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June 15, 2022

Executive Secretary
North Dakota Public Service Commission
600 East Boulevard Ave. Department 408
Bismarck, ND 58505-0480

Re: Case No. PU-22-145
Electrification of Transportation Comments

Montana-Dakota Utilities Co. (Montana-Dakota) herewith electronically files its Comments as required by the North Dakota Public Service Commission's (Commission) March 30 Order in the above noted proceeding. The Commission issued their Order requiring electric public utilities to file comments to address the following standard that was included in the Infrastructure Investment and Jobs Act ("IIJA"), H.R. 3684, 117th Cong. (2021), Section 111(d) of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2621(d)) as amended:

- (21) Each State shall consider measures to promote greater electrification of the transportation sector, including the establishment of rates that -
- (A) Promote affordable and equitable electric vehicle charging options for residential, commercial, and public electric vehicle charging infrastructure;
 - (B) Improve the customer experience associated with electric vehicle charging, including by reducing charging times for light-, medium-, and heavy-duty vehicles;
 - (C) Accelerate third-party investment in electric vehicle charging for light-, medium-, and heavy-duty vehicles; and
 - (D) Appropriately recover the marginal costs of delivering electricity to electric vehicles and electric vehicle charging infrastructure.

The Commission has Ordered each electric public utility to file written comments that provide the following:

- a. A report of existing measures used to promote electrification of the transportation sector by the electric public utility.
- b. Existing rate mechanisms that:

1. promote affordable and equitable electric charging options;
 2. improve customer experience associated with charging;
 3. accelerate third-party investment; and
 4. appropriately recover the marginal costs of delivering electricity to electric vehicles and electric vehicle infrastructure.
- c. Previous actions taken by the Public Service Commission or State Legislature to implement the standard or a comparable standard.
 - d. Appropriate measures to promote greater electrification of the transportation sector.
 - e. Any other information that the Commission should consider.

The Company has prepared the following responses:

A report of existing measures used to promote electrification of the transportation sector by the electric public utility.

Montana-Dakota does not currently employ any measures to promote the electrification of the transportation sector. Montana-Dakota is currently aware of several Level I and Level II chargers that are behind the customer's meter and therefore are served under the applicable general service rate schedules. Montana-Dakota supplies electricity to four Tesla Level III chargers on its integrated electric system with two of them located in North Dakota. Currently, Montana-Dakota does not have plans to own or operate Electric Vehicle (EV) charging stations.

Existing rate mechanisms that:

1. **promote affordable and equitable electric charging options;**
2. **improve customer experience associated with charging;**
3. **accelerate third-party investment; and**
4. **appropriately recover the marginal costs of delivering electricity to electric vehicles and electric vehicle infrastructure.**

Montana-Dakota does not currently have any specific rate mechanisms in effect for residential or commercial fast charging of electric vehicles. Montana-Dakota suggests the load growth due to EV charging should be based on cost-based rates for all providers and not provide incentive rates. Any infrastructure expansion and any electric system upgrades required should be reviewed based on the Company's existing electric extension policy.

Montana-Dakota is researching the possibility of developing an EV charging rate for residential and commercial fast charging customers, which would be cost based and could also be time-of-day rate specific to EV charging and separate metering for EV charging.

Previous actions taken by the Public Service Commission or State Legislature to implement the standard or a comparable standard.

The North Dakota Legislature passed Senate Bill NO. 2091 in the 2021 legislative session, which further defined the terms of “Electric public utility” and “Rural electric cooperative” and effectively allowed electric vehicle charging entities to resell electricity if exclusively for charging electric vehicles.

Appropriate measures to promote greater electrification of the transportation sector.

Montana-Dakota is currently working with the various states we serve on the implementation and development of each state’s National Electric Vehicle Infrastructure (NEVI) programs.

Montana-Dakota appreciates the opportunity to provide these written comments and looks forward to further engagement on this topic. The Company has not identified any other information that the Commission should consider.

Please contact me at 701.222.7855 or travis.jacobson@mdu.com if you have questions.

Sincerely,

/s/ Travis Jacobson

Travis R. Jacobson
Director of Regulatory Affairs