## BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

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In the Matter of a Working Case to	
Evaluate Potential Mechanisms for	
Facilitating Installation of Electric	
Vehicle Charging Stations.	

File No. EW-2019-0229

## COMMENTS OF UNION ELECTRIC COMPANY d/b/a AMEREN MISSOURI

COMES NOW Union Electric Company d/b/a Ameren Missouri ("Ameren Missouri" or "Company"), and for its Comments in response to the Missouri Public Service Commission's ("Commission") Order Inviting Workshop Participants to File Responses and Notice of Scheduled Workshop Meeting ("*Order*"), states as follows:

1. The Commission's *Order* on March 6, 2019, invited workshop participants to respond to the *Request for Party Submissions* ("*Request*") submitted by the Commission Staff on March 5, 2019. Staff specifically requested participants' opinions regarding the "categories of costs that should be eligible for subsidization by utilities or should be eligible for special tariff/accounting/ratemaking treatment under a 'make ready' approach." (*Request*, p. 1.) Staff included a list of cost types in pages 2-4 of its *Request* for specific comment.

2. Ameren Missouri respectfully submits its opinion that it is not necessarily helpful, at this stage, to parse through a list of specific cost categories related to the deployment of electric vehicle ("EV") charging stations. If, as the request for opinions presupposes, EV charging warrants subsidization, it is because of the many broad benefits that EVs provide to Missouri customers and the environment. As the Commission has found:

Having more EVs on Missouri highways has local environmental and health benefits including cleaner local air because of no exhaust emissions or petroleum spills or leaks. Additionally, EVs can have other environmental benefits from the use of renewable sources to produce the electricity....<sup>1</sup>

The financial benefits to the utility and to the ratepayer from an EV charging network are not merely from the additional electricity sales at the charging stations, but are also obtained through additional electric sales from charging at home and creating more efficient utilization of the electric grid. All ratepayers ultimately will receive those benefits from the spreading of fixed costs over a greater amount of usage creating rates that are lower than if there was less usage.<sup>2</sup>

3. The Commission went on to support a position in favor of subsidies for

individual chargers:

The goal of the program, however, is to transform the EV market by removing as many barriers to EV adoption as possible in order to increase the number of EVs that will ultimately be doing most of their charging at home during off-peak hours. It is not the goal to make a profit off sales of electricity from each individual charger. Thus, the program need not be financially cost effective to be successful. In this type of pilot program, even if the sales of electricity from the corridor charging stations do not completely compensate for the entire cost of the program, the other benefits, such as decreasing "range anxiety" and, thereby, increasing EV adoption, can justify the expense.<sup>3</sup>

4. The main goal of subsidies should be that they are reasonably calculated to

lead to actual deployment of EV charging, rather than be dictated by which costs might relate most closely to traditional utility services. Ultimately, the goal of subsidies is to make actual projects move from theory to reality so that, in the words of the Commission, we can "transform the EV market" by removing a significant barrier to greater EV adoption: a lack of sufficient EV charging. This requires the flexibility to apply subsidies to any part of the total project cost that is otherwise a barrier to the deployment of that charging infrastructure. Doing otherwise will make it harder to drive the desired outcomes.

<sup>&</sup>lt;sup>1</sup> File No. ET-2018-0132, Commission *Report and Order* issued February 6, 2019, p. 16, ¶ 23.

<sup>&</sup>lt;sup>2</sup> *Id.*, p. 17, ¶ 27.

<sup>&</sup>lt;sup>3</sup> *Id.*, p. 19, ¶ 37.

5. The practice of narrowly defining the EV charging project cost components that do and do not qualify for subsidies could well prove counterproductive if it hinders the utility's ability to move a project forward. As long as the total amount of dollar subsidies is found to be reasonable given the benefits of the EVs it will support, then there should not be such narrow limitations placed on the nature of the costs. This level of scrutiny is not applied to many other regulated investments, and it should not be applied here.

Respectfully submitted,

## UNION ELECTRIC COMPANY d/b/a AMEREN MISSOURI

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