



December 30th, 2022

Via Electronic Filing

Holly R. Anderson
Clerk of the Commission
112 State Street
Montpelier, VT 05620-2701

Re: Case No. 22-4968-INV, Public Utility Commission 2022 Investigation into Rates Related to Electric Vehicles

Dear Ms. Anderson,

Electrify America, LLC (“Electrify America”) appreciates the opportunity to file a reply comment in the Vermont Public Utility Commission’s (“Commission”) 2022 Investigation into Rates Related to Electric Vehicles.

Electrify America, the largest open Direct Current Fast Charging (“DCFC”) network in the U.S., is investing more than \$2 billion over 10 years in Zero Emission Vehicle infrastructure, education and access. The investment will enable millions of Americans to discover the benefits of electric driving and support the build-out of a nationwide network of ultra-fast community and highway chargers that are convenient and reliable. To date, Electrify America has built a coast-to-coast network of DCFC stations across over 790 locations and with over 3,400 individual DCFC stations in total. Electrify America has plans to expand these investments, including the addition of two DCFC stations in Vermont currently in development.

The Commission’s November 15, 2022 order opening this investigation and soliciting comments states that the utilities are required to offer EV rates to their customers by June 30, 2024 pursuant to Act 55, entitled “An Act Relating to the Transportation Program and Miscellaneous Changes to Laws Related to Transportation.” In response to this notice, the Vermont utilities filed comments that described any existing rates and tariffs related to EVs and EVSE or details on their progress toward offering those rates. In its comments, Green Mountain Power described its Rate 6 offering, stating:¹

General Service Rate Schedule 6 EV Charging Equipment Exemption – Non-residential customers are eligible to take service under General Service Rate Schedule 6 which has a daily customer charge and a flat kWh rate. Where all service is restricted to electric vehicle charging station equipment available to the general public, the 200 kW and/or 7,600 kWh/month service limitations of this rate schedule will not be enforced.

Without this exemption, the default rate schedule for usage above the service limitations would be Commercial and Industrial Time-of-Use Rate Schedule 63/65 which consists of a customer charge and TOU kW and kWh rates.

¹ Green Mountain Power, Initial Comments, Case No. 22-4968-INV, pp. 1-2 (December 12, 2022).



In effect, this rate and the demand exclusion enables EV charging stations with low load factors to remain on a volumetric rate. This is a simple yet effective solution to addressing the demand charge barrier in Green Mountain Power's service territory.

When left unaddressed, demand charges pose a critical barrier to the widespread electrification of transportation. These charges, assessed on peak energy consumption during a billing period rather than quantity of electricity used, are disproportionately high and unpredictable and, therefore, pose a special economic challenge for high-power, low-utilization uses such as DC fast charging. Research from the Great Plains Institute found that these charges can account for over 90% of electricity costs for DC fast charging, and "lead to operating costs that far exceed the revenue these chargers can receive from customer payments,"² a finding echoed in a 2021 U.S. Department of Energy ("DOE") report.³

Electrify America appreciates the solution put forth by Green Mountain Power as well as the Commission's attention to addressing the demand charge barrier for the Green Mountain Power Service territory. Further, Electrify America encourages the Commission to address the issue in service territories where demand charges remain in place for DCFC stations. Electrify America considers a large number of factors when making decisions about investment locations including the presence of demand charges. Electrify America stated in its most recent investment plan that, "for utility areas with tariff structures that result in a delivered cost of energy for public DCFC above the gasoline equivalent cost, Electrify America may be forced to shift investments to areas with more sustainable energy rates."⁴

In addition to attracting private investment, removal of barriers imposed by demand charges provides the added benefit of enhancing the impact of funds that Vermont will receive through the National Electric Infrastructure Formula Program ("NEVI").⁵ The Commission can help ensure that the investments in charging infrastructure made by Vermont state transportation entities through NEVI will be economically sustainable for the long term.

Review of existing demand charges and the barriers they impose on DCFC stations can help ensure compliance with the Federal Infrastructure Investment and Jobs Act ("IIJA") of 2021, Pub. L. No. 117-58, 135 Stat 429, which amended the Public Utility Regulatory Policies Act of 1978. According to the IIJA Section 111(d), every state utility regulatory body across the country must consider measures to promote greater electrification of the transportation sector by November 2023. Such measures include establishment of new, EV-specific rates such as alternatives to demand charges that:⁶

1. Promote affordable and equitable EV charging options for residential, commercial, and public EV charging infrastructure;

² McFarlane, D., et al, "Overcoming Barriers to Expanding Fast Charging Infrastructure in the Midcontinent Region," Great Plains Institute, available at https://www.betterenergy.org/wp-content/uploads/2019/08/GPI_DCFC-Analysis.pdf (July 2019).

³ U.S. Department of Energy, "An EV Future: Navigating the Transition," available at https://8b9a2972-f6bd-463f-ab0e-7b2ba71ee2f1.filesusr.com/ugd/1c0235_965967cdf2bf4b94924c05637398fda3.pdf (October 2021).

⁴ Electrify America, "National ZEV Investment Plan: Cycle 3," p. 29, available at https://www.electrifyamerica.com/assets/pdf/cycle3_investment_plan_epa.1aa21b9b.pdf (June 2021).

⁵ Information about the NEVI program and the downloadable Vermont Nevi Plan can be accessed at <https://afdc.energy.gov/laws/12959>

⁶ 16 United States Code 2621(d)(21); 16 U.S.C. 2622(a),(b)(8)).



2. Improve the customer experience and reduce charging times;
3. Accelerate private investment in charging infrastructure; and
4. Appropriately recover the marginal costs of delivering electricity for vehicle charging.

As other Vermont electric utilities work to devise rates for public EV charging, Electrify America urges them to consider alternative rate designs that avoid or minimize demand based charges and are oriented towards achieving these goals set out by the IJJA modifications to PURPA Section 111(d).

We appreciate the opportunity to submit these reply comments and would be happy to discuss this matter further and answer any questions the Commission may have.

Respectfully submitted,

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