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October 19, 2020

**VIA E-MAIL & E-FILING**

Aida Camacho-Welch, Secretary
New Jersey Board of Public Utilities
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**RE: I/M/O THE PETITION OF ATLANTIC CITY ELECTRIC COMPANY FOR APPROVAL OF A VOLUNTARY PROGRAM FOR PLUG-IN VEHICLE CHARGING**
**BPU DOCKET NO. EO18020190**

Dear Secretary Camacho-Welch,

On behalf of our client, ChargePoint, Inc. ("ChargePoint"), enclosed please find Rebuttal Testimony of Kevin George Miller with Attachment KGM-1 in the above referenced matter.

Please contact me if you have any questions.

Thank you.

Very truly yours,

Murray E. Bevan

Enclosure

cc: Service List (via e-mail and e-filing)

**BEFORE THE**
**NEW JERSEY BOARD OF PUBLIC UTILITIES**

**IN THE MATTER OF THE PETITION OF ATLANTIC CITY ELECTRIC COMPANY FOR APPROVAL OF A VOLUNTARY PROGRAM FOR PLUG-IN VEHICLE CHARGING**

**BPU Docket No. EO18020190**

# INTERVENOR CHARGEPOINT'S REBUTTAL TESTIMONY

**Rebuttal Testimony of**
**Kevin George Miller**

October 19, 2020

## I. INTRODUCTION AND SUMMARY

**Q. Are you the same individual who submitted Direct Testimony on September 18, 2020, on behalf of ChargePoint?**

**A.** Yes.

**Q. Please summarize your rebuttal testimony.**

**A**. My testimony addresses the Direct Testimony from Zeco Systems, Inc. d/b/a Greenlots ("Greenlots"), as presented by witness Joshua Cohen, and the Direct Testimony of Electrify America, as presented by witness Jigar Shah, regarding Atlantic City Electric's ("ACE") Voluntary Plug-In Vehicle Charging program ("PIV Program").

## II. RESPONSE TO GREENLOTS WITNESS JOSHUA J. COHEN

**Q**. **Does ChargePoint agree with Witness Cohen that utility investment can accelerate the build-out of EV charging (18:372-374)?**

**A.** In general, yes. However, it is critical that any utility investment complements and supports the competitive market by ensuring EV charging site hosts that participate in a utility's program have the flexibility to select the charging solutions and pricing policies that align with their unique site operations. The absence of these features will limit site hosts' ability to find the best EV charging solution for their specific needs and decrease competition between vendors.

**Q. What is ChargePoint's position on Witness Cohen's opinion that there is a "lack of a sustainable private market business model for the ownership and operation of public charging stations based on revenues from charging activities" (17:349-351)?**

**A.** ChargePoint disagrees. Mr. Cohen appears to take an overly narrow view of the public EV charging market. Site hosts that choose to invest their own private capital in charging stations may do so for a multitude of reasons, many of which are not based on direct revenues from charging activities. (ChargePoint Direct Testimony at 7:23 – 8:12). In addition, Witness Cohen admits there has been "significant private investment in technology companies engaged in supporting transportation electrification" (18:368-369), which provides additional support that there is, in fact, a sustainable private business model for public charging stations.

Furthermore, there are eight charging networks utilizing standard connectors, including ChargePoint, that operate in New Jersey today (ChargePoint Direct Testimony at 7:6-8). These networks are continuously growing by installing new stations every month in states across the nation – including New Jersey – and there is nothing preventing additional charging networks form entering the market in New Jersey.

**Q. Witness Cohen recommends the Board approve ACE's PIV program as proposed. Does ChargePoint agree?**

**A.** ChargePoint does not agree with Witness Cohen. Approval of ACE's PIV program as proposed would increase costs to ratepayers, undermine the competitive EV charging

market in New Jersey, and conflict with the Board's recent Order on Staff's Straw Proposal for utility EV charging program design.[1]

There are several issues that must be addressed in order to ensure that ACE's proposed PIV program complements New Jersey's competitive EV charging market and is consistent with the BPU's recent order. First, ACE's proposal does not allow site host choice of charging equipment and network solutions in the Offerings where ACE proposes utility ownership of EV charging stations. This will limit site hosts' ability to find the best EV charging solution for their specific needs, and decrease competition between vendors. Second, ACE proposes that for utility-owned charging stations, site hosts will not be allowed to set their own pricing for EV charging services. Site hosts are best suited to create incentives, through pricing, to ensure optimal utilization of the EV charging stations in a way that aligns with their own specific business models. (ChargePoint Direct Testimony at 32:20 – 33:23). Third, a critical flaw in ACE's proposal is its decision to choose one network software provider across its entire PIV program. As stated in my Direct Testimony, ChargePoint believes that accommodating multiple network choices would increase program participation and support a more dynamic EV charging marketplace. (ChargePoint Direct Testimony at 21:9-23:15).

It is also important to highlight that the offerings involving utility ownership of charging stations in ACE's proposed PIV program conflict with the following findings and

[1] Order Adopting the Minimum Filing Requirements for Light-Duty, Publicly Accessible Electric Vehicle Charging, I/M/O STRAW PROPOSAL ON ELECTRIC VEHICLE INFRASTRUCTURE BUILD OUT, New Jersey Board of Public Utilities Docket No. QO20050357 (September 23, 2020).

directives of the BPU in its September 23, 2020, Order regarding utility EV charging program design:

> The Board FINDS that ownership and operation of EV charging stations should be driven by the market, and, therefore, EVSE Infrastructure Companies, site owners, and property management companies are the preferred owners and operators of EVSE; however, there are occasional and narrow instances where it is appropriate for the utility to own and operate EV charging stations.
>
> The Board FINDS Staff's definition of areas of Last Resort to be reasonable and HEREBY PERMITS EDCs to own and operate EV Chargers and EVSE as a "Last Resort." EDC ownership and operating of charging infrastructure in areas of Last Resort is strictly contingent on Board approval pursuant to Staff's recommendations addressed in this Order. The Board therefore ORDERS any EDC seeking to own and operate EV Chargers and EVSE as a "Last Resort" to gain Board approval before any work is conducted and comply with Staff's recommendations laid out herein.[2]

Based on ChargePoint's experience, utility ownership of EV charging stations should only be authorized in limited instances and in a manner that complements, and does not duplicate, or conflict with, the private market. The competitive market has been successfully developing EV charging stations throughout New Jersey and it will continue to do so. In fact, according to the New Jersey Department of Environmental Protection, "New Jersey has a robust network of DC Fast Charging Stations spread throughout the state."[3] Based on the forgoing, utility ownership of EV charging stations is premature and potentially harmful to the competitive market.

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[2] Order Adopting the Minimum Filing Requirements for Light-Duty, Publicly Accessible Electric Vehicle Charging at 25-26, I/M/O STRAW PROPOSAL ON ELECTRIC VEHICLE INFRASTRUCTURE BUILD OUT, New Jersey Board of Public Utilities Docket No. QO20050357 (September 23, 2020).

[3] https://www.drivegreen.nj.gov/charging.html

**Q. How would Board approval of ACE's plans to select a single charging network software provider, which Greenlots advocates, affect New Jersey's EV charging market?**

**A.** Allowing ACE to select a single EV charging network software provider across its entire PIV program would create a significant competitive advantage for whatever provider is selected and upset the competitive balance currently present in New Jersey's charging market. It would skew the level playing field in favor of utility-provided, cost-free offerings.

In addition, the selection of a single charging network software provider would place a limit on the choices that site hosts have, since one network would be subsidized and others would be at cost, and without site hosts' ability to choose from the full range of solutions that best fit their circumstances and needs, the market would be less competitive and less innovative. This would be less efficient and less effective than allowing the market to grow and mature in a competitive manner.

**Q. Do you believe that ACE's proposal to own and operate public charging infrastructure will avoid slowing down EV adoption and EV charging infrastructure deployment as Mr. Cohen asserts?**

**A.** No. ACE's proposal to own and operate charging infrastructure would actually chill or replace ongoing third-party private investment opportunities as ACE approaches prospective private sector site hosts with cost-free offerings. In addition, ChargePoint agrees with Mr. Shah (Electrify America) that, "the competitive advantage of utilities

owning and operating stations could encourage EVSE infrastructure companies to seek investments in other service areas where charging volume will not be compromised by a competitor with a BPU supported rate of return." (21:24- 22:3)

Alternative models, such as rebates or make-ready investments, can achieve the same or greater build-out than utility ownership and operation of EV charging stations.[4] These incentive-based programs effectively lower cost barriers for site hosts to invest in, install, own, and maintain EV charging stations. Importantly, those models have been approved in utility programs around the country. (ChargePoint Direct Testimony at 12:3-7).

**Q. Witness Cohen asserts that utility ownership will "improve reliability of EV charging stations" (21:447-448). Does ChargePoint agree?**

**A.** No. First, Mr. Cohen provides no data to support his assertion that "charging infrastructure deployed today is often not consistently reliable or available" (21:435). Further, ChargePoint disagrees that utility ownership of EV charging stations is necessary to ensure they are reliably operated and maintained. ACE and the Board could ensure that stations deployed through the PIV program are reliably operated and maintained by setting minimum requirements for station "uptime" and stipulating minimum maintenance requirements as conditions for receiving incentives. This approach would be consistent with the New Jersey Department of Environmental Protection's *It Pay$ to Plug In* EV

[4] *See* Attachment KGM-1 to my testimony, contains a list (compiled under my direction and supervision) of utility EV charging programs in other states that are make ready and rebate models.

charging station grant program, which requires that charging stations "must be kept operational and in service for a minimum of five (5) years" and that DCFC stations must "maintain a 95% annual uptime requirement. Should repair be necessary, service must be contacted within 24 hours and the station up and fully operational within 48 hours to ensure a 95% annual uptime guarantee."[5]

**Q. Witness Cohen cites a decision from the Maryland Public Service Commission ("Maryland Commission") as an example of commissions that react to "the value and market need for utility ownership" (27:564-579). What is ChargePoint's perspective on this Maryland Commission decision?**

**A.** Witness Cohen fails to capture the full scope of the Maryland Public Service Commission's order. While the Maryland Commission did approve utility ownership of charging stations, it modified the utility's original proposal to scale down the size of the deployment of utility-owned infrastructure and set direction for a portfolio of customer EV programs across a range of use cases, most of which did not involve utility ownership. The Maryland Commission also limited the utility-owned charging deployments to public sector charging locations only, so as to avoid conflict with competitive market activities. In its decision in Order No. 88997, the Maryland Commission cited concerns "that a utility-owned EV charging network could limit private sector interest in investing in this marketplace."

[5] It Pay$ to Plug In: NJ's Electric Vehicle Charging Grant Program - Overview and Instructions (Version 4/2020) at 6, 8, available at: https://www.drivegreen.nj.gov/overview.pdf

(*Petition of the Electric Vehicle Work Group*, 2019 WL 249400 at *39 (Md.P.S.C.)). In addition, the Maryland Commission cited other policy concerns involved with utility ownership of charging stations, "such as competitive access to charging infrastructure, cost impact, and ratepayer exposure to risks associated with sunk costs and stranded assets." (*Id*.). The Maryland Commission's decision clearly notes the risk of ratepayer investment in utility-owned infrastructure and the final utility portfolio of programs resulting from this decision reflects that conclusion.

**Q. Witness Cohen also addresses a Minnesota Public Utility Commission ("Minnesota Commission") decision in his testimony starting at 28:587. Please comment on that.**

**A.** Witness Cohen mischaracterizes in several ways the Minnesota Commission's orders to support his position that state commissions are recognizing the importance of utility owned charging infrastructure. While it is true that the Minnesota Commission authorized Xcel Energy to own and maintain infrastructure in a pilot program, ownership and maintenance of the charging equipment is determined by the participant in this program. Importantly, only at the participant's request would Xcel Energy own and maintain the charging equipment.[6]

[6] Final Order at 3, *I/M/O Xcel Energy's Petition for Approval of Electric Vehicle Pilot Programs*, MPUC Docket No. E-002/M-18-643 (July 17, 2019), available at: https://www.edockets.state.mn.us/EFiling/edockets/searchDocuments.do?method=showPoup&documentId={D017016C-0000-CD10-8791-F2FF6B5C1546}&documentTitle=20197-154444-01.

Furthermore, Witness Cohen omits from his testimony the fact that Xcel Energy was not authorized by the Minnesota Commission to own and maintain public charging equipment: "Xcel would own install, own (*sic*), and maintain infrastructure but would not own or maintain any charging equipment".[7] Accordingly, the Minnesota Commission order cited by Witness Cohen does not support his contention that state commissions are increasingly recognizing utility ownership is required for EV charging station buildout.

**Q. Witness Cohen suggests that State commissions are readily supporting utility ownership and operation of charging infrastructure. Is utility ownership the most commonly approved model of utility investment in charging infrastructure?**

**A.** No. Make ready and rebate programs account for the majority of state commission-approved programs across the country. Attachment KGM-1 to my testimony contains a list (compiled under my direction and supervision) of utility EV charging programs in other states that are make ready and rebate models, which enable site host choice of charging infrastructure, site host control of charging infrastructure, and site host private investment in charging infrastructure.

[7] *Id*. at 4.

## III. CONCLUSION

**Q. Please Summarize your Rebuttal Testimony.**

**A.** ChargePoint supports expanding EV charging infrastructure and EV adoption in order to achieve the goals of N.J.S.A. § 48:25-1.11, the New Jersey Plug-In Vehicle Act. However, ChargePoint believes the testimony submitted by Greenlots fails to accurately depict regulatory decisions on utility EV charging program design.

**Q. Does this conclude your rebuttal testimony?**

**A.** Yes, it does.

# Examples of Utility Programs

| Utility | Program Name/Focus | Program Summary | Status |
|---|---|---|---|
| **SCE** | Urban DCFC[1] | Make-ready infrastructure plus rebates towards portions of the charging station costs for 25 DC fast chargers | Approved |
| **SCE** | Transit[2] | Make-ready infrastructure plus rebates towards portions of the charging station costs for DC fast chargers | Approved |
| **SCE** | Charge Ready 2[3] | Make-ready infrastructure for MUD, workplace, fleet and DCFC plus rebate towards portions of approx 40,000 ports. SCE allowed to own up to 2,500 ports for MUD in DACs only. Site host choice hardware, network, pricing. | Approved |
| **PG&E** | EV Charge Network[4] | Make-ready infrastructure plus rebates towards a portion of the charging station costs. 7,500 MUD and workplace ports. PG&E can own and operate up to 35%. Rate to driver and rate to host pricing. Site host choice hardware, network and pricing. | Approved |
| **PG&E** | MD/HD Fleet[5] | Make-ready infrastructure plus rebates towards portions of the charging station costs for 10 DC fast chargers | Approved |

[1] Decision on the Transportation Electrification, Priority Review Projects, CPUC, Docket No. A.17-01-020. CPUC Decision 18- 01-024 (January 11, 2018)

[2] Decision on the Transportation Electrification, Priority Review Projects, CPUC, Docket No. A.17-01-020. CPUC Decision 18- 01-024 (January 11, 2018)

[3] Decision Authorizing Southern California Edison Company's Charge Ready 2 Infrastructure and Market Education Programs, CPUC, Docket No. A.18-06-015 (August 27, 2020)

[4] Decision Directing PG&E to Establish an Electric Vehicle Infrastructure and Education Program, CPUC, Docket No. A.15-02-009, Decision D.16-12-065 (Dec. 21, 2016)

[5] Decision on the Transportation Electrification, Priority Review Projects, CPUC, Docket No. A.17-01-020. CPUC Decision 18- 01-024 (January 11, 2018)

| | | | |
|---|---|---|---|
| **Eversource (MA)** | Commercial Charging[6] | Make-ready infrastructure for 4,100 L2 ports at long-dwell time locations and 67 DC fast chargers across ~500 commercial locations | Approved |
| **AEP OH** | EV Charging[7] | Rebate program covering a percentage of the total cost of installation plus the charging hardware for 300 L2 stations and 75 DC fast chargers | Approved |
| **National Grid (MA)** | Commercial Charging[8] | Rebate program covering the cost of installation/make-ready plus a portion of the L2 EVSE for 1,200 L2 ports and 80 DC fast charging stations at 140 sites | Approved |
| **National Grid (RI)** | EV Charging[9] | Make-ready infrastructure for 320 L2 and 46 DC fast chargers | Approved |
| **SDG&E** | Power Your Drive[10] | "Custodian" model for ~3,500 commercial ports at multi-unit dwellings and workplaces with a special rate that encourages off-peak charging | Approved |
| **SDG&E** | Highway/Shuttle[11] | "Custodian" model for 80 L2 commercial ports and 13 DC fast chargers at par-n-ride and shuttle locations | Approved |
| **Duquesne Light** | Public Charging[12] | $500k towards electric bus charging at Port Authority; $1.3M in rebates towards make-ready for public L2 charging | Approved |

[6] Massachusetts Department of Public Utilities. Docket 17-05. "Order Establishing Eversource's Revenue Requirement." November 30, 2017.

[7] I/M/O the Application of Ohio Power Company for Authority to Establish A Standard Service Offer Pursuant to R.C. 4928.143, in the Form of an Electric Security Plan, PUCO Docket 16-1852-EL-SSO (April 25, 2018)

[8] Massachusetts Department of Public Utilities. "Petition of Massachusetts Electric Company and Nantucket Electric Company, each d/b/a National Grid, for Approval of its Electric Vehicle Market Development Program, and of its Electric Vehicle Market Development Program Provision, pursuant to G.L. c. 164, §§ 76, 94, and Acts of 2016, c. 448." Docket 17-13 (September 10, 2018)

[9] In Re: the Narragansett Electric Company d/b/a National Grid Proposed Power Sector Transformation Vision and Implementation Plan. RIPUC Docket No. 4780 (May 5, 2018)

[10] Decision Regarding Underlying Vehicle Grid Integration Application and Motion to Adopt Settlement Agreement, CPUC, Docket No. A.14-04-014 (January 28, 2016);

[11] Decision on the Transportation Electrification, Priority Review Projects, CPUC, Docket No. A.17-01-020. CPUC Decision 18- 01-024 (January 11, 2018)

[12] Opinion and Order. PA PUC Docket No. R-2018-3000124 (December 20, 2018)

| | | | |
|---|---|---|---|
| **Ameren** | EV Charging[13] | Make-ready infrastructure plus rebates – estimated 1,700 ports with focus on DCFC corridor but also residential, MUD, commercial, fleet | Approved |
| **BGE** | EV Charging[14] | Rebates for 1,000 smart home chargers and 750 ports for multi-family; 450 L2 and 50 DCFC utility owned, public stations at local government locations | Approved |
| **PEPCO MD** | EV Charging[15] | Rebates for 1,000 smart home chargers and 250 ports for multi-family; 305 L2 and 45 DCFC utility owned, public stations at local government locations | Approved |
| **Consumers Energy** | EV Charging[16] | Make-ready rebates for infrastructure – estimated 3,220 ports – residential, workplace, multi-family, and DCFC – rebates treated as regulatory asset and planning to partner with industry | Approved |
| **DTE** | EV Charging[17] | Make-ready rebates for smart charging infrastructure – estimated 4,770 ports – residential, workplace, multi-family, and DCFC for corridors and urban hubs – rebates treated as regulatory asset and planning to partner with industry | Approved |
| **Xcel Energy (MN)** | Fleet and Public EV Charging[18] | Utility owned make-ready infrastructure – estimated 1,050 ports – fleet and public charging, DCFC and L2 – also offering on-bill financing for EVSE for fleets – smart charging preferred and only smart charging offered for utility EVSE | Approved |

[13] Order Approving Second Stipulation and Agreement. MO Docket 2018-0132 (February 6, 2019)

[14] Petition of the Electric Vehicle Work Group for Implementation of a Statewide Electric Vehicle Portfolio, Case No. 9478, Order No. 88997, (MPSC Jan. 14, 2019)

[15] Petition of the Electric Vehicle Work Group for Implementation of a Statewide Electric Vehicle Portfolio, Case No. 9478, Order No. 88997, (MPSC Jan. 14, 2019)

[16] I/M/O the Application of Consumers Energy Company for the Authority to Increase its Rates for the Generation and Distribution of Electricity and for Other Relief. MI PSC Docket No U-20134 (January 9, 2019)

[17] I/M/O the application of DTE Electric Company for authority to increase its rates, rate schedules and rules governing the distribution and supply of electric energy, and for miscellaneous accounting authority. Docket U-20162 (May 2, 2019)

[18] Order Approving Pilots with Modifications, Authorizing Deferred Accounting, and Setting reporting Requirements. Docket 18-643 (July 17, 2019)

| | | | |
|---|---|---|---|
| **Xcel Energy (MN)** | Residential EV Charging[19] | Residential smart charging pilot – total 100 ports – with commission approval for expanded pilot to include an estimated 2,800 ports | Approved |
| **Dominion (VA)** | EV Charging[20] | Make-ready rebates for smart charging infrastructure – estimated 930 ports – workplace, MUD, and DCFC. | Approved |

[19] Order Approving Pilot with Modifications, and Setting Reporting Requirements. Docket 19-186 (June 21, 2019).

[20] Final Order. Petition of Virginia Electric and Power Company for approval of a plan for electric distribution grid transformation projects pursuant to § 56-585.1 A 6 of the Code of Virginia, and for approval of an addition to the terms and conditions applicable to electric service. Case No. PUR-2019-00154. (March 26, 2020).