ICC Initiates Transportation Electrification Rate Design & Affordability NOI

Chicago, IL - On Wednesday, the Illinois Commerce Commission opened a Notice of Inquiry to explore electricity rate design options related to the adoption and deployment of all types of electric vehicles and supporting transportation electrification infrastructure such as charging stations. The Commission is also seeking information about the impact rate design will have on other forms of beneficial electrification, electric service and affordability.

According to United States Environmental Protection Agency, the transportation sector is among the largest source of greenhouse gas emissions in the country. The Department of Energy’s Office of Energy Efficiency & Renewable Energy notes that in general, electric vehicles produce fewer emissions that contribute to climate change and smog than conventional vehicles.

“Electrifying the transportation sector is an important step to improve our air for Illinois residents. While there are fewer than 25,000 registered electric vehicles on the road, it is the expectation and hope that this number will rise. As regulators, we have to ensure energy practices in Illinois do not impair electrification adoption and deployment. Equally important is to identify the impact of rate designs on electric service affordability so that we could structure our rates accordingly in the future,” said ICC Chairman Zalewski.

This NOI builds on previous efforts by the Commission to study electric vehicles. In 2018, the Commission initiated an NOI to help the Commission identify issues, potential challenges and opportunities in EV deployment. Earlier this year, a policy session was held to examine the impact of an increasingly electrified future and the integration of electrification in Illinois and nationally.

“Despite the economic effects of COVID-19, the share of EV users is expected to rise. This [increase] paired with large scale transition to electric over fossil fuels will require the ICC to address the impact on the grid to ensure efficient and reliable energy while meeting our state’s larger de-carbonization goals,” said ICC Commissioner Maria Bocanegra.

Through the NOI, stakeholders will answer a series of questions broken into three segments: (1) rate design impacts on electric vehicle adoption; (2) rate design impacts on other forms of beneficial electrification; and (3) rate design implementation. Participants are requested to provide facts and information to support their opinions and recommendations.
The submission of initial comments is scheduled for November 16, 2020 with a deadline for reply comments to follow by December 18, 2020. The NOI manager, Jim Zolnierek, is authorized to schedule further rounds of comments and replies, with adequate public notice provided. He may be reached at jim.zolnierek@illinois.gov.

Pursuant to Commission rules, a Notice of Inquiry proceeding is not a rulemaking, and the information gathered may or may not form the basis for the initiation of rulemaking or for other purposes at a later date.

For more information about 20-NOI-03 visit the ICC website here.

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