

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC INVESTIGATION OF AMMENDMENTS)	
AMMENDMENTS TO THE PUBLIC UTILITY)	CASE NO.
REGULATORY POLICIES ACT OF 1978 AND)	2022-00369
ELECTRIFICATION OF TRANSPORTATION)	

**REPLY COMMENTS ON BEHALF OF EAST KENTUCKY POWER
COOPERATIVE INC. AND ITS SIXTEEN OWNER-MEMBERS TO
THE COMMISSION’S NOVEMBER 7, 2022 ORDER**

1. Neither East Kentucky Power Cooperative (“EKPC”), nor its Owner-Member Cooperatives (“owner-members”), have existing programs or measures specifically targeted to promote the electrification of the transportation sector.

2a. There are no existing rate mechanisms or tariffs of EKPC or the owner-members that promote affordable and equitable electric charging options.

Public charging of electric vehicles (“EVs”) at a business or as a business itself receiving electric service from an owner-member is considered a commercial customer. Commercial electric tariffs of the owner-members have both a demand and energy component and are approved by the Kentucky Public Service Commission (“Commission”).

EVs possess unique load profiles whereby the electric demand is relatively high while the energy consumed is relatively low. That is because, while the EV is charging, the charger demands a lot of energy instantaneously. However, that demand is only spread over a short period, often only 2-6 hours. The load profile created by the high demand and low energy usage is not unique in the commercial setting; however, it is abnormal in the residential load sector.

When charging EVs at homes on a residential electric tariff the rate recovery is impacted by a large demand increase from the EV during peak energy consumption times, which causes significant cost to the electric utility. Typical single factor residential electric rates, those possessing solely an energy rate with no corresponding demand component, do not provide a financial signal or impacts on recovery as provided by a demand component found in commercial rates. Therefore, EKPC and the owner-members are developing a pilot tariff to incentivize EV charging during non-peak energy consumption times of the day while at home. The shift in charging times resulting from the incentive saves electric utility costs and justifies the incentive itself.

Some owner-members offer a residential Time of Use electric tariff. These tariffs are structured to capture the costs of higher demand during peak energy usage periods and are better suited for EV charging when compared to a blended energy rate. However, the Time of Use rate does not discriminate between energy used during EV charging versus energy used throughout the residence – hence time of use rates are not a focused solution to residential EV charging.

2b. No existing rate mechanisms or tariffs of EKPC or the owner-members target improved customer experience with charging.

2c. No existing rate mechanisms or tariffs of EKPC or the owner-members are targeted to accelerate third-party investments.

2d. See response 2a.

3. Approximately 80% of all EV charging occurs at the home. Although the EV charging at home pilot mentioned in Response 2a is not targeted to promote greater electrification of the transportation sector, a successful program could result in growth for EV adoption. The pace at which greater electrification occurs could be impactful to EKPC, owner-members, and

subsequently, the retail members. An imbalance between new energy demands from a rapidly growing electrified transportation sector and the utility's ability to economically deliver the energy when and where required could affect rates and affordability. Electrification of the transportation sector requires a measured approach, one that broadly reviews the impact of the transition and prepares both the transportation and utility sectors for EV adoption.

Respectfully Submitted,



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