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June 15, 2022

Mr. Steve Kahl
Director of Administration/Executive Secretary
North Dakota Public Service Commission
State Capitol
600 East Boulevard, Dept. 408
Bismarck, ND 58505-0408

**RE: In the Matter of the Commission Requesting Comments on Measures to Promote Greater Electrification of the Transportation Sector
Case No. PU-22-147
Comments**

Dear Mr. Kahl:

Otter Tail Power Company (Otter Tail or the Company) submits these Comments in response to the North Dakota Public Service Commission's (Commission's) request for comment on measures to promote greater electrification of the transportation sector.

An original and copies have been sent to you via USPS.

Please feel free to contact me at 218-739-8639 or JGrenier@otpc.com with any questions.

Sincerely,

/s/ *JASON GRENIER*
Jason Grenier, Manager
Market Planning

sjw
Enclosures
By electronic filing and U.S. mail

10 PU-22-147 Filed 06/15/2022 Pages: 5
Comments
Otter Tail Power Company
Jason Grenier

**STATE OF NORTH DAKOTA
BEFORE THE
NORTH DAKOTA PUBLIC SERVICE COMMISSION**

**In the Matter of the Commission
Requesting Comments on Measures to
Promote Greater Electrification of the
Transportation Sector**

Case No. PU-22-147

COMMENTS

I. BACKGROUND

On March 30, 2022, the North Dakota Public Service Commission (Commission) issued an order requesting comment on measures to promote greater electrification of the transportation sector. The Commission's order was in response to the November 15, 2021, federal Infrastructure Investment and Jobs Act which included points one through four in section B below. The Commission further requested public electric utility comment on sections A, C, D, and E as included below.

II. COMMENTS

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

Otter Tail's North Dakota initiatives to date supporting transportation electrification include the donation of three Level 2 (240 volt) chargers to public entities, modifying off-peak rates to allow electric vehicle (EV) charging, and providing guidance and education to customers interested in electric vehicle charging.

Otter Tail is encouraged by the Federal Infrastructure Investment and Jobs Act (IIJA) and its associated funds to be used for public charging. The Company looks forward to future opportunities to leverage the IIJA funding to supplement the building of a direct current fast charger (DCFC) network that offers reliable and convenient public charging access to all its North Dakota customers.

B. *Existing rate mechanisms that:*

1. *promote affordable and equitable electric charging options;*

Otter Tail offers an electric vehicle charging rebate of \$400 for Level 2 chargers that are hardwired and served by one of its many off-peak rate options.

2. *improve customer experience associated with charging;*

Otter Tail has provided several Level 2 chargers to customers at no cost. The Company views these Level 2 charging locations as a gateway to foster local discussion and education on EVs and associated charging. They also provide convenient charging for EV drivers and can bring business to the host site location. To date the Company has provided Level 2 chargers to the University of Jamestown, the National Buffalo Museum (Jamestown), and the City of Wahpeton. The Company is currently in discussions with several more communities that are interested in providing charging.

The frequency of customers calling Otter Tail and requesting advisement on the selection of EV charging equipment, charger size and placement, and rate options is increasing. With a growing numbers of EV related items occurring across the Company's system, the Company prides itself in being able to provide knowledgeable EV related guidance to customers.

Otter Tail recommends EV customers on off-peak rates to sign up for email alerts which are sent to customers when high probability of load control is expected the following day. If necessary, this allows customers to adequately prepare and complete charging prior to the event.

3. *accelerate third-party investment;*

The Company has a third-party DCFC pilot tariff for third-party owned electric vehicle charging stations in Minnesota. These pilot tariffs were proposed and approved along with Otter Tail building a minimum network of Direct Current Fast Charger across its Minnesota service territory to ensure all customers are within forty-five miles of a charger. These tariffs allow third-party charging stations to reduce their monthly costs and make site locations cost-effective with lower EV charging volumes. The Company added its first third-party DCFC owned site in Minnesota in April of 2022. The Company plans to learn from the Minnesota pilot third-party rate and file something similar in North Dakota.

4. *and appropriately recover the marginal costs of delivering electricity to electric vehicles and electric vehicle infrastructure.*

The Company's off-peak charging rates can be utilized to support various customer technologies such as heating, cooling, water heating, and electric vehicle charging. Rates for these off-peak options are designed utilizing marginal costing and have been approved in the Company's last North Dakota Rate Case, Case No. PU-17-398.

Future filings for a third-party DCFC rate will include marginal costs as a basis for establishing the rate, consistent with Otter Tail's MN third-party DCFC pilot rate.

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

The North Dakota Public Service Commission (NPSC) approved a modification to the Company's off-peak rates to allow EV charging. This allows customers access to very affordable rates for EV charging while also not increasing the Company's peak load requirements.

The State Legislature's Agriculture and Transportation Committee issued an Electric Vehicle Infrastructure – Background Memorandum which was issued in October 2019 and studied issues surrounding electric vehicles in the state.

D. *Appropriate measures to promote greater electrification of the transportation sector.*

The Company provides several low-cost initiatives to promote electrification of the transportation sector, including affordable off-peak charging rates, donated Level 2 chargers to communities for public charging, and provides education and advisement to customers interested in installing or hosting Level 2 or DC fast chargers.

E. *Any other information that the Commission should consider.*

At this time, the Company has no further information for the Commission.

III. CONCLUSION

The Company is interested in utilizing Federal Infrastructure dollars dedicated to expanding public eV charging in North Dakota. The Company believes its well positioned to cost-effectively install a charging network to allow convenient access to all of its North Dakota customers. The Company is interested in North Dakota becoming a competitive market for many models of electric vehicles to fit customers' diverse driving needs and provide customer choice. To accomplish a competitive EV marketplace in North Dakota a robust public fast charging network must be built so customers are assured they can seamlessly travel throughout the state. The Company looks forward to expanding its promotion of transportation electrification by working with the ND Commission to establish EV infrastructure pilot programs and an associated cost-recovery mechanisms.

Dated: June 15, 2022

Respectfully submitted,

OTTER TAIL POWER COMPANY

By: /s/ JASON GRENIER
Jason Grenier, Manager
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