### BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Commission's Investigation	)	
into the Implementation of the Federal	)	
Infrastructure Investment and Jobs Act's	)	Case No. 22-1025-AU-COI
Electric Vehicle Charging PURPA Standard	)	

#### **EVGO'S INITIAL COMMENTS**

### I. Introduction

Consistent with the November 14, 2022 Entry of the Public Utilities Commission of Ohio, EVgo Services LLC (EVgo) submits these comments regarding the amendments to Section 111(d) of the Public Utility Regulatory Policies Act of 1978 (PURPA) regarding electric vehicle (EV) charging included in the Infrastructure Investment and Jobs Act (IIJA). EVgo commends the Commission for initiating this investigation and appreciates the opportunity to provide our perspective as a private sector owner-operator of EV charging with a decade of experience operating charging infrastructure across the country.

EVgo is a leader in charging solutions, building and operating the infrastructure and tools needed to expedite the mass adoption of electric vehicles for individual drivers, rideshare and commercial fleets, and businesses. As one of the nation's largest public fast charging networks, EVgo's owned and operated charging network features over 850 fast charging locations – currently serving over 60 metropolitan areas across more than 30 states – and continues to add more Direct Current Fast Charging (DCFC) locations through EVgo eXtend<sup>TM</sup>, its white label

service offering.<sup>1</sup> EVgo is accelerating transportation electrification through partnerships with automakers,<sup>2</sup> fleet and rideshare operators, retail hosts such as grocery stores, shopping centers, and gas stations, policy leaders, and other organizations.

The amendments to PURPA included in the IIJA address the role of utilities in promoting transportation electrification through electric rate design and other measures. There is a need to increase public charging deployment to match Ohio's development in the EV industry; robust utility programs and policies geared towards incentivizing third-party providers to participate in the market can help facilitate that growth. Comprehensive frameworks that address EV rates and infrastructure have increasingly been approved by utility regulators across the country<sup>3</sup> to facilitate market deployment of charging stations. EVgo recommends the Commission consider national best practices that complement private market investments, including: 1) EV rate design; 2) Investments in the grid infrastructure necessary to enable the installation of charging stations (typically referred to as "make-ready") and/or rebates;<sup>4</sup> and 3) Investments in resources and personnel dedicated to supporting EV deployments to reduce timelines and soft costs associated with utility energization processes.

At a high level, in order to accelerate charger deployment while minimizing the impact on utility ratepayers, EVgo suggests the Commission consider a "shared responsibility" model

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<sup>&</sup>lt;sup>1</sup> Through eXtend™ EVgo will deploy 2,000 charging stalls at Pilot and Flying J locations across the country in collaboration with General Motors (GM) and Pilot Company. EVgo will install, operate, and maintain the network of 350 kW charging stalls at up to 500 Pilot and Flying J travel centers across more than 40 states. *See* <a href="https://www.evgo.com/videos/evgo-extend-expands-fast-charging-in-collaboration-with-gm-and-pilot-company/">https://www.evgo.com/videos/evgo-extend-expands-fast-charging-in-collaboration-with-gm-and-pilot-company/</a>.

<sup>&</sup>lt;sup>2</sup> In partnership with GM, EVgo will deploy 3250 DCFC stalls across the U.S. by 2025. *See* https://www.evgo.com/press-release/general-motors-evgo-boost-build-plan-high-power-fast-chargers-across-us/.

<sup>&</sup>lt;sup>3</sup> Regional examples include rate designs in Michigan, Illinois, and Pennsylvania. *See* DTE Energy's Rate Schedule D3 at <u>THE DETROIT EDISON COMPANY (michigan.gov)</u>, PECO Electric Vehicle DCFC Pilot Rider at <a href="https://www.peco.com/SiteCollectionDocuments/Elec%20Compliance%20tariff%20eff%20Jan%201%202022.pdf">https://www.peco.com/SiteCollectionDocuments/Elec%20Compliance%20tariff%20eff%20Jan%201%202022.pdf</a>, Ameren Illinois Rider EVCP at <a href="https://www.ameren.com/-/media/rates/files/illinois/aiel21rdevcp.ashx">https://www.ameren.com/-/media/rates/files/illinois/aiel21rdevcp.ashx</a>.

<sup>&</sup>lt;sup>4</sup> See rebates approved for AEP in Public Utilities Commission of Ohio, Case No. 16-1852-EL-SSO, Opinion and Order Entered April 25, 2018.

that leverages different entities' strengths in the EV infrastructure ecosystem by focusing on EV rates, make-ready and/or rebate programs, and direct conversations to staffing and process improvements that utilities may be able to implement to be prepared for the influx in new service requests from EV charging.

Any proceeding must recognize the unique and distinct needs of different EV charging segments including residential, commercial, workplace, fleets, and public DCFC. Each segment involves different use cases, dwell times, customer expectations, and equity concerns. The Commission should recognize these different segments when considering potential transportation electrification measures. Public DCFC for example, serves a variety of EV driver needs, building range confidence for trips between cities or across the country and playing an important role in dense, urban, and suburban areas where not every home has dedicated parking. In fact, according to the International Council in Clean Transportation, EV drivers living in multifamily housing rely on public chargers for 50-80% of their charging.<sup>5</sup>

II. The Commission should open a statewide proceeding to encourage Ohio utilities to introduce commercial EV rates which will increase the viability of third-party investment in EV charging infrastructure.

Proper commercial electric rate design is critical to enabling transportation electrification. Public DCFC infrastructure has a unique load profile and load factors that make it distinct from other commercial customers. The demand charge component of traditional commercial rates can lead to disproportionately high effective dollar per kilowatt-hour (kWh) costs to operate DCFC, which creates a significant barrier to third-party investment in charging infrastructure. The availability of commercial EV rates that account for the unique loads of fast charging stations is

<sup>5</sup> International Council on Clean Transportation, Quantifying the Electric Vehicle Charging Infrastructure Gap Across U. S. Markets (January 2019) at 9, available at https://theicct.org/sites/default/files/publications/US charging Gap 20190124.pdf.

an important factor in the siting of new charging stations and is essential to achieving transportation electrification at scale.

A variety of rates have been approved across the country to mitigate the outsized effect of demand charges, including rates specific to commercial EV charging as well as technology-neutral low load factor rates. AEP Ohio's Plug-in Electric Vehicle Public Charging Pilot rate is a local example of an all-volumetric rate specifically for DCFC.<sup>6</sup> AEP's leadership on this topic should be applauded and the model it set should be replicated by other electric distribution utilities.

EVgo has compiled additional examples of these best practices in rate design from around the country, which are provided as an attachment to this letter. Specifically, EVgo offers the following rate design principles to help the Commission promote transportation electrification through third-party investment:

- 1. Enable customer choice by making rates optional;
- 2. Minimize demand charges and instead utilize time-varying volumetric rates;
- 3. Expand applicability of existing rates designed for industry-specific load shapes;
- 4. Apply rates to new and existing customers;
- 5. Consider different rates for different EV charging use cases;
- 6. Provide certainty with long-duration rates (e.g., 10 years); and
- 7. Limit the use of subscription charges.

A statewide proceeding on rate design would be aligned with the IIJA statute, which asks states to consider the establishment of rates that promote affordable and equitable EV charging options, improve the customer experience of charging, accelerate third-party investment in EV

<sup>&</sup>lt;sup>6</sup> Public Utilities Commission of Ohio, Case No. 16-1852-EL-SSO, Opinion and Order Entered April 25, 2018.

charging and to appropriately recover the marginal costs of delivering electricity to EVs and EV charging infrastructure.<sup>7</sup> The state of Pennsylvania is currently undertaking a similar examination of EV charging rates<sup>8</sup> in order to examine these policy issues and develop statewide principles.

## III. Utility make-ready and rebate programs are helpful tools to drive third-party investment in EV charging.

Complementary to EV rate design, utility make-ready programs can accelerate the adoption of EVs by incenting private investment in charging infrastructure. Under this approach, utilities would invest in the utility-side wiring and backbone infrastructure up to but not including the charger; installation of the charger and station ownership, operation, and maintenance would be the responsibility of electric vehicle service providers (EVSPs). Rebate programs – which have been more prevalent in Ohio<sup>9</sup> – are another best practice to incent third-party investment.

To be effective, rebates and make-ready programs must be aligned with the costs of DCFC and Level 2 chargers. For example, a 2019 study by the International Council on Clean Transportation estimated the cost of a four-stall DCFC site to be between \$328,000 and \$599,000 while a four single port L2 site would cost around \$15,000. The best make-ready and rebate programs intended to incent DCFC account for the higher costs of this equipment and provide support accordingly. Such programs continue to receive utility regulators' approval across the

<sup>8</sup> Pennsylvania Public Utilities Commission, P-2022-3030743, Order Adopted November 10, 2022.

<sup>&</sup>lt;sup>7</sup> 16 U.S. Code § 2621.

<sup>&</sup>lt;sup>9</sup> See rebates approved for AES in Public Utilities Commission of Ohio, Case No.18-1875-EL-GRD, Opinion and Order Entered June 2, 2021.

<sup>&</sup>lt;sup>10</sup> For example, in Michigan, DTE's newly approved Make-Ready Rebate program will offer up to \$100,000 per site for make-ready, plus up to \$55,000 per DCFC (150 kW and greater) and in Utah, Rocky Mountain Power offers make-ready as well as investments of \$45,000 per single-port charger and \$63,000 per multi-port charger, covering up to 75% of total charger and installation costs.

country, and have incentivized third-party participation in the EV charging markets of such states as Colorado, <sup>11</sup> New Mexico, <sup>12</sup> Michigan, <sup>13</sup> and many others. <sup>14</sup>

### IV. Utilities can incorporate national best practices to speed charging deployments in their service territories.

Finally, EVgo offers additional charging ecosystem best practices that may facilitate utilities' efforts to enable public charging deployment for the Commission's consideration.

Through its Connect the Watts<sup>TM15</sup> initiative, EVgo has identified five areas on which to focus utility efforts to support EV charger project deployment, including: 1) easement process streamlining, 2) utility equipment inventory maintenance, 3) design and construction staffing, 4) study phase streamlining, and 5) utility design approvals streamlining. It would be a welcome development if these topics were considered as part of this proceeding.

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<sup>&</sup>lt;sup>11</sup> Colorado Public Utilities Commission, Proceeding No. 20A-0204E, Commission Decision Granting Application with Modifications (January 11, 2021).

<sup>&</sup>lt;sup>12</sup> New Mexico Public Regulation Commission, Case No. 20-00237-UT, Final Order Adopting Recommended Decision, at 3-4 (November 12, 2021).

<sup>&</sup>lt;sup>13</sup> See DTE Charging Forward, available at <a href="https://newlook.dteenergy.com/wps/wcm/connect/dte-web/home/service-request/business/electric/electric-vehicles/pev-biz-charge-frwd">https://newlook.dteenergy.com/wps/wcm/connect/dte-web/home/service-request/business/electric/electric-vehicles/pev-biz-charge-frwd</a>.

<sup>&</sup>lt;sup>14</sup> Additional examples include but are not limited to: California (Pacific Gas & Electric) <a href="https://www.pge.com/en\_US/large-business/solar-and-vehicles/clean-vehicles/ev-charge-network/ev-fastcharge.page">https://www.pge.com/en\_US/large-business/solar-and-vehicles/clean-vehicles/ev-charge-network/ev-fastcharge.page</a>; Connecticut (Eversource and United Illuminating) Public Utilities Regulatory Authority Docket No. 17-12-03RE04, Investigation into Distribution System Planning of the Electric Distribution Companies – Zero Emission Vehicles, Decision, dated July 2021; Illinois (Ameren)
https://www.ameren.com//media/rates/files/illinois/aiel21rdevcp.ashx; New Jersey (Atlantic City Electric, Public

Service Electric & Gas Company, Jersey Central Power & Light) Board of Public Utilities Docket No. QO20050357, Order Adopting the Minimum Filing Requirements for Light-Duty, Publicly Accessible Electric Vehicle Charging, dated September 2020; New York (Central Hudson, Con Ed, National Grid, New York State Electric & Gas, Rochester Gas & Electric, Orange & Rockland Utilities) <a href="https://jointutilitiesofny.org/ev/make-ready">https://jointutilitiesofny.org/ev/make-ready</a>; Rhode Island (National Grid) <a href="https://www.nationalgridus.com/RI-Business/Energy-Saving-Programs/Electric-Vehicle-Charging-Station-Program">https://www.nationalgridus.com/RI-Business/Energy-Saving-Programs/Electric-Vehicle-Charging-Station-Program</a>, and (Eversource) <a href="https://www.eversource.com/content/ema-c/residential/savemoney-energy/clean-energy-options/electric-vehicles/charging-stations">https://www.eversource.com/content/ema-c/residential/savemoney-energy/clean-energy-options/electric-vehicles/charging-stations</a>.

<sup>15</sup> See https://www.evgo.com/connect-the-watts/.

<sup>&</sup>lt;sup>16</sup> See Best Practices for Charging Infrastructure Program Design: Utilities, <a href="https://site-assets.evgo.com/f/78437/x/dfe30bb392/071122">https://site-assets.evgo.com/f/78437/x/dfe30bb392/071122</a> best-practices utilities.pdf.

<sup>&</sup>lt;sup>17</sup> On December 16, 2022, the California Public Utilities Commission issued a Final Resolution establishing clear deadlines for utilities to complete the steps within their control needed to energize EV charging infrastructure. The utilities must also post on their websites the service energization steps that are within the control of the utility, the

EVgo has noted a national shortage in grid equipment, which includes transformers. Proactively addressing inventory management and proper attention to workforce development opportunities in utility new service and engineering may help Ohio utilities be best positioned to support deployment of chargers from the funding made available by the IIJA.

#### V. Conclusion

In summation, as a first step, EVgo recommends that the Commission open a statewide proceeding on commercial EV rates. As the Commission seeks to better understand ways to incent third-party investment, EVgo also recommends make-ready and rebates as important tools, as well as proactive conversations around best practices for utilities to address workforce development opportunities, inventory management, and other potential issues that may delay timely energization of EV charging across Ohio. EVgo appreciates the opportunity to be a part of this process and is honored to share its input with the Commission and other stakeholders in service to the shared goal of greater electrification of Ohio's transportation sector.

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customer, and the authorities having jurisdiction. Additionally, utilities must collect data on service requests that exceed the Commission deadlines to inform future energization process improvements and hold a workshop in 2023 to develop a new energization timeline standard based on empirical data. See Resolution E-5427, California Public Utilities Commission, issued December 16, 2022.

### **CERTIFICATE OF SERVICE**

I hereby certify that a copy of these comments was filed electronically through the Docketing Information System of the Public Utilities Commission of Ohio on February 1, 2023. The PUCO's e-filing system will electronically serve notice of the filing of this document on counsel for all parties.

<u>/s/ Nikhil Vijaykar</u> Nikhil Vijaykar

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2/1/2023 1:38:47 PM

in

Case No(s). 22-1025-AU-COI

Summary: Comments EVgo's Initial Comments electronically filed by Ms. Alicia A Zaloga on behalf of EVgo Services LLC