

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Application of)
)
HAWAIIAN ELECTRIC COMPANY, INC.) DOCKET NO. 2020-0152
HAWAII ELECTRIC COMPANY, INC.)
MAUI ELECTRIC COMPANY, LIMITED)
dba HAWAIIAN ELECTRIC)
)
For Approval to Establish)
Electric Vehicle Tariffs for)
Schedule EV-J - Electric Vehicle)
Charging Service - Demand and)
Schedule EV-P - Electric Vehicle)
Charging Service - Large Demand,)
on a Pilot Basis.)
)
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DECISION AND ORDER NO. 38157

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DECISION AND ORDER

By this Decision and Order,¹ the Commission approves, subject to certain conditions, the requests set forth in the Application² filed by HAWAIIAN ELECTRIC COMPANY, INC., HAWAII ELECTRIC LIGHT COMPANY, INC., and MAUI ELECTRIC COMPANY, LIMITED (collectively, "Hawaiian Electric" or the "Companies"),

¹The Parties are Hawaiian Electric and the DIVISION OF CONSUMER ADVOCACY ("Consumer Advocate"), an ex officio party, pursuant to Hawaii Revised Statutes ("HRS") § 269-51 and Hawaii Administrative Rules ("HAR") § 16-601-62(a). No persons moved to intervene or participate in this proceeding.

²"Hawaiian Electric Application; Verification; Exhibits A-C; and Certificate of Service," filed on September 30, 2020 ("Application").

on September 30, 2020. The Commission orders the Companies to, within sixty (60) days of this Decision and Order, file the necessary tariff sheets to implement the new rate structures for Schedules EV-J and EV-P, which shall include effective and sunset dates, consistent with the discussion herein.

I.

BACKGROUND

Hawaiian Electric Company, Inc. is the franchised provider of electric utility service on the island of Oahu, Hawai'i Electric Light Company, Inc. is the franchised provider of electric utility service on the island of Hawaii, and Maui Electric Light Company, Ltd. is the franchised provider of electric utility service on the islands of Lanai, Maui, and Molokai.

A.

Procedural History

On September 30, 2020, Hawaiian Electric filed its Application requesting: (1) approval of a new Schedule EV-J and Schedule EV-P on a pilot basis, available to a maximum of 1,000 customers for Schedule EV-J and a maximum of 500 customers for Schedule EV-P; (2) approval for the proposed rates to become effective three months after approval and to remain in effect for

five years, allowing the Companies to file revised EV-J and EV-P tariff sheets with the appropriate effective and sunset dates after approval, and allowing the Companies to file revised Schedule EV-F, the Commercial Public Electric Vehicle Charging Facility Service Pilot tariffs, closing EV-F to new customers on Oahu, Hawaii Island, and Maui, to be effective when Schedules EV-J and EV-P become effective; and (3) a finding of such other and further relief as may be just and equitable in the premises.

Hawaiian Electric filed its Application pursuant to HRS §§ 269-6, and 269-91 through -96, and HAR § 16-601-74.

Between October 7, 2020, and June 3, 2021, the Commission received public comments, filed in the docket record in the Commission's Document Management System ("DMS").³

On October 20, 2020, the Consumer Advocate filed its Preliminary Statement of Position.⁴

Between November 20, 2020, and January 5, 2021, the Consumer Advocate filed two rounds of information

³Available at: <https://dms.puc.hawaii.gov/dms/>, enter 2020-0152 into the "Docket Quick Link" field on the left side of the page.

⁴"Division of Consumer Advocacy's Preliminary Statement of Position," filed October 20, 2020 ("CA PSOP").

requests ("IRs")⁵ to Hawaiian Electric, to which, in both cases, Hawaiian Electric timely responded.⁶

On January 12, 2021, the Commission issued Order No. 37550, approving the Parties' proposed procedural schedule.⁷

On January 14, 2021, Hawaiian Electric filed a Motion for Protective Order,⁸ to which the Consumer Advocate responded,

⁵Letter From: Consumer Advocate To: K. Katsura Re: Docket No. 2020-0152 - In the Matter of the Application of Hawaiian Electric Company, Inc., Maui Electric Company, Limited, and Hawaii Electric Light Company, Inc., dba Hawaiian Electric For Approval to Establish Electric Vehicle Tariffs for Schedule EV-J - Electric Vehicle Charging Service - Demand and Schedule EV-P - Electric Vehicle Charging Service - Large Demand, on a Pilot Basis, filed November 20, 2020 ("CA-IR-__"); Letter From: Consumer Advocate To: K. Katsura Re: Docket No. 2020-0152 - In the Matter of the Application of Hawaiian Electric Company, Inc., Maui Electric Company, Limited, and Hawaii Electric Light Company, Inc., dba Hawaiian Electric For Approval to Establish Electric Vehicle Tariffs for Schedule EV-J - Electric Vehicle Charging Service - Demand and Schedule EV-P - Electric Vehicle Charging Service - Large Demand, on a Pilot Basis, filed January 5, 2021 ("CA-SIR-__").

⁶"Hawaiian Electric Responses to Consumer Advocate's Information Requests," filed December 11, 2020 ("Companies' Response to CA-IR-__"); "Hawaiian Electric Responses to Consumer Advocate's SIRs," filed January 19, 2021 ("Companies' Response to CA-SIR-__").

⁷Order No. 37550, "Approving the Parties' Proposed Procedural Schedule," filed January 12, 2021.

⁸"Hawaiian Electric's Motion for Protective Order; and Certificate of Service," filed January 14, 2021 ("Motion").

stating that it does not oppose Hawaiian Electric's Motion.⁹
The Commission granted the Motion on February 9, 2021.¹⁰

On February 2, 2021, the Commission issued IRs to Hawaiian Electric,¹¹ to which it timely responded.

On February 8, 2021, the Consumer Advocate filed a motion for enlargement of time, seeking an extension to file its Statement of Position ("SOP").¹²

The Consumer Advocate filed its SOP on February 19, 2021.¹³

On March 12, 2021, Hawaiian Electric filed its Reply SOP.¹⁴

⁹"Division of Consumer Advocacy's Response to Hawaiian Electric Company, Inc., Maui Electric Company, Limited, Hawaiian Electric Light Company, Inc.'s Motion for Protective Order," filed January 20, 2021 ("Consumer Advocate Response").

¹⁰Protective Order No. 37614, filed February 9, 2021.

¹¹Letter From: Commission To: K. Katsura Re: Docket No. 2020-0152 - Application for Approval to Establish Electric Vehicle Tariffs for Schedule EV-J - Electric Vehicle Charging Service - Demand and Schedule EV-P - Electric Vehicle Charging Service - Large Demand, on a Pilot Basis, filed February 2, 2021 ("PUC-HECO-IR-__").

¹²"Division of Consumer Advocacy's Motion for Enlargement of Time," filed February 8, 2021.

¹³"Division of Consumer Advocacy's Statement of Position," filed February 19, 2021 ("CA's SOP").

¹⁴"Hawaiian Electric's Reply Statement of Position; and Certificate of Service," filed March 12, 2021 ("Companies' Reply SOP").

Pursuant to the deadlines set forth in Order No. 37550, no further procedural steps are contemplated, and the requests contained in Hawaiian Electric's Application are ready for decision making.

B.

EoT Workplan and Innovative Pilot Framework

On October 29, 2019, pursuant to Commission guidance in Order No. 36448,¹⁵ issued in Docket No. 2018-0135, the Companies filed their Electrification of Transportation ("EoT") Workplan ("EoT Workplan"),¹⁶ which included, among other things, schedule modifications to "ensure alignment of assumptions used to inform the Companies' EOT Rate Design filing with updated Integrated Grid Planning cost modeling, utilization of the newest data available, and incorporation of load impacts from the Companies' Stage 2 RFPs."¹⁷

¹⁵Docket No. 2018-0135, Instituting a Proceeding Related to the Hawaiian Electric Companies Electrification of Transportation Strategic Roadmap, Order No. 36448, "Providing Guidance and Directing the Hawaiian Electric Companies to File a Workplan," filed July 31, 2019 ("Order No. 36448").

¹⁶"Companies' Electrification of Transportation Workplan," filed October 29, 2020 ("EoT Workplan").

¹⁷Docket No. 2018-0135, Letter from Commission to K. Katsura re: "Workplan Schedule Extension and Pilot Projects Program Development," filed June 19, 2020 ("PUC Guidance").

Following the Companies' EoT Workplan submission, the Commission requested that Hawaiian Electric develop "an innovative pilot projects framework for use in establishing new technologies, programs, and business models related to the Companies' EoT efforts."¹⁸

On August 31, 2020, the Companies filed their EoT Strategic Roadmap EoT Innovation Pilot Framework.¹⁹ On October 16, 2020, the Commission, on its own motion, issued Order No. 37373,²⁰ which transferred the EoT IPF into Docket No. 2018-0088, the Commission's proceeding to investigate performance-based regulation ("PBR"). The Commission determined that this transfer would "better position the EoT IPF for resolution as part of the comprehensive changes to Hawaiian Electric's regulatory structure."²¹

On December 23, 2020, the Commission issued Decision and Order No. 37507, which established a PBR Framework ("PBR Framework") to govern Hawaiian Electric. Of immediate

¹⁸PUC Guidance at 1.

¹⁹Hawaiian Electric's "Electrification of Transportation ("EoT") Strategic Roadmap EoT Innovation Pilot Framework Filing," filed August 31, 2020 ("EoT IPF").

²⁰Docket No. 2018-0135, Order No. 37373, "Transferring the Electrification of Transportation Innovative Pilot Framework into Docket No. 2018-0088," filed October 16, 2020 ("Order No. 37373").

²¹Order No. 37373 at 2.

relevance to the instant docket, Decision and Order No. 37507 ordered that the "PBR Framework will incorporate . . . an expedited Pilot Process,"²² ("Pilot Process") which is informed by, among other things, the Companies' EoT IPF, and "intended to support initiatives by the Companies to test new programs and ideas quickly and elevate any successful pilots for consideration of full-scale implementation."²³ Further, in Decision and Order No. 37507, the Commission noted:

that the Companies' EoT activities are expected to increase over the [Multi-year Rate Period ("MRP")], and that the Companies currently have several EoT pilot proposals before the Commission. If approved and successful, such pilots may be considered for elevation to larger-scale programs. These activities and increased data availability will inform the most appropriate areas where incentives are required to align performance with desired outcomes.²⁴

Relatedly, in Decision and Order No. 37507, the Commission observed that the Companies had submitted pilot proposals in 2020 in Docket Nos. 2020-0098, 2020-0152, and 2020-0202 (each of which the Commission stated that it intended to review concurrently throughout the Companies' progression

²²Decision and Order No. 37507 at 32.

²³Decision and Order No. 37507 at 166.

²⁴Decision and Order No. 37507 at 159.

through the Workplan Development phase of the PBR Pilot Process).²⁵ In observing these existing pilot proposals, the Commission noted that the pending pilot applications (i.e., in Docket Nos. 2020-0098, 2020-0152, and 2020-0202) would not be affected by the development of the Workplan, but would still be subject to other components of the Pilot Process, if approved.

C.

Application

On September 30, 2020, Hawaiian Electric filed its Application requesting the Commission's authorization to "establish a new Schedule EV-J and Schedule EV-P for the Company on a pilot basis,"²⁶ that would be available to a total of 1,500 customers. Hawaiian Electric details that a 1,500 customer cap would allow up to 1,000 customers on EV-J and up to 500 customers on EV-P. Hawaiian Electric proposes that rates would

²⁵The Workplan identified in Decision and Order No. 37507 refers to the resulting product following the undertaking of a "Workplan Development" phase, a component of the Pilot Process. During this phase, areas of interests are identified and scoped, so as to inform the subsequent "Implementation" Phase, during which specific pilot proposals are submitted for expedited review by the Commission and implemented, upon approval, by the Companies. These two phases are the two primary activities drawn from the EoT Pilot Framework. This Workplan is separate and different from the EoT Workplan developed and filed in Docket No. 2018-0135.

²⁶Application at 1.

become effective three months after Commission approval and would remain in effect for five years, after which Hawaiian Electric would review participation in the Pilot and consider whether to extend the rates. In its Application, Hawaiian Electric highlights its EoT Strategic Roadmap,²⁷ submitted to the Commission in Docket No. 2016-0168, which identifies its role in "supporting and accelerating electrification of transportation [] as part of a clean energy vision"²⁸ for the State.

Hawaiian Electric provides that Hawaii's transportation sector presents a significant opportunity to advance State and County clean energy and decarbonization goals, as ground transportation alone accounts for approximately 53 percent of statewide greenhouse gas ("GHG") emissions and is responsible for 28 percent of petroleum consumption, compared to 24.5 percent petroleum consumption by the electric grid.²⁹ Hawaiian Electric asserts that it can help utilize clean energy to contribute to decarbonizing the transportation sector, and offers that in its support of EoT development, it has undertaken internal demonstrations, has implemented the existing Schedule EV-U DC fast

²⁷Letter from: D. Brown To: Commission Re: Docket No. 2016-0168 - EV-F and EV-U Pilot Extension; Electrification of Transportation Roadmap, filed March 29, 2018 ("EoT Roadmap").

²⁸Application at 2.

²⁹Application at 4.

charging pilot, and has efforts that deploy demand response ("DR") aggregators currently underway.³⁰ Further, as a part of its strategy to "future proof" third-party electric vehicle ("EV") infrastructure and facilitate data collection, Hawaiian Electric articulates that it "will evaluate existing rates and propose new rates in the form of [Time of Use ("TOU")] rates as part of an overall package of EoT rate design."³¹ This future-proofing strategy, Hawaiian Electric offers, will also include pursuing rate designs that "seek to establish program participation requirements that leverage advanced metering deployment and facilitate make-ready programs that potentially include demand response equipment capability requirements."³²

In recognition of the ongoing COVID-19 Pandemic Emergency ("Pandemic") and the uncertainties its duration presents, Hawaiian Electric states that it "remains sensitive to the continuing impacts that [the Pandemic] may bring for the state's economic recovery."³³ Given the economic hardships that many in Hawaii face, Hawaiian Electric underscores its understanding of the importance of transportation electrification

³⁰Application at 3.

³¹Application at 3.

³²Application at 3.

³³Application at 33.

and tools, such as its proposed rates, to "ensure that environmentally responsible decisions are also economical."³⁴ Further, in support of Commission priorities,³⁵ Hawaiian Electric suggests that a suite of pilot rates will need to be developed to support various EV customer segments and acknowledges that electric transportation will require pricing options that are competitive with fossil fuel transportation prices. Additionally, Hawaiian Electric expresses its understanding that price signals must be clear and valuable in order to motivate customer behavioral change and ensure customer adoption. To this end, Hawaiian Electric's Application is focused on the following market segments: commercial, multiple-unit dwellings ("MUD") and workplace charging, and fleets.³⁶

³⁴Application at 33.

³⁵Hawaiian Electric specifies the following priorities taken from the Commission's comments in Docket No. 2018-0422, regarding Maui Electric Company, Ltd.'s request for approval to establish Schedule EV-Maui EV fast charging, which articulate that EV rates should (1) incentivize charging when there is extra generation on the grid, (2) send appropriate price signals to current and potential EV drivers, and (3) be tailored to each island's specific grid needs. Application at 4.

³⁶Application at 4.

1.

Pilot Overview

In its Application, Hawaiian Electric states that:

The primary objectives of the proposed Pilot rates are to ensure that charging options for electric vehicles remain competitive with fuel for [internal combustion engines ("ICEs")] and thereby accelerate the transition to clean transportation, while also encouraging charging behavior that supports the grid. The Pilot rates were designed based on each island's hourly electricity supply costs developed using the Company's current planning assumptions as discussed in the Integrated Grid Planning ("IGP") process. The Pilot rates provide a lower cost mid-day period that encourages EV drivers to charge during the day when the grid experiences lower marginal costs and high supply of clean solar energy. This lower cost mid-day period will incentivize EV drivers to experience fuel savings compared to gasoline costs for ICEs, as well as compared to the Company's existing rate options. These fuel cost savings can help encourage greater EV adoption as they further improve the economics of owning an electric vehicle.

In its Application, Hawaiian Electric explains that it is proposing two new rates for commercial EV charging stations, EV-J and EV-P. Hawaiian Electric further explains that "EV-J is intended for workplace and public Level 2 charging stations, as well as small scale DC fast charging sites[,]" and "EV-P is intended for larger DC fast chargers."³⁷ These rates, Hawaiian Electric offers, will also complement the charging sites established by the commercial make-ready infrastructure program,

³⁷Application at 14.

as the rates from this Pilot are proposed as the rates that charging site owners will be assessed.

Tariffs and Enrollment Eligibility. Hawaiian Electric explains that both of its proposed EV rates use time-of-use periods that are consistent with existing TOU-J, TOU-P, and EV-F rates, which are "a Mid-Day period with low non-fuel energy charges from 9am to 5pm, an On-Peak period from 5pm to 10pm, and an Off-Peak period from 10pm to 9am with higher non-fuel energy charges."³⁸ While the Mid-Day period provides lower cost charging due to the abundant solar capacity during the hours of 9am to 5pm, Hawaiian Electric makes note that the Pilot's non-fuel energy rates are the same for the On-Peak and Off-Peak period within each Pilot Schedule.³⁹ Hawaiian Electric offers that in the future, it may propose EV rates that vary across the three periods (which would be based on modeling and data used at that time), and supports its decision to use the same rate for On-Peak and Off-Peak by identifying that its current modeling "shows lower prices during the daytime, but less variance between the evening hours and overnight."⁴⁰ Hawaiian Electric believes that using the same rates for these two timeframes will "make the rates easier

³⁸Application at 14.

³⁹Application at 14.

⁴⁰Application at 14-15.

for customers to understand and respond to.”⁴¹ Hawaiian Electric identifies another cost savings feature of the Pilot, namely the low demand charges that customers who enroll in the Pilot will experience. Hawaiian Electric states, “[b]oth rates offer demand charges that are much lower than the Company’s existing J and P rates: \$2 per kilowatt (“kW”) for EV-J for all 3 islands and EV-P for Maui and Hawai’i, and \$4 per kW for EV-P for O’ahu.”⁴²

Hawaiian Electric projects that “depending on utilization, charger type, and load shapes at each site, the proposed rates are expected to provide average savings of 7 percent to 58 percent, as compared with existing J and P rates.”⁴³ Relatedly, Hawaiian Electric mentions that there are a wide variety of potential use cases, and because some Pilot customers may pass on the rate with or without markup, and Hawaiian Electric has no control over end-use pricing, charging station utilization may be affected in a way that obfuscates “the Company’s ability to evaluate the effectiveness of pricing signals to customers.”⁴⁴ Despite this, Hawaiian Electric anticipates it will still be able

⁴¹Application at 14.

⁴²Application at 15.

⁴³Application at 17.

⁴⁴Application at 18.

to gain valuable insights because of the variety of customers it expects to participate in the Pilot.

Although the identified Pilot savings will be available to Pilot customers, these customers will remain responsible for the following:

1. All surcharges applicable to Schedule J and Schedule P customers, including the Energy Cost Recovery Clause ("ECRC") and the Purchased Power Adjustment Clause ("PPAC"), and the same monthly customer charges as those of existing rates for J and P; and

2. Obtaining a separate meter for the EV charging stations only, with up to 5 kW of ancillary load related to the provision of electric vehicle charging.

Further, in order to participate in the Pilot, Hawaiian Electric identifies that customers will be required to demonstrate eligibility by providing "(1) a closed building permit(s) for the charging station(s); and (2) the identification number(s) of the charging equipment qualifying to enroll in the Pilot rates."⁴⁵ Hawaiian Electric will also require Pilot customers to provide data for reporting, the details of which would be identified in the approved Pilot.

⁴⁵Application at 18-19.

Program Benefits and Ratepayer Impacts.

Hawaiian Electric states that the Mid-Day TOU energy prices and low demand charges associated with the Pilot "will provide savings relative to current electric rates and compared to gasoline costs [,]" and that "the proposed rates will benefit the Company by encouraging daytime charging when marginal costs are low and solar energy is available."⁴⁶ In consideration of the broader benefits of the Pilot, Hawaiian Electric performed a cost-benefit assessment in which it evaluated the Pilot rates relative to existing rates. Hawaiian Electric deployed the Ratepayer Impact Measure ("RIM"), a test that "compares the additional utility revenue from the incremental EV load compared to the electricity supply costs, and assumes that a new EV [] does all its charging at the new Pilot rates compared to using a gasoline [internal combustion engine ("ICE")] vehicle."⁴⁷ This assessment informed Hawaiian Electric that although Pilot rates would have "lower net benefits than the existing rates due to the reduced utility revenue from the discounted demand charge[,]" the proposed Pilot rates would "still result in net benefits, meaning that the additional incremental revenues collected through the Pilot can

⁴⁶Application at 19.

⁴⁷Application at 19-20.

apply downward pressure on utility rates for all customers.”⁴⁸ In Hawaiian Electric’s RIM analysis, managed charging on the Pilot rates was also evaluated and in some instances (in particular territories and on particular schedules), the results indicated energy supply cost and utility bill decreases as compared to unmanaged charging on both the base rate and the Pilot rate.⁴⁹

Hawaiian Electric also conducted a Participant Cost Test (“PCT”), which compared “the cost and benefits that individual drivers experience through the lifetime of the EV[,]” the results of which showed that “PCT net benefits increase with the Pilot rates compared to the existing rates.”⁵⁰ Hawaiian Electric highlights that an additional benefit of the Pilot is the opportunity it has to collect EV charging data and learn from EV customers to better understand EV charging behaviors and how drivers respond to TOU price signals.⁵¹ To facilitate this collection of data and learning, and to share said information, Hawaiian Electric proposes to file pilot reports annually as well as a final report “summarizing additional metrics regarding a review of the experiences, challenges, and learnings from the Pilot

⁴⁸Application 20.

⁴⁹Application, Exhibit B at 9-12.

⁵⁰Application at 23.

⁵¹Application at 27.

upon completion of the five-year Pilot term.”⁵² Relatedly, Hawaiian Electric, in Docket No. 2020-0202, has requested approval of a Commercial Make-Ready Infrastructure (“CMRI”) Pilot Project, which would support utilization of EV-J and EV-P Pilot rates by requiring these rates be applicable in the CMRI Pilot Project.

GHG Emissions Analysis. Hawaiian Electric states that a “[m]ore detailed GHG analysis will be included in the annual report for this Pilot,”⁵³ but provides a qualitative GHG analysis that indicates the Pilot rates will result in a net overall GHG emissions reduction.⁵⁴ Hawaiian Electric offers that this net reduction will be achieved through the customer incentive the Pilot rates provide, which encourages customers to charge their EVs when the electric grid is largely supplied by renewable energy. Summarily, Hawaiian Electric concludes that Pilot rates “will result in the lowest GHG emissions per kilowatt hour (“kWh”) for the upstream and transportation stages due to the lower fuel needs per kWh, compared to other TOU periods.”⁵⁵

⁵²Application at 28.

⁵³Application at 29.

⁵⁴Application at 29.

⁵⁵Application at 31.

D.

Consumer Advocate's Position

The Consumer Advocate filed its PSOP on October 20, 2020, wherein it stated that due to outstanding questions and concerns regarding the reasonableness of Hawaiian Electric's Application, it had no initial recommendations to offer and would include its evaluation and recommendations in its SOP.⁵⁶ In the CA's SOP, filed on February 19, 2021, the Consumer Advocate does not object to the approval of the proposed Pilot rates "to the extent they will help further the State's electrification, renewable energy, and [GHG] and emissions reductions goals while allowing the Companies to learn about how to support different market segments through rate design and gain a better understanding of the subsequent price signals passed on to EV drivers."⁵⁷ The Consumer Advocate based its recommendation on the considerations identified below.

Whether the Pilot Rates Are Reasonable and in the Public Interest. In assessing whether the proposed Pilot rates would be reasonable and in the public interest, the Consumer Advocate reviewed the Pilot's impacts on the broader public interest, and also considered whether:

⁵⁶CA's PSOP at 2.

⁵⁷CA's SOP at 58.

1) there appears to be a need for the Pilot, 2) the Pilot is consistent with the Commission's rate design objectives for EVs, 3) the Pilot would facilitate increased EV adoption, and 4) the Pilot provides non-participating ratepayers with a net financial benefit and other potential ratepayer-related benefits.⁵⁸

The Consumer Advocate's review of whether there appears to be a need for Hawaiian Electric's proposed Pilot rates identified that the Pilot rates pursue similar objectives (i.e., targeted users and employ a similar TOU rate design structure as Schedule EV-F and to some extent, Schedule EV-U).⁵⁹ In consideration of both the similarities and differences, the Consumer Advocate provides the following table⁶⁰ which captures its comparison of Schedules EV-F and EV-U and the proposed Pilot Rates. The table reflects costs of utility-owned charging infrastructure and proxy surcharges.

⁵⁸CA's SOP at 8-9.

⁵⁹CA's SOP at 9.

⁶⁰CA's SOP at 14.

Comparison of EV-F and EV-U and Proposed Pilot Rates

	EV-F	EV-U	Proposed EV-J	Proposed EV-P
Charging Service Provider	Third-party	Hawaiian Electric Companies only	Third-party	Third-party
Maximum Enrollment	100	25	1000	500
Charger Type	L2 or DC Fast Charger	DC Fast Charger	L2 or DC Fast Charger	DC Fast Charger
Meter	Separate			
Capacity (kW)	≥100	Not specified	<300 (Oahu) <200 (Maui and Hawaii)	≥300 (Oahu) ≥200 (Maui and Hawaii)
Non-Fuel Energy (cents/kWh)				
On-Peak (5p - 10p)	23.8880 - 30.0914	57.0000 - 63.0000*	12.5130 - 18.5639	10.6320 - 16.2590
Mid-Dav (9a - 5p)	15.8880 - 18.0914	49.0000 - 51.0000*	3.8460 - 7.2955	2.6960 - 5.8310
Off-Peak (1Op- 9a)	20.8880 - 28.0914	54.0000 - 61.0000*	12.5130- 18.5639	10.6320 - 16.2590
Demand Charge (\$/kW)				
	None		2.00	4.00 (Oahu) 2.00 (Maui and Hawaii)
TOU Metering Charge (\$/month)				
	5.00	5.00	None	None
Customer Charge (\$/month)				
Single Phase	None	N/a	49.00 - 66.00	350.00 - 450.00
Three Phase	None	N/a	75.00 - 98.20	

Further, the Consumer Advocate identifies two main differences between Schedules EV-F and EV-U and the proposed Pilot rates. First, the proposed Pilot rates do not have the same restrictions on maximum capacity and the limitation of charging stations being owned and operated by Hawaiian Electric. The second difference is that the proposed Pilot rates include a customer charge and a reduced demand charge, in contrast to the TOU metering charge and TOU non-fuel energy charges (which include the recovery of the comparable Schedule J customer charge) included in Schedule EV-F.⁶¹ Thus, although the Consumer Advocate does not object to approval of the Pilot rates, it “strongly recommends

⁶¹CA’s SOP at 15.

that reporting requirements be put in place to ensure that more and more detailed information is available to inform future rate design.”⁶²

Whether the Pilot Rates are Consistent with the Commission’s Rate Design Objectives for EVs. In its Pilot rates analysis, the Consumer Advocate identifies the Commission’s prior guidance that EV rates should “1) incentivize charging when there is extra generation on the grid, 2) send appropriate price signals to current and potential EV drivers, and 3) be tailored to each island’s specific grid needs.”⁶³ The Consumer Advocate indicates that the Pilot rates “appear to send appropriate price signals to the extent that they incorporate time-varying and island-specific forecasted marginal energy costs and load shapes.”⁶⁴ Further, the Consumer Advocate deduces that “based on the use of island-specific hourly supply cost data projections to inform the proposed [Pilot rates, these rates] appear to reflect each island’s grid needs.”⁶⁵ Finally, the Consumer Advocate states its belief that “subject to its recommendations for further outreach efforts and analysis of usage and charging rates, the proposed Pilot rates

⁶²CA’s SOP at 21.

⁶³CA’s SOP at 22.

⁶⁴CA’s SOP at 29.

⁶⁵CA’s SOP at 30.

may incentivize charging when there is extra renewable - especially solar - generation on the grid, and can provide information as to inform the effectiveness of future rate designs."⁶⁶ When considering in totality its analysis of each of the three elements noted above, the Consumer Advocate concludes that the proposed Pilot rates appear to address the Commission's three EV rate design objectives.

Whether the Pilot Rates are Expected to Facilitate Increased EV Adoption. In its analysis of the Pilot rates' impact on EV adoption, the Consumer Advocate addresses "two components: 1) rates that encourage EV charging service providers to deploy charging stations, and 2) rates that would result in the costs of owning and charging an EV to be less than that of a conventional gasoline vehicle."⁶⁷ The Consumer Advocate offers that "it appears that the proposed rates will provide, on average, savings to commercial customers seeking to install EV chargers[.]"⁶⁸ The Consumer Advocate caveats its conclusion by noting that it will be critical that Hawaiian Electric have adequate communication and outreach, so that customers can make

⁶⁶CA's SOP at 35.

⁶⁷CA's SOP at 36.

⁶⁸CA's SOP at 40.

well-informed decisions and avoid being surprised by certain features of the Pilot.

Financial Impacts on Ratepayers. The Consumer Advocate notes that, although Pilot participants will be commercial customers who host public charging facilities, the anticipated additional electricity sales from charging EVs may create net benefits overall. Thus, the Consumer Advocate evaluated the financial impact on ratepayers by assessing the RIM test Hawaiian Electric provided in its Application "and the potential for electric bill revenue generated by the Pilot to apply downward pressure on rates for all customers."⁶⁹ In the Consumer Advocate's analysis, it highlights Hawaiian Electric's explanation that "Pilot rates have lower net benefits than the existing base Schedule J and Schedule P rates due to reduced utility revenue with the discounted demand charge."⁷⁰ The Consumer Advocate concludes that while "the proposed Pilot rates and growth in EV charging can contribute to positive financial impacts on all ratepayers, sufficient data must be collected so that these impacts can be quantified and assessed."⁷¹

⁶⁹CA's SOP at 42-43.

⁷⁰CA's SOP at 44-45.

⁷¹CA's SOP at 46.

Policy Considerations. The Consumer Advocate assessed the estimated GHG emissions impact of the proposed Pilot rates, as presented in Hawaiian Electric's application, pursuant to HRS § 269-6(b), and also evaluated the alignment of said rates with the State's net zero emissions goal, as identified in HRS § 225P-5(a). The Consumer Advocate determined that Hawaiian Electric's "basic model logic of comparing emissions from an equivalent amount of grid energy and gasoline from an internal combustion engine, both on a per-mile basis, [] appears reasonable."⁷² Further, the Consumer Advocate does not object to the proposed duration of the Pilot (five years after approval) or the proposed enrollment caps,⁷³ and believes that "annual reports will be critical to provide information regarding the impacts of the pilot and whether any course corrections may be needed."⁷⁴ With this in mind, the Consumer Advocate recommends that Hawaiian Electric track and report the estimated GHG emissions associated with the proposed Pilot rates.⁷⁵

⁷²CA's SOP at 50.

⁷³Hawaiian Electric's proposed enrollment caps are 1,000 utility meters across the Oahu, Maui, and Hawaii Island service territories for Schedule EV-J, and 500 utility meters across the Oahu, Maui and Hawaii Island service territories for Schedule EV-P. Application at 19.

⁷⁴CA's SOP at 59.

⁷⁵CA's SOP at 50.

In its review of the Pilot rates, the Consumer Advocate notes that "the proposed pilot rates appear consistent with the State's net zero emissions goal to the extent that they are intended to encourage increased EV adoption as well as provide incentives for EV drivers to charge their vehicles during times when renewable energy is abundant."⁷⁶ The Consumer Advocate also notes that there are several dockets related to Hawaiian Electric's proposed Pilot rates, and specifically identifies Docket Nos. 2019-0323, 2018-0088, and 2020-0202. The Consumer Advocate recommends that "at a minimum, there should be coordination between any interrelated dockets."⁷⁷ Further, the Consumer Advocate articulates that attention should be paid to whether a proposed pilot aligns with or differs from related proposals or programs, noting the Commission's Pilot Process guidance to specify "areas of potential overlap with existing project(s)/programs(s) and [to identify if and] how much overlap will be addressed by the pilot project."⁷⁸ The Consumer Advocate reiterates its position that pilots need to have clear objectives and metrics, as well as

⁷⁶CA's SOP at 51-52.

⁷⁷CA's SOP at 54.

⁷⁸CA's SOP at 54.

reporting requirements "to help evaluate the outcome of the pilot so that future steps can be informed."⁷⁹

The Consumer Advocate states that "approving the proposed Pilot rates clearly align with broader efforts to evaluate EoT as a priority outcome in advancing societal goals,"⁸⁰ in relation to the Commission's broad support for EoT as an area for Performance Incentive Mechanism ("PIM") development. Additionally, the Consumer Advocate indicates that it does not object to Hawaiian Electric's proposal to close Schedule EV-F to new customers and transition existing customers off of Schedule EV-F. Due to Hawaiian Electric's decision to keep the Molokai and Lanai Schedule EV-F open, the Consumer Advocate does, however, recommend that Hawaiian Electric include "the analysis that has been done to evaluate whether Molokai or Lanai Schedule EV-F rates should be revised and describe what data could be used to inform revised rates."⁸¹

Lastly, the Consumer Advocate asserts that Commission approval of Hawaiian Electric's proposed Pilot rates should be coupled with "sufficiently detailed data collection and

⁷⁹CA's SOP at 55.

⁸⁰CA's SOP at 57.

⁸¹CA's SOP at 57-58.

analyses,"⁸² and believes that annual reports will be critical to provide meaningful information about potential course corrections and the impacts of the Pilot. The Consumer Advocate substantiates its position of not objecting to approval of Hawaiian Electric's Application with the following recommendations:

- Should future rate designs be filed or adjustments to pricing structures be proposed, the Hawaiian Electric Companies should provide a comprehensive rate design filing including rate design principles utilized, an analysis of best practices based on other utilities' experiences, and the impact of rate design on EV adoption and on the cost of electricity.
- Notwithstanding the new Pilot Process and standardized reporting requirements established in Decision and Order No. 37507 and those outlined by the Hawaiian Electric Companies in their Application, annual reports should include the following:
 - Status update and adoption of the proposed Pilot rates (including the total number of customers enrolled under each Schedule on a monthly and annual basis in aggregate for each service territory and by each user/customer type (MUDs, fleets, shopping centers, etc.);
 - Summary of costs and revenues for each Schedule (in total and by TOU period on a monthly and annual basis, in aggregate for each service territory and by each user/customer type) and projected impact on utility rates;
 - End-use pricing structures assessed by each commercial site host customer, to the extent available, (including a flag or identifier for user/customer type), any changes made to the

⁸²CA's SOP at 58.

pricing structures over time, and reasons for the end-use pricing structures selected;

- o GHG emissions associated with the incremental load under the proposed Pilot rates (by each TOU period and in total);
- o Utilization in terms of number of sessions, session duration, kWh in total and per session, broken out by service territory, time-of-day and location/user type (to be matched up to data on end-use pricing);
- o An analysis of the total costs and revenues associated with the Pilot to assess the impact of the Pilot and EV charging on rates;
- o Detailed documentation of past, ongoing and future outreach and education efforts, as described herein;
- o Lessons learned (challenges and successes) based on the results of an annual survey to gather feedback on the Pilot rates (survey instrument and aggregate results to be included as part of the annual report);
- o Any recommendations regarding revisions to EV rate structures based on data gathered through the Pilot and survey(s); and
- o Any analysis conducted and recommendations regarding the need to revise the Molokai and Lanai Schedule EV-F rates, and how that will impact potential make-ready customers.⁸³

⁸³CA's SOP 59-61.

E.

Hawaiian Electric's Reply SOP

In reply to the CA's SOP, Hawaiian Electric agrees with the Consumer Advocate's recommendation to provide a comprehensive rate design filing, including rate design principles utilized, an analysis of best practices based on other utilities' experiences, and the impact of the rate design on the cost of electricity for new rate design proposals.⁸⁴ Hawaiian Electric further agrees to a number of the Consumer Advocate's annual reporting recommendations, including reporting status and adoption of the proposed Pilot rates; summary of revenues for each schedule (i.e., in total and by TOU period on a monthly and annual basis, in aggregate for each service territory), if available;⁸⁵ GHG emissions reduction using the same methodology as provided in the Application; status and documentation of outreach and education efforts; lessons learned and results of the annual survey; any recommendations regarding revisions to the EV rate structures based on data gathered through the Pilot and survey(s); and any analysis conducted and recommendations regarding the need to revise the Molokai and Lanai Schedule EV-F rates, to the extent

⁸⁴Hawaiian Electric's Reply SOP at 2.

⁸⁵See Hawaiian Electric's Reply SOP at 2.

any such analysis is required or conducted during any annual period.⁸⁶

The Companies also agree to request that end-users voluntarily disclose utilization in terms of number of sessions and session duration and identified by service territory, time of day, and location/user type, in addition to the kWh consumption by TOU period by month by customer. Additionally, the Companies agree with the Consumer Advocate's recommendation to provide certain commercial site host information to the extent available and to the extent agreed to be provided by the commercial site host, which may include end-user pricing structures assessed by the commercial site host, changes made to the pricing structures over time, reasons for the end-use pricing structures selected, and charge session utilization data.⁸⁷ While the Consumer Advocate recommends "an analysis of the total costs and revenues associated with the Pilot to assess the impact of the Pilot and EV charging on rates,"⁸⁸ Hawaiian Electric asserts in its Reply SOP that it has not projected any costs associated with the Pilot.⁸⁹ Nevertheless, the Companies agree to report such cost data in the

⁸⁶See Hawaiian Electric's Reply SOP at 2.

⁸⁷See Hawaiian Electric's Reply SOP at 2.

⁸⁸CA's SOP at 60.

⁸⁹See Hawaiian Electric's Reply SOP at 11.

annual report, along with revenues associated with the Pilot.⁹⁰ However, the Companies do not believe an assessment of the impact of the Pilot and EV charging on rates is warranted, stating that a limited pilot is not expected to materially impact utility rates.⁹¹

F.

Public Comments

The Commission received a number of public comments, and letters of support and, while these inputs are not dispositive of the Commission's decision in this matter, the Commission notes that they demonstrate public and stakeholder awareness of and interest in this Pilot.

Letters of support by government agencies, include the State of Hawaii Department of Transportation and the City and County of Honolulu Department of Facility Maintenance. Non-governmental organizations, including Young Brothers, JTB Hawaii, ChargePoint, Travel Plaza Transportation LLC, Amply Power, Inc., Proterra, Hawaii Automobile Dealers Association (HADA), Tesla, Inc., Oahu Transit Services and Sustainable Energy Hawaii, also filed letters of support. In total,

⁹⁰See Hawaiian Electric's Reply SOP at 11.

⁹¹See Hawaiian Electric's Reply SOP at 11.

the Commission received more than 20 public comments and/or letters of support, which provided perspectives from, to name a few, Ulupono Initiative, Earthjustice, Hawai'i Energy (the Public Benefits Fee Administrator), the Big Island Electric Vehicle Association, Electrify America, and the City and County of Honolulu's Office of Climate Change Sustainability and Resilience.

II.

DISCUSSION

A.

Proposed Pilot

The Commission finds that the proposed Pilot rates are in alignment with Hawaiian Electric's EoT Roadmap and represent Hawaiian Electric's advancement in its support and acceleration of the electrification of transportation as a part of a clean energy vision for Hawaii. Additionally, the Commission believes that implementation of the proposed Pilot rates, with the approved conditions, will likely result in meaningful data acquisition that will enhance the development of a more permanent rate scheme for EV rates.

The Commission notes the Consumer Advocate's discussion of Hawaiian Electric's existing EV rate pilots and agrees with the Consumer Advocate that data collection must be a critical focus of the implementation of the proposed Pilot rates. The Commission

encourages Hawaiian Electric to use the five years of the Pilot to expand visibility into the effectiveness of rate designs by collecting data from both the Pilot participant and the end-user when possible. To this end, the Commission suggests that Hawaiian Electric consider ways to support and encourage Pilot participants to collect specific and pre-identified types of information from charging station users and to report this information to Hawaiian Electric so that the information can be included in its reports.

While the Commission understands that EV rates have previously experienced slow adoption, the Commission finds that the ways in which the proposed Pilot rates differ from previous EV pilot rates (namely allowing for third party providers to install direct current ("DC") fast chargers and shifting costs in a way that addresses different rate design elements) evidence an approach that is likely to welcome a wider variety of potential participants, and thus will hopefully encourage increased adoption of the Pilot rates. Specifically, the Commission finds that the reduced demand charge component of the Pilot, as presented by Hawaiian Electric, is likely to appropriately incent Schedule J and P customers to participate in the Pilot rates.

The Commission finds that although the Application was submitted prior to the implementation of PBR and prior to the Commission's approval of Hawaiian Electric's Proposed

Pilot Process,⁹² Hawaiian Electric has the opportunity to approach this Pilot in a manner that incorporates the "spirit" of innovation inherent to the Innovative Pilot Framework. In keeping with its support of Hawaiian Electric's innovative approach to this Pilot, the Commission appreciates Hawaiian Electric's agreement to provide certain commercial site host information to the extent available and to the extent agreed to by the commercial site host, which may include end-user pricing structures assessed by the commercial site host, changes made to the pricing structures over time, reasons for the end-use pricing structures selected, and charge session utilization data.

The Commission, in consideration of the Pilot's ratepayer impacts, notes the Consumer Advocate's offering that the increase in load *may* result [in] downward pressure on customers' rates, as well as its conclusion that the proposed Pilot rates and growth in EV charging can contribute to positive financial impacts on all ratepayers. In consideration of the Application and the Consumer Advocate's discussion relating to the matter, the Commission finds that the Pilot's impact on ratepayers is difficult to determine and agrees with the Consumer Advocate that sufficient data must be collected so that these impacts can be

⁹²Decision and Order No. 37865, in which the Commission approved Hawaiian Electric's Proposed Pilot Process, to include the reporting requirements for pilots subject to the said process, herein after called the Approved Pilot Process.

quantified and assessed. The Commission notes Hawaiian Electric's commitment to data collection and reporting, and appreciates the collaborative approach that Hawaiian Electric has shown a willingness to take as evidenced by its Reply to the CA's SOP.

In consideration of the entirety of the record as contained in the instant docket, the Commission finds the Pilot to be reasonable and in the public interest and agrees with the Consumer Advocate in its assertion that approval should require enhanced reporting to ensure the pilot best informs the ongoing and developing efforts in EoT. Further, the Commission finds the Pilot to be in alignment with the Commission's EV rate objectives to (1) incentivize charging when there is extra generation on the grid, (2) send appropriate price signals to current and potential EV drivers, and (3) be tailored to each island's specific grid needs. Within (60) days of the filing date of the Order, Hawaiian Electric shall file the necessary tariff sheets to implement the new rate structures for Schedules EV-J and EV-P to become effective three (3) months after the issuance date of this Order, and to remain in effect for five years, consistent with the discussion herein.

B.

GHG Emissions

The Commission notes that Hawaiian Electric states that "it agrees to report GHG emissions reduction using the same methodology as provided in the Application, and as also reported in the Annual Report on the Progress and Status of the E-Bus Pilot Program."⁹³ Further, the Commission agrees with the Consumer Advocate's assessment that the basic model logic of comparing emissions from an equivalent amount of grid energy and gasoline from an internal combustion engine, both on a per-mile basis, appears reasonable.⁹⁴ The Commission further finds that Hawaiian Electric's proposed Pilot rates may play a role in facilitating increased EV adoption. An increase in EV adoption, if coupled with a charging pattern that utilizes renewable energy when it is abundant, may reduce GHG emissions attributed to the transportation sector and, in doing so, contribute to decreasing the State's reliance on fossil fuels, any associated price

⁹³Hawaiian Electric's Reply SOP at 10.

⁹⁴The Consumer Advocate highlighted Hawaiian Electric's reliance on a combination of data from the National Renewable Energy Laboratory and U.S. Environmental Protection Agency, which Hawaiian Electric used to derive the 2019 GHG grid intensities used in its model. The model was developed to estimate the net GHG emissions reduction for an EV charged in each of the TOU periods compared to fueling a conventional gasoline car on a per-mile basis. See CA's SOP at 49.

volatility, export of funds for fuel imports, and/or fuel supply reliability risk.⁹⁵ Further, the Commission finds that this same EV adoption and time-varying incented charging would also contribute to the State's net zero emissions goal.

C.

EV Rates and Advanced Rate Design

The Commission notes that the issuance of a decision regarding ARD proposals may provide valuable insights for improvements to EoT rates. In light of this, the Commission notes the Consumer Advocate's recommendation and Hawaiian Electric's agreement to, in the event of future rate design filings or proposals to pricing structures, provide a comprehensive rate design filing including rate design principles utilized, an analysis of best practices based on other utilities' experiences, and, to the extent Hawaiian Electric is able, provide its assessment on the impact of rate design on EV adoption and on the cost of electricity. Relatedly, the Commission notes the Consumer Advocate's belief that there should be coordination between interrelated dockets, like the Advanced Rate Design Track of the Distributed Energy Resources Docket, Docket No. 2019-0323, and PBR in Docket No. 2018-0088, and the rate development in the

⁹⁵See HRS § 269-6(b).

instant Pilot. The Commission notes that another interrelated docket of note is the Integrated Grid Planning Docket, Docket No. 2018-0165.

The Commission clarifies that at this time, it is not requiring that the Parties in each of the identified dockets coordinate on all objectives of said dockets in a particular formal manner, but rather that the development of the Pilot incorporate a consideration of the interrelations presented by the dockets identified. For clarity, the Commission notes that a Pilot Update would include discussion of alignment of both the pilot design and pilot results with any decisions on ARD and IGP modeling results, as well as how pilot data will inform future IGP cycles. Thus, the Commission directs Hawaiian Electric to include its analysis of docket interrelations in its annual reporting for the Pilot. The Commission also directs Hawaiian Electric to include as a point of ongoing analysis, an extrapolation that depicts the likely impact on rates if the Pilot rates were more widely adopted.

Lastly, with regard to interrelated dockets and potential and possible impacts, the Commission invites the Parties to file comments in the instant docket if occurrences in other dockets should be considered in the implementation of the Pilot rates, and similarly welcomes Parties to file said comments in the respective dockets. Parties need not wait until the annual

reporting timeframe to provide updates and inquiries in this regard.

D.

Reporting

In Decision and Order No. 37507, the Commission provided that "no Pilot Update will be required for 2021, as it is expected that no new pilots will yet be in place, given the PBR tariff implementation details and Workplan process that must be accomplished first."⁹⁶ While a Pilot Update will not be required in 2021, the Companies will be required to file a Pilot Update in 2022 that reflects all pilots approved in 2021. This Pilot Update shall include, at a minimum, the requisite update on the instant Pilot, and shall be filed on March 31, 2022, pursuant to the filing requirements provided in the Approved Pilot Process.⁹⁷

The Commission is in overall alignment with the Consumer Advocate's concern regarding adequacy of relevant data and appreciates Hawaiian Electric's agreement to, in large part, adopt the Consumer Advocate's reporting requirement

⁹⁶Decision and Order No. 37507 at 177.

⁹⁷Docket No. 2018-0088, Order No. 37865, "Approving the Hawaiian Electric Companies' Pilot Process," filed July 9, 2021, at 8, n.21 (quoting D&O 37507 at 175 to state that "[t]he Companies will file an annual comprehensive report covering all active pilots ('Pilot Update') by March 31 of each year.") ("Order No. 37865").

recommendations, with some modifications. The Commission accepts Hawaiian Electric's modifications to the Consumer Advocate's reporting recommendations as summarized in Section I.E. of the instant Order, and as detailed in Hawaiian Electric's Reply to the CA's SOP. Additionally, the Commission notes the Consumer Advocate's focus on end-user data collection, and acknowledges Hawaiian Electric's assertion that it is unable to provide the Consumer Advocate's recommended data (i.e., utilization data, provided in terms of number of sessions, session duration, kWh in total and per session, broken out by service territory, time-of-day and location/user), because Hawaiian Electric will not be in possession of this information unless it is provided by the commercial site host.

However, the Commission encourages Hawaiian Electric, to the extent it is able, to collect and report data that gives insight into how the Pilot rates translate to charging prices, as well as include a discussion of if and how Hawaiian Electric incentivizes customers to install new chargers and enroll in the Pilot rates. While the Commission recognizes that end-user data on charger usage and experience may be challenging to obtain, the Commission offers that Hawaiian Electric might also consider an approach that utilizes historical usage data from customers with existing chargers who are not yet on an EV specific rate. Said customer usage data could be compared to usage data collected

during the Pilot, thus allowing for comparison of usage patterns before and after enrollment in the respective Pilot rate. Further, the Commission notes that Hawaiian Electric identifies that EV charging data collection in this Pilot would allow Hawaiian Electric to learn from EV customers and enhance its understanding of EV charging behaviors and how drivers respond to TOU price signals. The Commission agrees and encourages Hawaiian Electric to collect and use said data, as it is able, to also inform it of if and how managed charging might be implemented, as Hawaiian Electric's RIM results indicate utility bill and energy supply cost implications when Pilot rates are considered. Finally, at a minimum, Hawaiian Electric should collect end-user pricing structures assessed by the commercial site host, even if actual end-user data cannot be collected. Any data collected in this regard shall be reported in the annual Pilot Update along with the additional reporting requirements established herein.

Additionally, and as noted in the previous section, the Commission directs Hawaiian Electric to include its analysis of docket interrelations in its annual reporting for the Pilot rates as well as an extrapolation depicting the likely impact on rates if the Pilot rates were more widely adopted.

Lastly, the Commission finds it necessary to emphasize how critical it will be for Hawaiian Electric to file

robust reports, and also to obtain feedback regarding the overall customer and end-user experience with and effectiveness of the Pilot rates. The Commission encourages Hawaiian Electric to work with stakeholders to develop the Pilot's annual survey, survey dissemination, and completed survey collection process to maximize the usefulness of the annual survey. The Commission notes that the lessons learned in this Pilot are likely to have implications for the State's continued efforts to increase clean energy adoption and reduce carbon emissions through the electrification of transportation. The Commission believes that a focus on information gathering and review and analysis will be necessary to support a flexible, transparent, and iterative approach to developing EV rates that provide both grid and customer (to include non-participating customer) benefits.

E.

PBR Pilot Process

The Commission notes Hawaiian Electric's contemplation of the application of the PBR Pilot Process, and articulation of its intention to adhere to its reporting requirements.⁹⁸

⁹⁸The Commission reiterates that it approved the Companies' Pilot Process in Order No. 37865, and although Hawaiian Electric's Reply SOP was filed before the issuance of Order No. 37865, the Commission deems the Companies' commitment to follow the reporting requirements of the Pilot Process to refer to the

The Commission highlights that this Pilot will, by and large, be subject to the Approved Pilot Process, which includes said reporting requirements,⁹⁹ as well as a cost cap. In reference to the PBR Pilot Process cost cap, the Commission observes Hawaiian Electric's assertion that it has not projected any costs associated with the Pilot, but that Hawaiian Electric will, as the Consumer Advocate recommends, report all costs and revenues associated with the Pilot in the Pilot Update.

approved version, and not the version that was pending when the Reply SOP was submitted.

⁹⁹Per the Companies' Approved Pilot Process, the Companies will file an annual comprehensive report covering all active pilots ("Pilot Update") by March 31 each year, for the prior year. The Pilot Update will, at minimum, contain the following information: (1) Implementation schedules and progress relative to the objectives and key performance metrics of the pilot; (2) Pilot impacts on underserved communities; (3) Pilot costs and revenues (if applicable), including cost analysis per participant, quantitative and qualitative benefits (for both pilot participants and non-participants); (4) Updates to estimated costs and schedule (e.g., if there were significant delays in receiving signed agreements from government agencies); (5) Qualitative description of the pilot and customer benefits; and (6) Any proposed changes to material aspects of the pilot, such as program pricing, terms or conditions, eligibility requirements, changes to the implementation schedule, or program cancellations (including reason for the cancellation).

F.

Consumer Advocate's Motion for Enlargement of Time

The Consumer Advocate filed its Motion for Enlargement of Time on February 8, 2021, stating that "there is good cause to approve the request for an enlargement of time because it requires additional time to complete its review of the information filed[.]"¹⁰⁰ The Consumer Advocate did not request a hearing on its motion.¹⁰¹ The Consumer Advocate filed its motion prior to the expiration of the period originally prescribed (i.e., February 9, 2021).¹⁰² As such, and because the Consumer Advocate states that allowing additional time to complete its review will "aid in the development of a sound record for Commission decision-making in this proceeding[,]"¹⁰³ the Commission finds good cause and grants the Consumer Advocate's request for enlargement of time to file its comments on February 19, 2021.

¹⁰⁰Motion for Enlargement of Time at 2.

¹⁰¹Motion for Enlargement of Time at 2.

¹⁰²See HAR § 16-601-23(a)(1).

¹⁰³Motion for Enlargement of Time at 2.

III.

ORDERS

THE COMMISSION ORDERS:

1. The Companies' Application, filed on September 30, 2020, seeking approval: (1) of a new Schedule EV-J and Schedule EV-P for Hawaiian Electric, Hawaii Electric Light, and Maui Electric, on a pilot basis, available to a maximum of 1,000 customers for Schedule EV-J and a maximum of 500 customers for Schedule EV-P; (2) that the proposed rates shall become effective three months after approval and shall remain in effect for five years, that the Companies may file revised EV-J and EV-P tariff sheets with the appropriate effective and sunset dates after approval, and that the Companies may file revised Schedule EV-F tariffs closing EV-F to new customers on Oahu, Hawaii Island, and Maui, to be effective when Schedules EV-J and EV-P become effective, is approved, subject to the following conditions:

A. The Companies shall adhere to the reporting requirements detailed in the Approved Pilot Process; and

B. The Companies shall adopt the reporting requirements as identified in Section II.D.

C. The Commission reserves the right to review, modify, and terminate the Pilot, consistent with the public interest.

2. The Commission grants the Consumer Advocate's request for enlargement of time to file its comments on February 19, 2021.

3. Within sixty (60) days of the filing date of this Order, the Companies shall file the necessary tariff sheets to implement the new rate structures for Schedules EV-J and EV-P, which shall include a mid-March 2022 effective date and a mid-March 2027 sunset date (i.e., five (5) years from the effective date), consistent with the discussion herein.

DONE at Honolulu, Hawaii DECEMBER 30, 2021.

PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

By James P. Griffin By Jennifer M. Potter
James P. Griffin, Chair Jennifer M. Potter, Commissioner

APPROVED AS TO FORM:

Rachel James By Leodoloff R. Asuncion, Jr.
Rachel M. James Leodoloff R. Asuncion, Jr., Commissioner
Commission Counsel

2020-0152.ljk

CERTIFICATE OF SERVICE

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