

**PROJECT NO. 49125**

**REVIEW OF ISSUES RELATING TO  
ELECTRIC VEHICLES**

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**PUBLIC UTILITY COMMISSION  
OF TEXAS**

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**TEXAS COMPETITIVE POWER ADVOCATES (TCPA) REPLY TO STAFF REQUEST  
FOR COMMENTS**

Texas Competitive Power Advocates (TCPA) appreciates the opportunity to submit these comments regarding certain questions posed by the Public Utility Commission of Texas (“Commission”) in its request for comments. TCPA is a trade association representing power generation companies and wholesale power marketers, with investments in Texas and the Electric Reliability Council of Texas (ERCOT) wholesale and retail electric market. TCPA members and their affiliates provide a wide range of important market functions and services in ERCOT, including the development, operation, and management of power generation assets, the scheduling and marketing of power, the provision of energy management services and the sales of competitive electric service to consumers. TCPA members provide approximately seventy percent (70%) of the total net operable electric generating capacity in ERCOT, representing billions of dollars of investment in the state, and employing thousands of Texans.

As a threshold matter, TCPA supports electric vehicle growth and adoption. TCPA’s comments herein focus on the specific questions related to wholesale market participation and best practices. While TCPA does not have information related to grid impacts or the potential demand from electric vehicles, TCPA simply notes that any projections of electric vehicle deployment, demand forecasts, load profiles, technical capabilities, infrastructure needs, and grid impacts are highly sensitive to assumptions and modeling decisions, and therefore TCPA reserves the right to reply to information provided by other commenters on these topics as appropriate.

The responses provided to questions eight and nine below are specific to – and reinforce – ERCOT’s successful competitive market structure, while recognizing that policies related to electric vehicle charging infrastructure build-out may require different rules to accommodate non-ERCOT areas. And, similar to other regulatory treatments, it may be necessary to consider a set of

electric vehicle infrastructure policies for non-ERCOT utilities, municipally-owned utilities, and electric cooperatives separate and distinct from policies addressing transmission and distribution utilities within ERCOT. TCPA understands that additional policy-specific questions may be published for comment at a later date and anticipates providing more robust input through those comments.

## **I. Responses to Commission Questions**

### **8. What are the capabilities of electric vehicle related technologies, such as vehicle-to-grid, to participate in wholesale electricity markets?**

Electric vehicles can be defined in a number of contexts. When electric vehicles are discussed, it is typically in the context of reducing carbon emissions and in terms of consuming energy while charging. In the context of this question, however, electric vehicles are either mobile loads or mobile distributed energy resources. While “vehicle-to-grid” concepts are often highlighted in electric vehicle discussions, there are a number of technical, market integration, and public adoption hurdles that suggest that over the foreseeable time horizon electric vehicles are likely to act primarily as loads, and their wholesale market participation is likely to be limited to responding to price signals from retail electric providers (REPs). Assuming, however, that those hurdles could be cleared, then electric vehicles may reach a point of relevance for participation in wholesale electricity markets as consumer adoption increases and electric vehicle manufacturers seek to differentiate themselves with the development of additional enabling vehicle functionality. In that case, just like any other distributed energy storage device or battery, an electric vehicle would need to be treated as a controllable load resource when it is charging and a generation resource when discharging. The lack of widespread electric vehicle adoption or participation in producing electricity should not discount the potential these devices may have for participation in the wholesale market. However, the Commission should not subsidize future market participation through creation of special electric vehicle ERCOT wholesale market participation rules that are less rigorous than rules for similarly situated generation resources.

### **9. Please explain any preferred or best practice facilities siting and design standards for commercial electric vehicle charging stations and why such standards are recommended.**

TCPA recommends any electric vehicle design standards be consistent with competitive market principles, particularly within the ERCOT region. The ERCOT competitive market


structure is uniquely situated to support electric vehicle adoption through competitive retail choice to serve that load as an end-use consumer of electricity, and if vehicle-to-grid becomes practical and viable, putting energy back onto the grid as a distributed generation resource because the transactions necessary to facilitate both uses are wholly contained within the existing ERCOT competitive market framework. TCPA recognizes that, in some instances, transmission and distribution infrastructure investment may be appropriate to support future electric vehicle demand. However, TCPA urges the Commission to be cautious in pursuing policies that would incentivize regulated wires cost shifting in a way that risks interfering with wholesale market price signals. TCPA recognizes that a different standard may be appropriate for utilities, municipally-owned utilities and electric cooperatives that are not in the competitive market.

## **II. Conclusion**

TCPA appreciates the opportunity to provide initial comments on issues pertaining to electric vehicles. While the current questions posed are more technical in nature, TCPA looks forward to the opportunity to work with staff and stakeholders on more policy-related areas of this important issue.

Dated: February 3, 2020

Respectfully submitted,

A handwritten signature in black ink that reads "Michele Richmond". The signature is written in a cursive, flowing style.

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