BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of the Application of Evergy Metro, Inc. d/b/a Evergy Missouri Metro and Evergy Missouri West, Inc. d/b/a Evergy Missouri West for Approval of a Transportation Electrification Portfolio	)))))))	Case No. ET-2021-0151

MISSOURI OFFICE OF THE PUBLIC COUNSEL'S STATEMENT OF POSITIONS

COMES NOW the Office of the Public Counsel ("OPC") and for its *Statement of Positions*, states as follows:

Issue 1: Should the Commission approve Evergy's proposed Residential Customer EV Outlet Rebate Program?

No. "These are rebates to existing EV drivers to allow them to charge their EVs quicker." Marke, *Rebuttal*, pg. 16 lns. 8 – 9; Staff, *Rebuttal Report*, pg. 5 lns. 11 – 12. Because one must already own an electric vehicle ("EV") **<u>before</u>** being eligible to receive an incentive payment under this program, this program is not designed to incentivize further EV adoptions. Instead of attempting to encourage EV adoptions, this program is premised on Evergy's belief that it will create "an opportunity to educate customers on the existence of TOU rates and/or encourage these customers to charge at off-peak hours." Marke, *Rebuttal*, pg.16 lns. 9 – 11; Staff, *Rebuttal Report*, pg. 6 ln. 7 – pg. 8 ln. 6. This is ineffective and unnecessary:

> A more direct efficient response would be to price EV drivers more for on-peak usage and less for off-peak. This could easily be accomplished

> in Evergy's next rate case and at no additional costs. Just giving up to $500 to existing EV drivers to get a more powerful charger without any repercussions or conditions if they elect to charge during on-peak hours will result in cost increases to all customers from both the direct subsidy and the increased energy costs during peak demand.

Marke, *Rebuttal*, pg.16 lns. 13 – 18. The Commission should not rob Peter so that it can bribe Paul with a gift that might *potentially* result in Paul charging at off-peak hours. Instead, the Commission should just order Evergy to bill Paul more for charging at on-peak times (*i.e.* institute time of use rates) and leave Peter alone.

In addition to the foregoing, Evergy's proposal is also premised on the idea that program participants will use less energy by switching from "Level 1" plug-in chargers to "Level 2" plug-in chargers. *See* Staff, *Rebuttal Report*, pg. 10 lns. 1 – 9. While this may appear like a respectable goal on its face, it actually means that non-participants will be harmed twice by this program. Because participants will use less energy, the retail revenue received from these participants will be less. *Id*. ("[R]etail revenues from the customers eligible for this rebate will be reduced by $17.10 - $26.25 per year, net of the FAC Base factor."). The fact that participants will pay **less** revenue under this program (when considered in conjunction with the fact that Evergy's rates are based on a fixed revenue requirement) means that all non-participants will have to pay **more** to make up the difference. Because Evergy seeks to recover the cost of the program from non-participants, this means that non-participants are going to have to pay money for the privilege of paying even more money to the utility to subsidize energy consumed by EV owners. Evergy thus seeks to rob Peter **twice** to pay Paul.

In summary, this is a poorly designed proposal that would provide no public benefits. It will not result in additional EV adoptions because EV ownership is a prerequisite for participation. Marke, *Rebuttal*, pg.16 lns. 8 – 18. There is no guarantee that participants actually switch their EV charging behaviors, and, even if there were, this program is not the most efficient way to accomplish that goal. *Id*. This program will result in non-participants having to pay more in rates to benefit participants whilst receiving nothing in return. This program may further "cause wholesale energy cost increases, and may cause capacity costs increases." Staff, *Rebuttal Report*, pg. 15 lns. 18 – 19. Overall, this program has been poorly developed, shoddily supported, and may easily result in inequitable if not downright harmful outcomes. The Commission should therefore not approve Evergy's proposed Residential Customer EV Outlet Rebate Program.

Sub-Issue A: If the Commission approves Evergy's proposed Residential Customer EV Outlet Rebate Program, should the Commission require that participants also sign up for the Company's existing whole house, opt-in TOU rate?

Yes. This is the easiest and most effective way to encourage customers to behave in a manner that Evergy suggests is necessary for this program to produce any benefits **at all**. *See* Marke, *Rebuttal*, pg.16 lns. 13 – 18. There is literally no actual incentive for participants to change their EV charging behavior absent this requirement. Instead, Evergy's case is entirely built upon the wishful thinking that people will change how they normally behave if the utility just provides free gifts and asks nicely. Non-participant benefits (to the extent that there are any in the first place) should not be held hostage by the whims of participants who may choose not to change their EV charging behavior while still receiving the benefits of the program.

Sub-Issue B: If the Commission approves Evergy's proposed Residential Customer EV Outlet Rebate Program, should the Commission modify the program consistent with ChargePoint's recommendations?

No. ChargePoint's recommendations somehow manage to make a badly designed program even worse. As the OPC's expert witness Dr. Geoff Marke explained:

> ChargePoint's modification to raise the subsidy to a flat $500 for all "qualifying residential customers" is both excessive and self-serving. ChargePoint makes no attempt to define what a "qualifying customer" is or what that might mean as far as an impact to Evergy's proposed budget. It is important to note that there are no additional kWh generated from the inclusion of this rebate. Just a greater chance that that the EV's will place a greater strain on the grid by charging during peak hours than it otherwise would and consequently increase rates for all customers. Assuming a set budget, this also means that there will be less "qualifying customers" receiving a rebate. Moreover, there is a real risk of home contractors taking advantage of this process. If they are aware that $500 is available for their service at no cost to the participant, it should not surprise anyone that the overall costs of installation will increase as well.
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> The Commission should also reject the additional self-serving request by ChargePoint to redesign and redirect Evergy's proposed subsidies for outlet installation to EV charging stations. Again, ChargePoint sells EV Charging Stations. This recommendation is just another attempt to force Evergy customers to directly subsidize ChargePoint's business.
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> Finally, the Commission should reject ChargePoint's recommendation to market EV charging station providers (like ChargePoint) on Evergy's website to residential customers through the recommended "list of qualifying chargers for the Residential Rebate program. It is neither necessary nor sensible for Evergy's website to become a platform to tell utility customers what type of EV charger they should buy.

Marke, *Surrebuttal*, pg. 6 ln. 8 – pg. 7 ln. 2. ChargePoint has a vested interest in the proposals it has made because they offer a means to directly support ChargePoint's bottom line. *Id*. at pg. 3 lns. 5 – 6. ("In short, ChargePoint has a vested interest in utilizing subsidized ratepayer funds to substantiate its bottom line.”). The Commission should not allow this case to become a mechanism by which Evergy customers (especially non-participating customers) may be extorted for the benefit of a non-utility third party like ChargePoint.

Issue 2: Should the Commission approve Evergy’s proposed Residential Developer EV Outlet Rebate Program?

No. This program is meant “to incentivize developers to pre-wire new homes with adequate circuit capacity to accommodate L2 EV charging by future residents.” Marke, *Rebuttal*, pg.16 lns. 22 – 23. This is even more unreasonable than the Residential Customer EV Outlet Rebate Program. Just consider the following from Staff’s *Rebuttal Report*:

> Not only is it more attenuated to believe that a customer will voluntarily stumble into a “managed” charging pattern without requirement, **it is not reasonable to assume the plug will ever be used for charging at all**. Not only is there is no apparent way for Evergy’s intended eventual “education” component to reach the future homeowners – who may or may not own an EV and who may or may not pursue installation of a Level 2 charger of any particular demand capability - **there is no apparent way for the future homeowners nor Evergy to even know the plug was installed as a result of the subsidy**.

Staff, *Rebuttal Report*, pg. 16 lns. 1 – 8 (emphasis added). There is literally no way to ensure or even *suggest* that the outlet installed pursuant to this program will **ever** be used to charge an electric vehicle. *Id.* In fact, there is no way for the program to ensure that the person who purchases a house with such an outlet installed will even **own** an electric vehicle. This program is thus premised upon entirely illogical presumptions:

> Ratepayers should not be subsidizing electricians working on new homes to install something that they might already be planning to install based on the mere possibility that some prospective owner of the home might get an EV at some point in the future. If Evergy feels strongly about the building codes and standards within its service territory it should be an issue they should address with the local government and construction contractors. Captive ratepayers' cost of service should not be extended as a conduit to solve problems outside "the cost of service" let alone problems deemed unnecessary by local governments and housing developers. Moreover, there is an extremely high chance that the money spent on this endeavor will never be used to charge an EV as there is no requirement whatsoever that the outlet be used for that purpose or that the proposed homeowner even own an electric vehicle.

Marke, *Rebuttal*, pg.17 lns. 2 – 11. As such, the Commission should not approve this program.

Issue 3: Should the Commission approve Evergy's proposed Commercial EV Charger Rebate Program?

No. As Dr. Marke explained, this program is unnecessary and will cannibalize Evergy's existing clean charge network:

> [T]here are already 900+ EV charging stations in Evergy's service territory not to mention the additional private EV charging stations not funded by ratepayers (and any future EV charging stations that may materialize from federal funding). Allocating a targeted budget of $10 million for further commercial build out will cannibalize the existing public sites and most certainly be utilized by free riders (i.e., commercial customers who would purchase an EV charging station regardless of the rebate).
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> [. . .]
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> There are already more EV ports than registered EV cars in Evergy's service territory. After you factor in that approximately 85% of charging is done at home and that the cost of electricity will most assuredly increase in the near future it is difficult to see how the existing CCN infrastructure will ever cover its cost. Adding additional and/or faster EV charging stations on top of the already abundant supply will merely

> further insure that the original CCN infrastructure will be stranded. It is merely doubling down on throwing good money at bad investments.

Marke, *Rebuttal*, pg.18 lns. 4 – 9, 14 – 20. This proposal is nothing more than an attempt to throw good money after bad. There are **currently** "more EV charging ports (1,800+) then there are registered EV cars (1,394 as of October 2020) in Evergy's service territory" *Id.* at pg. 9 lns. 11 – 12. Contrast that with the fact that "[t]he combined areas of St. Louis County, St. Louis City and St. Charles County have 3,681 registered battery and plug-in **EVs or 2,287 more EVs than Evergy's entire service territory**." *Id.* at pg. 10 lns. 3 – 5 (emphasis added). A quick review of the actual numbers renders the situation as plain as day: Evergy's investment in electric vehicle charging stations is an objective failure. The Commission should not exacerbate this failure by allowing Evergy to burn through even more ratepayer money.

If the preceding is somehow not enough to convince the Commission of the clear error of Evergy's request, please also consider the enormous amount of federal financing ($7.5 billion) that may soon become available to fund similar buildout of electric vehicle charging stations. *Id.* at pg. 7 ln. 20 – pg. 8 ln. 2. "Under the Infrastructure Investment and Jobs Act, **Missouri would expect to receive $99 million over five years** to support the expansion of an EV charging network in the state." *Id.* at pg. 12 lns. 12 – 14 (quoting statements released by the Biden Presidential Administration). "To state the obvious, if the federal government ultimately extends subsidies for EV charging stations to the State of Missouri there is no compelling argument for further duplicative infrastructure as continuing to invest in EV charging stations on top of EV charging stations will result in diminishing returns." *Id*. at pg. 10 lns. 16 – 19. "[E]ven the most pro-EV advocate can recognize the need to exercise managerial prudency and see how things play out at the federal level first before investing further in EV charging stations on top of existing EV charging stations." *Id*. at pg. 12 lns. 23 – 25. Moreover, Evergy's proposal to subsidize further EV charging infrastructure in this manner will lock participants "into an inferior path-dependent technology at the expense of free market solutions." *Id*. at pg. 8 lns. 4 – 5. For all these reasons, the Commission should not approve Evergy's proposal.

The OPC's expert witness Dr. Geoff Marke explained the current situation best in his testimony:

> Markets will thrive best where there is both the perception and the reality of a level playing field, and that is best accomplished by restricting the ability of regulated utilities from participating. Public utility regulation is supposed to serve as a proxy for market, not as a means to function as a command-and-control economy.
>
> Natural monopolies entering into a competitive market with the backing of captive ratepayer funds will do nothing but inhibit competition and reinforce long-term market failures. The fact that these are capital investments for non-essential services cannot be stressed enough. Utilities have a perverse incentive to build out rate base under cost-plus regulation, as they will earn a profit if they are allowed to add the ratepayer funded EV charging station investments into their rate base regardless of whether or not said investments generate enough revenues to cover their costs or if they are ever actually used. Today, there are free market actors that put up the capital, provide this service, and accept the risks and rewards accordingly. A subsidized, non-essential rate-base asset disincentives innovation, inhibits private investment, shifts risks to ratepayers, and rewards the utility regardless of the outcome. Such activity would almost assuredly result in regulatory failure and be considered economically inefficient.

> Perhaps a few measured charging stations can be rationalized around highway corridors in the past, but it becomes much more difficult (or impossible) to justify additional buildout on top of the 900+ EV stations already in the Evergy Missouri service territories when demand has not materialized by any meaningful metric. This is especially true now that both Volkswagen Trust Funds has announced funding to directly address the remaining highway corridors and the likely aforementioned federal funding from the recent infrastructure bill.

Id. at pg. 10 ln. 20 – pg. 11 ln. 15. The OPC asks the Commission to heed Dr. Marke and deny Evergy's request.

Sub-issue A: If the Commission approves Evergy's proposed Commercial EV Charger Rebate Program, should the Commission modify the program consistent with ChargePoint's recommendations?

No. Much as with the residential programs above, ChargePoint's recommendations all appear to be self-serving attempts to promote the Company's own bottom line at the expense of Evergy's ratepayers. Dr. Marke explained:

> I fail to see why charger utilization data would/should be prohibited from being shared with Evergy. This suggestion seems to be here merely to make it easier for ChargePoint to sell its product. Predictably, ChargePoint has very little concern with what the impact on the grid will be or the results of actual utilization is from the EV station. Of course, these are two data points that regulators should be very keen to know. For example, data shows that Evergy's CCN hasn't been able to cover its costs due to lack of charging and that further investment would trigger a sunk cost fallacy where we would be throwing good money at bad. ChargePoint's modification to not make this information transparent is bad policy.
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> As it pertains to ChargePoint's recommendation to remove the demand response event requirements, I am more sympathetic. However, this is almost entirely because of the lack of information, terms, or any details on Evergy's part. The inclusion of this provision by Evergy appears to be merely aspirational at this point as it is void of any explanation. Given Evergy's less than stellar history behind utilizing ratepayer invested CAPEX on demand response events I am even more skeptical than I would be otherwise. I am also unaware of any utility utilizing EV charging stations for demand response events anywhere. It is my understanding that at this point, it is merely theoretical.

Marke, *Surrebuttal*, pg. 7 ln. 22 – pg. 8 ln. 13. There is no reason for the Commission to approve either of ChargePoint's recommendations.

Sub-issue B: If the Commission approves Evergy's proposed Commercial EV Charger Rebate Program, should the Commission require that 20 percent of Commercial Rebates be reserved for multi-family locations?

The OPC does not have a position on this issue at this time but reserves the right to take a position on this issue in briefing.

Sub-issue C: If the Commission approves Evergy's proposed Commercial EV Charger Rebate Program, should the Commission order rebate incentive amounts be capped on a percentage basis to not exceed 20% of the total costs for a charger station?

Yes. Absent modification, Evergy' proposal is highly likely to result in significant free riders. Marke, *Rebuttal*, pg. 18. lns. 7 – 8. For example, "[i]f a Company makes a green pledge to utilize an EV fleet they will invest in EV chargers at their workplace regardless of whether or not Evergy provides ratepayers subsidies." *Id.* at lns. 22 – 23. The best way to address this free rider problem is to order a cap placed on the costs that can be incentivized for each charger station:

> **Q. Are there any ways that the free rider problem might be addressed?**
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> A. If the Commission approves any part of the Commercial electrification section of the application I would highly recommend that, at a minimum, the rebate incentive amounts should also be capped on a percentage basis to not exceed 20% of the total costs for a charger station. A 20% discount should be enough enticement for customers who are "on the fence" and minimize the impact of the inevitable free riders that will take advantage of the offer.

Id. at pg. 18 ln. 24 – pg. 19 ln. 2. As such, the Commission should order just such a cap so that it might hope to mitigate the free rider problem to *some* extent.

Issue 4: Should the Commission approve Evergy's proposed Electric Transit Service Rate?

The OPC does not have a position on this issue at this time but reserves the right to take a position on this issue in briefing.

Sub-issue A: Is it lawful for the Commission to approve a rate for this new service outside of a general rate case?

The OPC does not have a position on this issue at this time but reserves the right to take a position on this issue in briefing.

Sub-issue B: Is it lawful for the Commission to approve a rate for this new rate at this time given the Company has elected PISA?

The OPC does not have a position on this issue at this time but reserves the right to take a position on this issue in briefing.

Sub-issue C: If the Commission does approve the new rate, should the Company use the revenue received from the rate schedule to offset the costs Evergy is requesting to defer to a regulatory asset account?

Yes. Staff, *Rebuttal Report*, pg. 5 lns. 4 – 6 ("However, if the Commission approves the Company's BEVCS and ETS rate schedules, Staff recommends the Company use the revenue received from the rate schedules to offset the costs Evergy is requesting to defer to a regulatory asset account.").

Issue 5: Should the Commission approve Evergy's proposed Business EV Charging Service Rate?

The OPC does not have a position on this issue at this time but reserves the right to take a position on this issue in briefing.

Sub-issue A: Is it lawful for the Commission to approve a rate for this new service outside of a general rate case?

The OPC does not have a position on this issue at this time but reserves the right to take a position on this issue in briefing.

Sub-issue B: Is it lawful for the Commission to approve a rate for this new rate at this time given the Company has elected PISA?

The OPC does not have a position on this issue at this time but reserves the right to take a position on this issue in briefing.

Sub-issue C: If the Commission does approve the new rate, should the Company use the revenue received from the rate schedule to offset the costs Evergy is requesting to defer to a regulatory asset account?

Yes. Staff, *Rebuttal Report*, pg. 5 lns. 4 – 6 ("However, if the Commission approves the Company's BEVCS and ETS rate schedules, Staff recommends the Company use the revenue received from the rate schedules to offset the costs Evergy is requesting to defer to a regulatory asset account.").

Issue 6: Should the Commission approve Evergy's proposed cap increase for the Clean Charge Network Expansion?

Yes (under certain conditions) with regard to the 50 additional stations needed due to the U.S. Department of Energy's grant to the Metropolitan Energy Center and the City of Kansas City for a pilot streetlight-charging program in the city's right of way, but no in all other regards. Marke, *Rebuttal*, pg. 22 lns. 2 – 13; Marke, *Surrebuttal*, pg. 2 lns. 1 – 6.

Sub-issue A: Should the Commission approve Evergy's request to expand its CCN along the highway corridors?

No. "[O]ver the existing 6 year program life, the EV chargers currently served under [Evergy's CCN tariff] are not generating revenues that are sufficient to cover the revenue requirement caused by [Evergy's CCN tariff]'s infrastructure and related costs." Staff, *Rebuttal Report*, pg. 21 lns. 5 – 7. Evergy now wants to add even more chargers to the pile that are already failing to pay for themselves. Evergy claims there is a "need" for eight sites in its Evergy West service territory at a cost of $1.6 million. *Id*. at pg. 27 lns. 16 – 17. However, Evergy does not actually **<u>know</u>** where it is going to place these eight sites that it somehow claims to "need." Instead, "Evergy has described a general framework for identifying the highway location sites, focusing on secondary and tertiary highways that Evergy anticipates third parties will not be interested in installing." *Id*. at pg.28 lns. 4 – 6. Moreover, of the sites that Evergy **<u>has</u>** identified as *possible* locations, nearly half are outside of the Company's service territory. *Id*. at pg. 27 ln. 20 – pg. 28 ln. 1. "To the extent finalized highway corridor stations are located outside of its service territories, Evergy is required to file an application for a Certificate of Convenience and Necessity." *Id*. at pg. 28 lns. 1 – 3. Finally, the aforementioned $7.5 billion in federal funding recently announced "is intended for deployment of EV chargers along highway corridors, with a focus on rural, disadvantaged, and hard-to-reach communities; similar to Evergy's goals for its highway corridor stations." *Id*. at lns. 9 – 13." Because funds may be available to Evergy under the Bipartisan Infrastructure Deal or available for third-party providers to target these less profitable areas," the Commission should "deny Evergy's expansion application at this time and encourage Evergy to apply when funding is available." *Id*. at lns. 13 – 16.

Evergy is seeking the Commission approval to install eight charging stations despite the fact that the Company (1) does not know where it is going to put these charging stations, (2) none of the Company's existing charging stations have proven cost effective, and (3) there is potentially tens of millions of dollars in federal funding that may soon become available to pay for these charging stations thus negating the need for ratepayer funding. For all three of these reasons, the Commission should deny Evergy's request.

Sub-issue B: Should the Commission approve Evergy's request to partner with the Metropolitan Energy Center and the City of Kansas City, Missouri to pilot streetlight charging installations in the city's right of way?

Yes, under certain conditions. Unlike the other CCN expansion requests, this proposal is well defined and supported. This appears to be primarily because Evergy was **<u>not</u>** heavily involved:

> Significant progress has been made **<u>by Metropolitan Energy Center and its partners</u>** in selecting sites for the pilot. Initial site screening was completed with market demand modeling, analysis of demographics, and City approval resulting in approximately 80 potential sites. Further site evaluation includes consideration of other factors such as proximity to Evergy's system, electrical capacity, cost estimates, and construction challenges.
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> [. . .]

> The pilot program goals are well defined **<u>by Evergy's partners</u>**, Evergy's contribution is limited to make-ready infrastructure, and market demand modeling was used to inform initial site screening.
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> [. . .]
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> However, Evergy has not presented an estimate of the ongoing operation and maintenance of the charging equipment nor its own learning objectives for the pilot program.

Staff, *Rebuttal Report*, pg. 26 lns. 15 – 19, 21 – 22, 12 – 13 (emphasis added). As a result, the expert witnesses for both the OPC and Staff are in full support of this program subject to respective conditions:

> Having further reviewed the issue and relevant discovery responses, I can state that I am willing to endorse the recommendation to expand Evergy's CCN to the pilot streetlight program on the condition that no other customer class will bear any of the costs related to this service beyond those that participate in the service. This is consistent with how the CCN currently operates based on the stipulation and agreement entered into in Case Nos: ER-2018-0145 & ER-2018-0146.

Marke, *Surrebuttal*, pg. 6 ln. 8 – pg. 7 ln. 2; Staff, *Rebuttal Report*, pg. 26 ln. 20 – pg. 27 ln. 3 ("Staff does not oppose increasing the cap for Evergy Missouri Metro to include the 50 stations contemplated by the Streetlight Corridor pilot program. . . . However, Staff recommends that the Commission order Evergy to develop its own pilot metrics and learning objectives and file a report to the Commission after 3 years."). The OPC therefore recommends that the Commission approve Evergy's request to partner with the Metropolitan Energy Center and the City of Kansas City, Missouri to pilot streetlight charging installations in the city's right of way provided (1) "that no other customer class will bear any of the costs related to this service beyond those that participate in the service" and (2) "the Commission order Evergy to develop its own pilot metrics and learning objectives and file a report to the Commission after 3 years." *Id.*

Sub-issue C: Should the Commission approve Evergy's request to utilize some of the charging stations under the cap towards use by transportation network companies ("TNCs")/rideshare companies?

No. "Evergy has not identified locations for rideshare chargers or partnership opportunities." Staff, *Rebuttal Report*, pg. 27 lns. 9 – 10. "Additionally, Evergy has not presented even a general framework for how such a partnership would be structured." *Id.* at lns. 10 – 11. This request is "merely an excuse to increase the number of fast charging stations in the metro area it can rate base." Marke, *Rebuttal*, pg. 22 lns. 14 – 15. Due to the complete lack of any detail in Evergy's proposal, the Commission should deny it.

Sub-issue D: Should the Commission approve Evergy's request that the Commission find that the limited and targeted CCN expansion plans Evergy has proposed in this filing are prudent from a decisional perspective?

No. "Pre-approval of decisional prudence is inconsistent with tariff applications." Staff, *Rebuttal Report*, pg. 30 lns. 6 – 7. "The Commission may make a determination of the prudence of a decision when determining whether to grant a Certificate of Convenience and Necessity, which Evergy has not applied for nor included the applicable filing requirements." *Id.* at lns. 7 – 9. Evergy has not identified a need for 72 out of the 150 additional sites for which it is requesting the Commission grant decisional pre-approval. *Id.* at pg. 25 lns. 1 – 2. There is no indication where any of these 72 sites would be located or whom they would serve. There is also no indication of how much these 72 additional cites would ultimately cost ratepayers, as they are not included in the $2.8 million budget for the other 78 sites. *Id.* at pg. 24 lns. 11 – 13. "Staff estimates the remaining 72 stations (i.e. stations without a need identified) may cost an additional $2.2 million to $4.9 million over Evergy's planned spending level." *Id.* at pg. 25 lns. 1 – 2. In short, Evergy is just asking the Commission for a proverbial "blank check" to build rate base at an unknown cost in an unknown location. The Commission should not find the decision to build plant at an unknown cost in an unknown location is "prudent" from a decisional perspective.

Sub-issue E: Should the Commission direct Evergy to allow site hosts at new CCN sites to choose the EV charging hardware and network service provider and to set the prices paid by drivers?

No. This proposal makes absolutely no sense when considered in the context of the existing CCN network and should not be implemented. Marke, *Surrebuttal*, pg. 9 lns. 4 – 5. As Dr. Marke elucidated:

> ChargePoint does not seem to understand that Evergy's CCN's costs are recovered from participants and shareholders. Given this, there is no reason to allow a site host to select what the price to use an EV charger should be if Evergy's shareholders have to cover the difference. The same is true for the selection of the EV charging hardware which is currently being qualified as utility plant for purpose of the CCN. Selection of the right EV hardware should therefore be undertaken according to the same prudency considerations that would apply to any other type of investment. This would not be possible if site hosts are calling the shots regarding what type of charger to install.
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> If ChargePoint is proposing that site hosts cover all of the costs of service and provide contributions in aid of construction to cover the cost of the plant, than I suppose I am indifferent to their recommendation (not withstanding my position to reject the entirety of Evergy's proposal). Otherwise, this recommendation should not be implemented. I would

> also like to point out that rates should be set to accurately reflect the cost of service and be set within the context of a rate case.

Id. at lns. 6 – 19. Allowing CCN site hosts to choose the EV charging hardware and network service provider and to set the prices paid by drivers directly contradicts the idea that these charging stations and network service providers operate as utility plant that may be recovered through the utility's rates. ChargePoint's recommendation is unworkable and should not be adopted.

Issue 7: Should the Commission approve Evergy's proposed Customer Education and Program Administration proposal?

No. "The current proposal lacks detail." Marke, *Rebuttal*, pg. 20 ln. 4. It is unnecessary to spend the amount that Evergy is requesting "when pricing electricity appropriately and transparently should accomplish the task" just as well." *Id*. at lns. 5 – 6. This can be seen easily by comparing the liquid-motor-fuels market in the U.S. to a sample Evergy electric bill. *See Id*. at pg. 20 ln. 6 – pg. 21 ln. 8. "If Evergy is serious about encouraging EV adoption [then] they need a renewed emphasis not only on correct pricing but affordable, transparent, and easily seen pricing to make the case that EV ownership is cost competitive with internal combustion vehicles." *Id*. at pg. 21 lns. 5 – 7. Sinking millions into Customer Education and Program Administration in this case will not help to achieve that task.

Issue 8: Should the Commission approve Evergy's proposal to administer the new pilot rebate programs over a five-year period, beginning in the first quarter of 2022 and concluding in the first quarter of 2027, including periodic reporting to the Commission and stakeholders?

The Commission should not approve Evergy's proposal for the pilot rebate program at all. However, to the extent that the Commission approves the pilot rebate program, then the OPC does not have a position on the duration and or timeframe of the program at this time but reserves the right to take a position on this issue in briefing.

Issue 9: Should the Commission approve Evergy's request that the Commission authorize the Company to use a regulatory asset tracking mechanism to track and defer the pilot program costs which include rebate incentives and certain associated customer education and administrative costs?

The Commission should not approve Evergy's proposal for the pilot program at all. However, to the extent that the Commission approves the pilot program, then the OPC does not have a position on whether Company to use a regulatory asset tracking mechanism to track and defer the pilot program costs which include rebate incentives and certain associated customer education and administrative costs at this time but reserves the right to take a position on this issue in briefing.

Sub-issue A: Should the Commission approve the requested 5-year amortization timeframe requested as part of this case?

No. "[D]etermination of the amortization period for the deferred costs should be determined in a future rate case, not in this proceeding." Staff, *Rebuttal Report*, pg. 32 lns. 5 – 6.

Issue 10: Should the Commission approve Evergy's requests for a variance of subsections 4 CSR 240-14.020(1)(B), (1)(D), and (1)(E) only as those subsections are applied to the pilot programs as described in any approved compliance tariffs resulting from this case?

The Commission should not approve Evergy's proposal for the pilot program at all. However, to the extent that the Commission approves the pilot program, then the OPC does not have a position on whether the Commission should approve Evergy's requests for a variance of subsections 4 CSR 240-14.020(1)(B), (1)(D), and (1)(E) at this time, but reserves the right to take a position on this issue in briefing.

WHEREFORE, the Office of the Public Counsel respectfully requests the Commission accept this *Statement of Positions* and rule in the OPC's favor on all issues herein addressed.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that copies of the forgoing have been mailed, emailed, or hand-delivered to all counsel of record this Twenty-seventh day of September, 2021.

/s/ John Clizer