



**RECEIVED**

By the Regulatory Commission of Alaska on Jan 24, 2022

January 24, 2022

Tariff Advice No. 504-1

Regulatory Commission of Alaska  
701 West Eighth Avenue, Suite 300  
Anchorage, Alaska 99501

Re: High Power Electric Vehicle Charging Inception Rate Schedule

Dear Commissioners:

This tariff filing described below is transmitted to you for filing in compliance with the Alaska Public Utilities Commission Act (AS 42.05) and 3 AAC 48.200 – 3 AAC 48.442.

New tariff sheets are included with this filing as follows:

Tariff Sheet Number		Cancels Sheet Number		Schedule or Rule Number
Original	Revised	Original	Revised	
6	3rd	6	2nd	Table of Contents
35	1st	35	Original	Service Conditions
128	12th	128	11th	Schedule 26
129	2nd	129	1st	Schedule 26

**I. Summary.**

By this filing, Alaska Electric Light and Power Company (“AELP”) requests approval of: (1) a two-part inception rate for separately metered services supplying electric vehicle (“EV”) charging stations and ancillary loads and (2) a new exception to AELP tariff provisions related to the resale of electricity. AELP requests these approvals be granted effective March 11, 2022, following expiration of the 45-day statutory notice period.

**II. Background and Summary of the High Power EV Charging Inception Rate.**

**A. Background**

On August 4, 2020, Devon Kibby acting on behalf of the Alaska Electric Vehicle Association (“AKEVA”) submitted a petition requesting the Commission “consider adopting regulations relating to the implementation and framework of electricity tariffs for electric vehicle

(“EV”) fast charging applications.”<sup>1</sup> The Commission effectively denied this petition in Order No. R-20-004(1)/R-20-005(1) and opened docket R-20-005 to address rate design and other regulatory barriers to the installation of EV charging infrastructure. A result of the rulemaking docket was a joint petition by the four economically regulated Railbelt utilities, who requested approval for a two-part rate methodology to mitigate the identified cost barrier for high power EV charging, and to clarify that EV charging stations are not public utilities.

RCA Order No. U-21-022(2) grants, in part, approval for a two-part rate methodology for electric vehicle (“EV”) charging stations, clarifies that EV charging stations are not public utilities or subject to restrictions on the resale of electric service, and requests that electric utilities seeking to implement an inception rate using the approved two-part rate methodology or clarify tariff restrictions related to resale of electricity do so by January 24, 2022. AELP is therefore pleased to submit this request for approval of an inception rate that utilizes the approved two-part rate methodology and clarifies provisions in its tariff related to the resale of electricity.

### **B. Two-Part Rate Methodology.**

AELP’s tariff includes three demand rate schedules available to General Residential, Small Commercial, and Large Commercial customers. The residential and small commercial rate schedules apply to customers who use greater than 5,000 kilowatt-hours (“kWh”) or 20 kilowatts (“kW”) per month for three consecutive months, after which AELP may bill them indefinitely according to the demand schedule outlined in AELP Rate Schedule 10 and Rate Schedule 20, which AELP refers to as Rate Schedule 10-D for General Residential customers and Rate Schedule 20-D for Small Commercial customers. Customers that require greater than 50 kW are billed according to AELP Rate Schedule 24, which is a three-part rate. Each of these schedules also includes seasonal rates for bills rendered during AELP’s peak season, November through May, and AELP’s off-peak season, June through October.

To calculate the inception rates shown in AELP’s proposed Rate Schedule 26, the two-part rate methodology approved in Order No. U-21-022(2) is applied to Rate Schedules 10-D, 20-D, and 24. Customers requesting service under Rate Schedule 26 will pay the calculated energy charge, a customer charge equal to that billed under the otherwise applicable rate, and the Regulatory Cost Charge; additionally energy usage under Rate Schedule 26 will be subject to the Cost of Power Adjustment .

### **C. Assumed Load Factor**

Juneau has four DC fast charging (“DCFC”) stations installed, with two of those installed on a service dedicated to the DCFC stations and ancillary loads. The other two DCFC stations were installed as additional loads on existing electric services. Access to the meter history of the stations installed on a dedicated service provides some insight into the utilization of DCFC stations in Juneau, which has a high rate of adoption of EVs per capita relative to other communities across the nation.

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<sup>1</sup> Docket R-20-004, AKEVA Petition for Rulemaking at page 1 (Aug. 4, 2020).

The DCFC stations installed in Juneau have notable limitations. All were donated by EVgo, a private company that offers EV charging services across the country, to the Juneau Electric Vehicle Association. EVgo chose to donate these stations after they were deemed obsolete because they offer only one of the Level 3 charging plug configurations. This means that the DCFC stations in Juneau cannot serve a large and growing percentage of the EVs currently in Juneau, and the stations themselves have age-related technical issues that leave them out of service periodically.

Despite a significant number of EVs in Juneau not being able to use the stations because they do not have the correct plug, when operating reliably the DCFC stations which receive dedicated service have a load factor at or around 4.5%. Including only the energy and demand billing components of Rate Schedule 24, a load factor of 4.5% creates an average cost per kWh of \$0.4808 during the peak season and \$0.3240 during the off-peak season.

AELP’s proposed Rate Schedule 26 uses an assumed load factor of 10% in its calculation of the approved two-part rate methodology. As shown in Table 1 below, this yields an energy charge ranging from \$0.1383/kWh for a General Residential customer operating a service dedicated to EV charging with demand from 20 to 50 kW during the off-peak season, up to a maximum of \$0.2489 for a Large Commercial customer operating a service dedicated to EV charging with demand exceeding 50 kW during the peak season.

*Table 1: Proposed Rate Schedule 26 two-part rate calculation*

General Residential - 10-D - Peak Season	$[ \$ 10.76 / (10\% \times 730) ] + \$0.0561 =$	\$ 0.2035
General Residential - 10-D - Off-Peak Season	$[ \$ 6.51 / (10\% \times 730) ] + \$0.0491 =$	\$ 0.1383
Small Commercial - 20-D - Peak Season	$[ \$ 12.33 / (10\% \times 730) ] + \$0.0644 =$	\$ 0.2333
Small Commercial - 20-D - Off-Peak Season	$[ \$ 8.25 / (10\% \times 730) ] + \$0.0571 =$	\$ 0.1701
Large Commercial - 24 - Peak Season	$[ \$ 13.85 / (10\% \times 730) ] + \$0.0592 =$	\$ 0.2489
Large Commercial - 24 - Off-Peak Season	$[ \$ 8.82 / (10\% \times 730) ] + \$0.0555 =$	\$ 0.1763

This assumed load factor provides a reasonable, predictable cost while retaining an incentive for customers on proposed Rate Schedule 26 to improve utilization for additional savings via the otherwise applicable three-part rate. The charts in **Exhibit 1** show how increasing load factors reduces the average cost per kWh on AELP’s demand Rate Schedules 10-D, 20-D, and 24. As the charts depict, the average cost per kWh under each of the three-part rates changes most rapidly between 1% and 10% load factor. Above 10% load factor, the rate of change in the average cost per kWh is greatly reduced.

Customers receiving service under proposed Rate Schedule 26 who exceed 10% load factor will have the option to move to the appropriate three-part rate schedule. AELP does not intend to automatically move customers to a three-part rate because exceeding 10% load factor in a single billing period does not mean that customer will continue to achieve that utilization in future billing

periods, or a customer may experience seasonal increases in utilization, but still achieve the most economic service on an annual basis under proposed Rate Schedule 26.

### **III. Amendments to Tariff Sheets.**

Revised Tariff Sheets 6, 35, 128, and 129 are enclosed. Tariff Sheet 6 is updated to note Rate Schedule 26 in the table of contents. Tariff Sheet 35 is updated to include a provision that clarifies that the resale of electricity provisions contained in Section 6.8 of AELP's Tariff do not apply to electric energy delivered to electric vehicles. Tariff Sheets 128 and 129 are updated to show Rate Schedule 26 requirements, rates, and special provisions.

### **IV. Requested Effective Date.**

AELP requests that the changes proposed in this filing take effect upon expiration of the 45-day statutory notice period. If this filing is suspended, the applicable statutory timeline for a final order will be 270 days, which would end on December 5, 2022. If this filing is suspended, AELP requests that the changes be approved on an interim and refundable basis effective March 10, 2022, pending a decision regarding final approval.

### **V. Compliance with 3 AAC 48.270(a) and 3 AAC 48.390(b) and (d).**

AELP provides the following information:

*3 AAC 48.270(a) – Name and return address of the filing utility:*

Alaska Electric Light and Power Company  
5601 Tongard Court  
Juneau, Alaska 99801-7201

*3 AAC 48.270(a) – Name, return address, and electronic mail address of the utility's representative authorized to issue tariffs:*

Constance Hulbert  
President and General Manager  
5601 Tongard Court  
Juneau, Alaska 99801-7201  
E-mail: [Connie.Hulbert@aelp.com](mailto:Connie.Hulbert@aelp.com)

*3 AAC 48.720(a)(1) – List the tariff advice letter number:*

See page 1.

*3 AAC 48.270(a)(2) – Specify the statutes, regulations or commission order that the filing is made under:*

See page 1.

*3 AAC 48.270(a)(3) – List the tariff sheets, special contracts, agreements, or other documents required by commission order that are being filed:*

See page 1 and Exhibit 1.

*3 AAC 48.270(a)(4) – Summarize the proposed tariff revisions, including an explanation about whether the filing proposes to implement rules, rates, or both:*

The proposed tariff revisions amend AELP’s resale of electricity rule and request a new Rate Schedule 26. The proposed revisions amend Tariff Sheets 6, 35, 128, and 129. The proposed revision to Tariff Sheet 6 changes the title for Sheet 128 in the table of contents. The proposed revision to Tariff Sheet 35 adds an exception to the rules related to resale of electricity to clarify that the provision does not apply to electric energy delivered to an electric vehicle. Tariff Sheets 128 and 129 are amended to describe new Rate Schedule 26, a two-part rate available to customers for services dedicated to EV chargers and which have a service demand greater than 20 kW.

*3 AAC 48.270(a)(5) – Include a statement setting out whether the filing will impact any current customers and the estimated number of customers or shippers that will be affected:*

AELP has only one customer who will immediately have the option to choose new Rate Schedule 26.

*3 AAC 48.270(a)(7) – If applicable, include a request for interim approval:*

If this filing is suspended into a formal investigatory docket, AELP requests that the tariff revisions be approved on an interim and refundable basis while the formal proceeding is pending to allow AELP’s one eligible customer to opt to receive service under new Rate Schedule 26, which is anticipated to reduce the customer’s bill.

## **VI. Compliance with 3 AAC 48.275(b)(3) and request for limited waiver.**

3 AAC 48.275(b)(3) requires a utility to provide “cost justification” when filing an inception rate. While the regulations do not specify what such “cost justification” entails, the Commission indicated in Order No. U-21-022(2) that less information is needed than under the “more exhaustive” AAC 48.275(a) requirements.<sup>2</sup> Pursuant to 3 AAC 48.275(b)(3), AELP has provided and explained the calculations and load research supporting its assumed load factor in this letter and in the attached Exhibit 1. AELP has further explained that only one current

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<sup>2</sup> See Order U-21-022(2) at 8 n.28.

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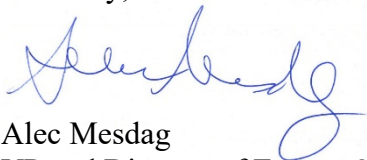
customer's bill would potentially be affected by these changes. If that customer elects to participate in this rate, the customer's bill is expected to decrease.

To the extent that the Commission finds 3 AAC 48.275(b)(3) has not been satisfied by the information provided, AELP requests a limited waiver of the requirement under 3 AAC 48.805. AELP has provided cost justification for these new rates to the extent possible at this time. No legitimate public interest will be served by requiring additional justification from AELP at this early stage when certain information is not yet known. AELP will be gathering such information throughout the lifetime of these rates to better inform future rate design, as intended by the inception rates' limited timeline. The information now provided by AELP is sufficient to show that this rate structure will have beneficial impacts on a limited number of customers and that no adverse impacts are expected. The public interest will not be served by preventing the implementation of these voluntary inception rates for want of additional information.

## **VII. Conclusion.**

For the reasons outlined above, AELP requests approval for inception Rate Schedule 26 and language clarifying rules related to the resale of electricity. Please direct any questions or communications regarding this filing to Alec Mesdag, AELP's director of energy services and metering, at (907) 463-6303 or [alec.mesdag@aelp.com](mailto:alec.mesdag@aelp.com).

Sincerely,



Alec Mesdag  
VP and Director of Energy Services and Metering

Enclosures: Tariff Sheets  
Exhibit 1

# **TARIFF SHEETS**

The attached tariff sheets are not numbered.

**Canceling**

**Alaska Electric Light and Power Company**

**Regulatory Commission  
of Alaska**

**RULES AND REGULATIONS**

		<u>Sheet No.</u>
<b>RATE SCHEDULES</b>		
Title Page		103
Schedule No. 10	Residential	104
BLANK		107
BLANK		108
BLANK		109
BLANK		110
BLANK		111
BLANK		112
Schedule No. 20	Small Commercial	113
BLANK		116
BLANK		117
BLANK		118
Schedule No. 24	Large Commercial with Demand Metering	119
Schedule No. 25	Large Commercial - Interruptible Electric Heat	122
Schedule No. 26	High Power Electric Vehicle Charging	128 N

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By Constance Hulbert Title General Manager



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RULES AND REGULATIONS

6. Service Conditions (continued)

6.7 Applicable Rate

When a customer applies for service, Company personnel will advise the customer of the most economical class of service available and assist the customer in making an informed choice in service offerings where alternate classes of service are available to that customer.

When a customer desires service on an applicable rate schedule other than the one on which he is being billed, he shall so notify the Company in writing and the change in schedule will become effective after the next regular meter reading. The Company shall not be required to make more than one change in rate schedule for any customer within one year unless a new schedule is made effective or the customer's operating conditions have changed permanently so as to warrant a change in schedule.

6.8 Resale of Electricity

A customer shall not sell to others any of the electric energy furnished by the Company unless the customer holds a valid Certificate of Public Convenience and Necessity issued by the Alaska Public Utilities Commission for retail distribution of electric energy. No service will be supplied through a master meter for sub-metering for resale. This rule does not prohibit a customer from furnishing unmetered electric service to rental units constructed prior to December 31, 1982 where the cost of electricity is included in the rental charge, nor does this rule prohibit the sale of electric energy delivered to electric vehicles.

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N  
N

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By Constance Hulbert

Title General Manager

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Schedule No. 26

Experimental High Power Electric Vehicle Charging Service

Applicable to:

Electric services dedicated to electric vehicle charging stations and ancillary loads with service demand equal to or greater than 20 kilowatts. Service under this schedule is voluntary and available until March 9, 2032. Schedule 26-R shall apply to residential service to individual private dwellings, farms, apartments and common area facilities of multifamily housing with four or fewer units. Schedule 26-S shall apply to services with demand less than 50 kilowatts to commercial establishments, schools, churches, government agencies, and common area facilities of multifamily housing with more than four units. Schedule 26-L shall apply to service with demand equal to or greater than 50 kilowatts.

Character of Service:

Continuous - alternating current 60 cycle; 120/240V, 120/208V, 277/480V; single or three phase. Characteristics depend upon available circuits.

Rate: Per Month

Schedule:	Charges:	Peak (Nov-May):	Off-Peak (Jun-Oct):
26-R	Customer Charge	\$ 11.13	\$ 11.13
	Energy Charge per kWh	\$ 0.2035	\$ 0.1383
26-S	Customer Charge	\$ 26.31	\$ 26.31
	Energy Charge per kWh	\$ 0.2333	\$ 0.1701
26-L	Customer Charge	\$ 96.13	\$ 96.13
	Energy Charge per kWh	\$ 0.2489	\$ 0.1763

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Schedule 26 (Continued)

N

Special Provisions:

- a. The customer charge shall be billed per billing period or fraction thereof.
- b. Ancillary loads may include site lighting, security, convenience receptacles and other similar amenities.

Cost of Power Adjustment:

A surcharge or credit as shown in Schedule No. 98 may be applied to each billing for service rendered under this schedule.

N

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By Constance Hulbert Title General Manager

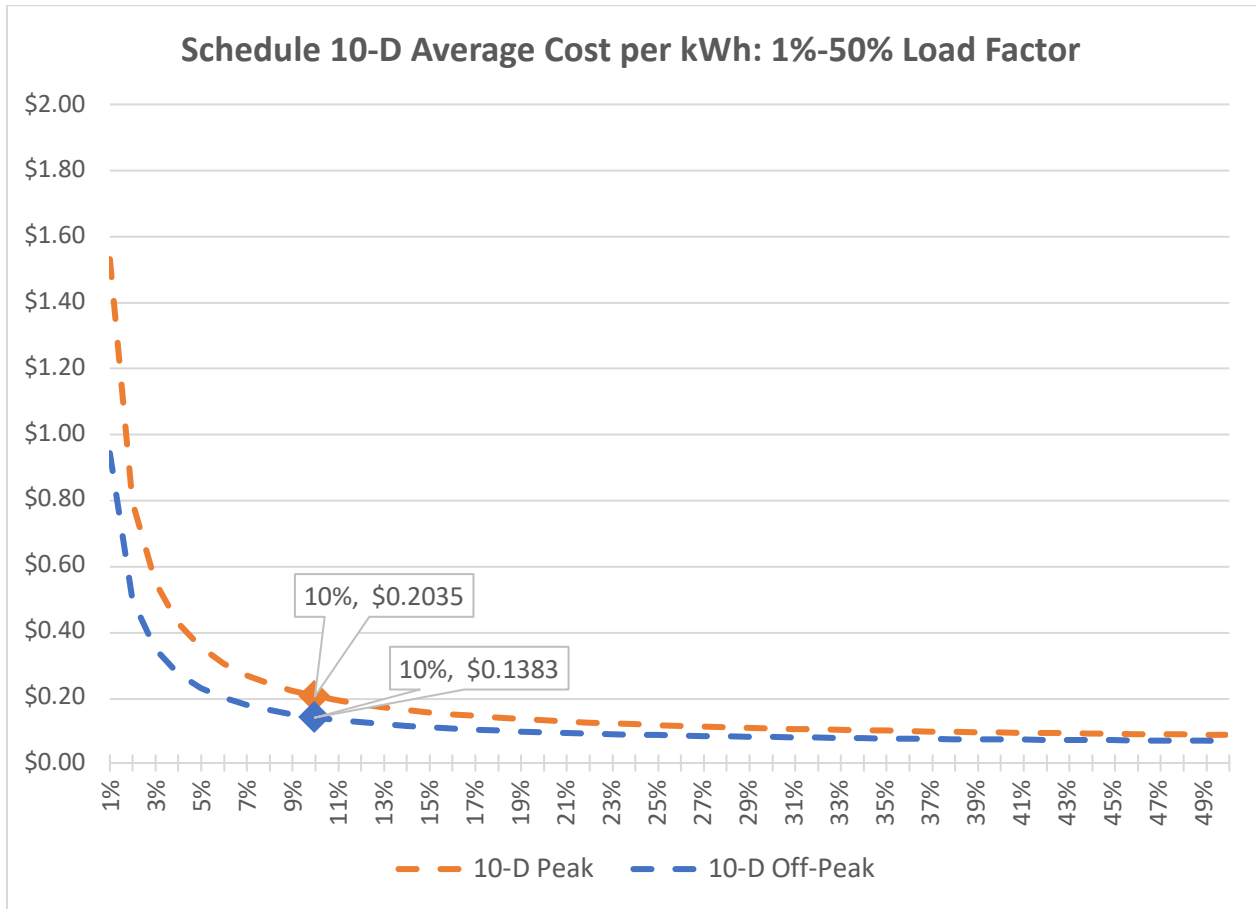
# **Exhibit 1**

AELP's Tariff contains three separate three-part rate schedules, shown in the table below.

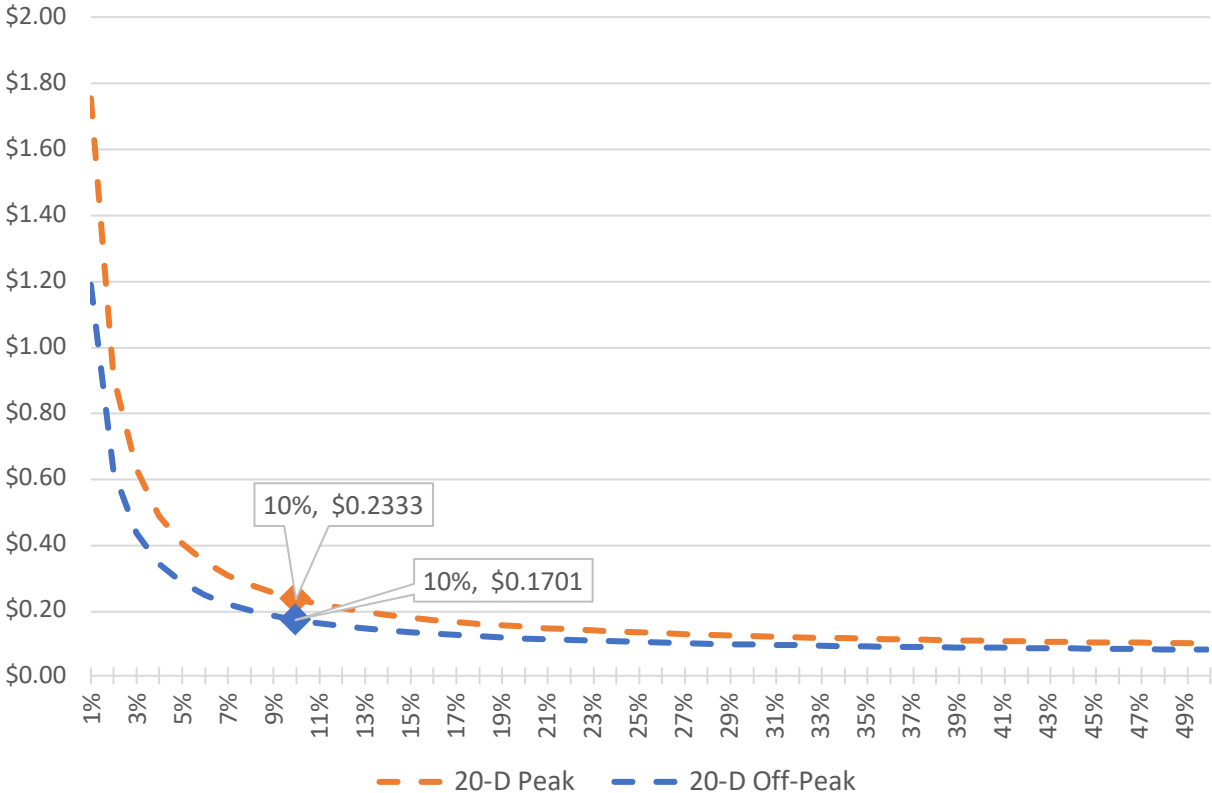
<b>Existing Schedules</b>		<b>Peak Season (Nov-May)</b>	<b>Off-Peak Season (Jun-Oct)</b>
<b>Schedule 10-D</b>	Customer charge	\$ 11.13	\$ 11.13
	Energy charge per kWh	\$ 0.0561	\$ 0.0491
	Demand charge per kW	\$ 10.76	\$ 6.51
<b>Schedule 20-D</b>	Customer charge	\$ 26.31	\$ 26.31
	Energy charge per kWh	\$ 0.0644	\$ 0.0571
	Demand charge per kW	\$ 12.33	\$ 8.25
<b>Schedule 24</b>	Customer charge	\$ 96.13	\$ 96.13
	Energy charge per kWh	\$ 0.0592	\$ 0.0555
	Demand charge per kW	\$ 13.85	\$ 8.82

The following charts depict average cost per kWh for AELP Rate Schedules 10-D, 20-D and 24 from 1% to 50% load factor according to the approved two-part rate methodology in Order No. U-21-022(2):  $[ \text{Demand Charge} / ( \text{Load Factor} \times 730 ) ] + \text{Energy Charge}$ .

A marker is shown on each chart at 10% load factor to indicate the calculated two-part rate AELP proposes for new Rate Schedule 26.



**Schedule 20-D Average Cost per kWh: 1%-50% Load Factor**



Schedule 24 Average Cost per kWh: 1%-50% Load Factor

