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December 2, 2022

State of Vermont Public Utilities Commission
112 State Street
Montpelier, VT 05620-2701
Re: Case No. 22-4869-INV

Dear Honorable Commission Members:

I represent eVolocity Systems, Inc., a company focused on providing the convenience-store, gas-station response to electrification. I am respectfully submitting this comment in Case No. 22-4869-INV for the Commission's consideration because I am engaged with convenience store chains in Vermont to help them add EV charging infrastructure.

Convenience stores are important members of our communities. They provide many jobs while providing safe, convenient locations to refuel our vehicles and to purchase sundries. Many companies are multi-generation, family-owned enterprises. Unfortunately, their business model faces an existential threat.

As more and more drivers convert from petrol vehicles to electric vehicles, the traffic that convenience stores rely upon for business will disappear. In fact, Bloomberg New Energy Finance predicts 40% of the US light vehicle fleet will be electric by 2040. Convenience stores can respond by installing EV chargers. There are many challenges that prevent c-store owners from doing this profitably, and some of these factors are within the control of the Commission.

Perhaps the most important is that an EV charger operator cannot control the difference between the cost of electricity from the grid and the price they charge a customer. Knowing cost and setting price is a fundamental tenant of capitalism. It is also fundamental to consumer fairness. The conceit that a charger operator can charge for time is just that, a conceit. Imagine using a fuel pump and being charged for the time the pump was attached to your car regardless of how quickly or slowly the fuel was delivered. This hurts consumers and businesses alike.

I request that the Commission consider exempting sellers of electricity for EV charging from regulation as a utility. Model language is provided in [Minnesota statutes §216B.02.4](#):

"Public utility" means persons, corporations, or other legal entities ... but does not include ...
(3) a retail seller of electricity used to recharge a battery that powers an electric vehicle, as defined in section [169.011, subdivision 26a](#), and that is not otherwise a public utility under this chapter.

An additional difficulty for EV charging results from demand charges. The marginal cost for the first vehicle can approach \$1000, but the revenue might be only \$20. If two cars must charge at the same


time, an operator must make a difficult decision between customer satisfaction or profitability. This problem only accelerates with more EV adoption. At the same time, demand charges and time-of-use rates provide important market signals for stabilizing the grid and optimizing consumption versus base generation capacity.

I request that the Commission continue current practice regarding demand charges and time of use rates. Instead consider measures to encourage the use of demand stabilization mechanisms like energy storage. Today, these systems are expensive and business models used to support the capital expense are myriad. The Commission will help accelerate decarbonization by further exempting the sale of energy from these storage systems from regulation so long as the energy is not returned to the grid.

These are exciting times in EV infrastructure. It is too early to tell what the future will hold. Probably a combination of many ideas. As mass adoption of EVs proceeds, the cost of level-2 chargers will be an impediment to many consumers; an EV can be charged publicly for more than a year for the same amount. Convenience stores will provide a role for fast, convenient, safe, reliable and equitable EV refueling.

Thank you for your thoughtful consideration.

Sincerely,



Jeffrey Sullivan
Founder & CEO
eVolocity Systems, Inc.