## OF THE STATE OF SOUTH DAKOTA

IN THE MATTER OF THE SOUTH DAKOTA	)	FINAL DECISION AND ORDER
PUBLIC UTILITIES COMMISSION,	j	DETERMINING ELECTRIFICATION
ELECTRIFICATION OF TRANSPORTATION	)	OF TRANSPORTATION
INVESTIGATION	j	STANDARDS UNDER THE
	)	INFRASTRUCTURE INVESTMENT
	)	AND JOBS ACT, PURSUANT TO
	)	SECTION 111(d) OF THE PUBLIC
	)	UTILITY REGULATORY POLICIES
	)	ACT OF 1978
	)	
	ì	ΔΔ22-002

On November 15, 2021, the President of the United States signed The Infrastructure Investment and Jobs Act ("IIJA"), H.R. 3684, 117th Cong. (2021). Pursuant to the IIJA, Section 111(d) of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2621(d)) was amended ("Amendments") by adding the following standard:

- (21) Each State shall consider measures to promote greater electrification of the transportation sector, including the establishment of rates that -
  - (A) Promote affordable and equitable electric vehicle charging options for residential, commercial, and public electric vehicle charging infrastructure;
  - (B) Improve the customer experience associated with electric vehicle charging, including by reducing charging times for light-, medium-, and heavy-duty vehicles; and
  - (C) Accelerate third-party investment in electric vehicle charging for light-, medium-, and heavy-duty vehicles; and
  - (D) Appropriately recover the marginal costs of delivering electricity to electric vehicles and electric vehicle charging infrastructure.

Consideration of the standard or a hearing for consideration must commence within one year of the date of enactment. Consideration must provide a determination no later than two years of the date of enactment. If prior state actions were taken to address the standard, the requirements do not apply.

On June 23, 2022, Commission Counsel filed a Proposed Order seeking each public utility file written comments in this matter. At its regularly scheduled meeting on July 19, 2022, the Commission considered this matter and on July 20, 2022, the Commission ordered that the South Dakota Electric Public Utilities file initial comments addressing the standard by October 21, 2022. On October 19, 2022, the Commission received NorthWestern Energy's comments. On October 20, 2022, the Commission received MidAmerican Energy Company's comments. On October 21, 2022, the Commission received comments from ChargePoint, Inc., Otter Tail Power Company, and Xcel Energy. On October 28, 2022, the Commission received comments from Black Hills Energy.

At its regularly scheduled meeting on November 8, 2022, the Commission continued its investigation and considered this matter. Having thoroughly provided due process, public notice, and hearing on two occasions and having thoroughly reviewed the filings in the docket and verbal comments on the record, the Commission found and concluded that the Commission has considered measures and the implementation of rates to promote electrification in the transportation sector and that the Commission will place the responsibility on each regulated public utility to bring forth any tariff changes that would meet the needs of their customers as it relates to electrification of transportation. Moreover, the Commission found each public utility is best suited to understand the needs of their customers and each public utility is in the ideal position to respond to those needs and best situated to propose individualized requests for tariff changes as it relates to the electrification of transportation. The Commission found that the public utilities should consider developing time of use rate structures and/or other incentives needed for charging electric vehicles at the times most advantageous to the system in order to ensure that electric vehicle charging does not add to the peak load or the total cost of the system. Lastly, the Commission determined that while the Commission continues to monitor the peak load of regulated public utilities; any peak load growth associated with charging options for residential, commercial, and public electric vehicle charging infrastructure; reducing charging times for light-, medium-, and heavy-duty vehicles; thirdparty investment in electric vehicle charging for light-, medium-, and heavy-duty vehicles; and recovering the marginal costs of delivering electricity to electric vehicles and electric vehicle charging infrastructure, in a faster than normal growth pattern, the Commission will further consider implementing rate incentives to shave that peak and correct abnormalities. The Commission found that it can step in and incentivize the reversal of any such situation by changing rates, incentives, financing, and infrastructure to increase off peak consumption and maintain safe and reliable measures of peak load.

## It is therefore

ORDERED, that the implementation of any such standard regarding the establishment of rates and measures to promote greater electrification of the transportation sector as established by The Infrastructure Investment and Jobs Act, pursuant to Section 111(d) of the Public Utility Regulatory Policies Act of 1978 is declined.

Dated at Pierre, South Dakota, this  $\frac{14^{+1}}{12}$  day of November 2022.

CERTIFICATE OF SERVICE		
The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, electronically or by mail.  By:		
Date:		
(OFFICIAL SEAL)		

CHRIS NELSON, Commissioner

KRISTIE FIEGEN, Commissioner

GARY HANSON, Commissioner