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Judith Whitney, Clerk
Vermont Public Utility Commission
112 State Street
Montpelier, Vermont 05620-2701

Re: Case No. 18-2660-INV; Investigation into promoting the ownership and use of electric vehicles in the State of Vermont

Dear Ms. Whitney:

The Public Utility Commission (“Commission”) issued information requests in this case on December 20, 2018 seeking input from participants on options for funding the maintenance of Vermont’s transportation infrastructure as electric vehicle (“EV”) usage continues to rise in Vermont. The Commission invited comments by January 9, 2019, and in this letter, GMP is pleased to provide its thoughts.

Comments:

Cutting Vermont’s carbon footprint and greenhouse gas emissions is critical to our customers and our climate. The transportation sector is responsible for a substantial portion of all GHG emissions in Vermont.¹ In order to meet the carbon and greenhouse gas reduction in Vermont’s Comprehensive Energy Plan and by statute, widespread adoption of EVs is necessary, and for this reason, as discussed in our 2018 Integrated Resource Plan, Green Mountain Power (“GMP”) has several offerings that promote EV adoption through a variety of programs. Our experience offering innovative ways to promote EVs has shown us that the upfront price and the unavailability of vehicles that match Vermonters’ needs continue to be significant barriers to adoption. In order to address the price barrier, in our December 14, 2018 filing, GMP offered that Vermont-specific incentives similar to the federal tax credits be made available for purchasers of EVs to help more Vermonters afford these vehicles. What might hurt adoption of EVs are policies, taxes or fees that increase the cost to purchase or use EVs so for this reason, at

¹ According to the Vermont Department of Energy Conservation June 2018 Greenhouse Gas Emissions Inventory Update, the transportation sector represents approximately 43% of total greenhouse gas emissions in Vermont. https://dec.vermont.gov/sites/dec/files/aqc/climate-change/documents/_Vermont_Greenhouse_Gas_Emissions_Inventory_Update_1990-2015.pdf

this time, GMP does not recommend a new tax on energy sales for EV usage or other additional fees to register or use EVs.

GMP understands the need to maintain, repair and build out Vermont's roads and transportation infrastructure and recognizes that there currently is a shortfall in infrastructure funds. We also recognize that EV owners use our roads and bridges and should bear their fair share of infrastructure costs- at some point- but not until EV adoption is relatively widespread, and the market no longer needs to be incentivized. These incentives can be phased out over time as EV adoption grows. When there is a significant increase in EV adoption in Vermont, to the point that incentives are no longer necessary to move the market, new policies for the transportation fund should be considered. In the meantime, there are other ideas, like optional fees (that could be waived for low-income Vermonters) for personalized EV plates, which would provide some revenue toward the transportation fund without impacting EV adoption. Many EV drivers are proud of their decision and carbon cutting work, and this could be an option for them.

Once EV adoption has taken off and is secure in Vermont, there are a number of ways to ensure EV owners pay their share of the costs to maintain and build out transportation infrastructure. These could include mileage-based assessments (which have the benefit of directly relating to the EV's usage on Vermont's roads), tolls (which have the benefit of capturing in-state and out-of-state users of Vermont's infrastructure) or some type of tax on the sale of energy for EV charging. To the extent there is a tax assessed on EV energy sales, this tax should not be collected by utilities or require utility data to assess as utilities would need to undertake costly changes to their billing and IT systems in order to handle such collections and third party data. Absent mandating the use of utility-accessible chargers for all EV charging, which GMP does not support, there would be no mechanism for utilities to reliably identify energy used specifically for EV charging.

Thank you for this opportunity to comment, and if you have any questions, please feel free to reach out.

Sincerely,



Carolyn Browne Anderson
CBA
Enclosure
cc: ePUC Service List