

PGE Testimony on Senate Bill 314 - Utility Investment in Transportation Electrification

The transportation sector is electrifying now, and utility customers expect the grid to meet their needs. Global sales of electric cars accelerated in 2020, up more than a third despite overall car sales down at least 15 percent year over year during the coronavirus pandemic. Global automakers have committed hundreds of billions of dollars to developing and producing dozens of new electric vehicles in the coming years as battery technologies improve and their costs fall. General Motors aims to stop selling new gasoline-powered cars and light trucks by 2035 in favor of battery electric vehicles. As of October 2020, there are more than 31,400 light duty electric vehicles registered in Oregon, a number that has continued to grow through the pandemic.

As the transportation sector transitions to electric vehicles, utility customers expect the utility to provide the backbone infrastructure to support EV charging. Based on PGE's analysis, there are around 1,000 public EV chargers in our service territory today, across businesses, multi-family, and other public locations, mostly installed over the last decade. We expect that five times that number will be needed in our service territory by 2025. Building the infrastructure to support those chargers must start now and move quickly, and requires partnerships across utilities, communities, businesses, governments, and equipment providers.


Section 1 of Senate Bill 314 addresses these infrastructure needs by providing clear authority for the Public Utility Commission to allow regulated electric utilities like PGE to invest in infrastructure to support widescale EV charging deployment. While the charger is the most visible equipment, serving the growing fleet of electric vehicles will require upgrades to the electric infrastructure upstream of the charger, including the customer's electrical equipment and the distribution system maintained by the utility. Proactively planning for and investing in infrastructure to serve EVs allows the utility to serve the load as efficiently and cost effectively as possible. Utility investments can also facilitate and incentivize grid connected charging, which can help balance power supply and integrate renewable power to further decarbonize the electric system.

Transportation electrification benefits all utility customers, even if they don't have an EV

Transportation electrification has broad benefits, including:

- *Helping electricity prices remain stable:* Transportation electrification will increase the electricity sold, spreading the fixed, shared costs of operating and maintaining the grid across a broader revenue base.
- *Improving air quality,* particularly for traditionally disadvantaged communities located along major transportation corridors.
- *Helping manage the grid and integrate renewables more cost effectively, supporting decarbonization and delivering customer benefits:* EV charging infrastructure can





be a major source of flexible load, which helps operate the distribution system more efficiently and benefits all utility customers. As electric utilities decarbonize their systems, flexible load also helps integrate renewables into the system more cost-effectively and efficiently through managed charging, which facilitates reducing or shifting demand from times of high demand to times of lower demand and helps balance variable renewable resources like wind and solar. Helping electric utilities avoid purchasing expensive peak energy benefits all customers regardless of whether they own EVs.

We appreciate the opportunity to offer our support for Section 1 of Senate Bill 314.

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