies, and ratepayers would bear the resulting costs.

III. Staff Has Failed to Demonstrate that Removal of Unitil's EV TOU Proposals to DE 20-170 is Warranted

9. In its Motion, Staff fails to demonstrate that removing Unitil's EV TOU rates to DE 20-170 is warranted. Rather, the Staff's Motion is predicated upon speculative and conclusory assertions: Staff *believes* that review of Unitil's EV TOU proposals in this case and DE 20-170 would be duplicative and inefficient; reviewing the Company's EV TOU proposals in the rate case *could* result in *potentially* confusing or conflicting policies. Staff Motion at 3. Staff does not explain in detail or provide illustrative examples of how this would actually be the case in practice. The Commission should not base an action as significant and disruptive as removing an essential component of the Company's case on such speculative arguments.

10. Staff argues that it would be "administratively efficient" to remove Unitil's EV TOU rate proposals because doing so would allow review of the proposals on a "consolidated basis alongside the other regulated New Hampshire Utilities' EV TOU Proposals in DE 20-170," and that consolidation may result in cost savings to ratepayers. Staff Motion at 3. This argument ignores the fact that the New Hampshire Electric Distribution Companies ("EDCs") are at

fundamentally different places with respect to the development of EV TOU offerings. As the Commission pointed out in Order 26,394, Liberty already has an EV TOU rate in place. IR 20-004, Order No. 26,394 at 17 (citing DE 19-064, *Liberty Utilities (Granite State Elec.) Corp.*, Order No. 26,376 at 9 (June 30, 2020) (approving settlement)). Eversource, on the other hand, is still in the process of developing its EV TOU rate for submission in DE 20-170 and has requested an extension of time to make a filing in that docket.

11. There are many ways in which utility services and service offerings are different among the New Hampshire EDCs. Fundamentally, the EDCs' respective cost structures and rates are different, and it will necessarily be the case that each EDC's EV TOU proposals and tariffs will be different. Moreover, as discussed above, the Company's AMI, MDMS and CIS technologies and supporting systems are unique among the state's EDCs. As such, the Commission and all interested parties will need to conduct an individualized review of each EDC's EV TOU rates even if they are consolidated exclusively into one docket. Thus, it is highly questionable as to whether any "administrative efficiencies" can truly be captured by removing the Company's EV TOU rates from this docket, particularly when weighed against the disruption and inefficiencies Staff's proposal would create.

12. Staff's concerns regarding "potentially confusing or conflicting policies on electric vehicle time of use rates for each utility's franchise" are also misplaced. As noted above, the Commission prescribed guidelines for developing EV TOU rates in IR 20-004. By establishing a clear set of guidelines with which the EDCs must comply when developing and proposing EV TOU rates, the Commission has already ensured that there will be no "confusing or conflicting policies" among the EDCs' proposals.

13. Staff cites to Unitil’s last rate case, DE 16-384, as a prior example of the Commission removing a discrete item from a rate case. In that case, the Commission decided to remove the Company’s Domestic Distributed Energy Resources schedule to a recently opened generic proceeding to determine a net metering successor tariff, citing, among other things, “administrative efficiency.” Five years later, Docket DE 16-576 remains ongoing and the EDCs are awaiting completion of the value of DER study. While we do not suggest that generic or joint proceedings will inevitably result in such extended process, it cannot be assumed that such proceedings will result in a more efficient and prompt resolution of the issues.

14. The Company designed its EV TOU rates as part of a comprehensive package of offerings to incentivize customers to adopt EVs and manage their energy in a way that ultimately results in savings.¹ Any delay in the adjudication of the Company’s EV TOU proposals beyond the one-year statutory time prescribed in RSA 368:6 would frustrate New Hampshire’s Energy Strategy objectives, and prejudice the Company’s ratepayers. There is no assurance that DE 20-170 will be resolved faster than, or even at the same time as, the Company’s rate case; given the present status of the docket, it seems highly unlikely that the docket could be resolved within that time frame.

IV. Staff Has Already Agreed, and the Commission Has Approved, the Consideration of the Company’s EV Proposals within This Docket

15. Staff argues that its request to remove the EV TOU rates to DE 20-170 is motivated by “the limited period of time allowed for review of the distribution rate case.” Staff Motion at 3. Staff, however, fails to point out that on April 29, 2021 it filed a proposed procedural schedule, agreed to by all parties, which unequivocally provided for consideration of the Company’s EV

¹ New Hampshire’s 10-Year Energy Strategy states: “Electric Vehicles . . . can provide significant cost savings to consumers . . . and with reduced emissions they provide local air quality and health benefits.” New Hampshire 10-Year Energy Strategy at 13, 75. Enabling and encouraging adoption of plug-in EVs is, for this and many other reasons, a recommended energy strategy for the State. Id. at 75.

proposals within the time frame of this docket. The Technical Sessions proposed for July 27, 2021 and September 27, 2021 each provide for discussion of the Company's "EV program issues" at 10:00 a.m. On May 4, 2021 the Commission, by Secretarial Letter, approved the procedural schedule without amendment. Indeed, the entirety of Staff's Motion is contradicted by the determination already made by the Commission that the consideration of the Company's EV proposal within the rate case, made explicit in the procedural schedule, is "in the public interest." Secretarial Letter, May 4, 2021 at page 2.

16. After issuance of its May 4, 2021 Secretarial Letter, the Commission issued two Requests for Proposals (RFP #2021-009 for rate design consulting service in DE 21-030, issued on May 5, 2021, and RFP #2021-014 for rate design consulting services in DE 20-170, issued on May 14, 2021). The RFP issued for rate design services in DE 21-030, issued one week before the Staff filed its Motion to Remove, does not include a request for consulting services regarding the Company's EV rate design proposals; the request for consulting services regarding electric utility EV time of use proposals is limited to RFP 2021-014. It is unfortunate that the RFPs, considered together, appear to indicate a determination to investigate the EV rate design proposals only in DE 20-170, and were issued before the Commission has had an opportunity to consider the Company's and other parties' arguments against removal.

V. Conclusion

17. Staff has not met its burden to demonstrate that removal of the Company's EV TOU rates to DE 20-170 is warranted. Staff's assertions of inefficiency and potential conflict are speculative and conclusory, and in fact it is the removal of the EV TOU rates that will result in inefficiency and real prejudice to Unitil and its customers.

18. The Company has contacted intervenors ChargePoint and the New Hampshire Department of Environmental Services, both of which have indicated that they support this objection.

19. The Commission should deny the Staff's Motion to Remove and investigate the Company's EV TOU proposals in this case as critical component of its comprehensive TOU, EV Infrastructure, and EV and TOU marketing and education initiatives.

Respectfully submitted,

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