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July 30, 2018

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, PA 17120

VIA ELECTRONIC FILING

Re: Policy Statement on Third Party Electric Vehicle Charging – Resale/Redistribution of Utility Service Tariff Provisions; Docket No. M-2017-2604382

Dear Secretary Chiavetta:

Please find enclosed for filing with the Pennsylvania Public Utility Commission ("PUC" or "Commission") the Comments of Industrial Energy Consumers of Pennsylvania ("IECPA"), in the above-referenced matter.

This document was filed electronically with the Commission on this date. All parties are being served a copy of this document in accordance with the enclosed Certificate of Service.

Please contact me if you have any questions concerning this filing.

Sincerely,

SPILMAN THOMAS & BATTLE, PLLC

By 

Derrick Price Williamson
Barry A. Naum

BAN/sds

Enclosures

c: Scott Thomas, Esquire, Law Bureau (via E-mail and First-Class Mail)
Joseph Cardinale, Esquire, Law Bureau (via E-mail and First-Class Mail)
Darren Gill, Deputy Director, Bureau of Technical Utility Services (via E-mail and First-Class Mail)
Certificate of Service

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Re: Policy Statement on Third Party Electric :
Vehicle Charging – Resale/Redistribution : Docket No. M-2017-2604382
of Utility Service Tariff Provisions :

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing document upon the following parties to this proceeding in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by participant).

VIA E-MAIL AND/OR FIRST-CLASS MAIL

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Barry A. Naum

Dated: July 30, 2018

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Re: Policy Statement on Third Party	:	
Electric Vehicle Charging –	:	Docket No. M-2017-2604382
Resale/Redistribution of Utility Service	:	
Provisions	:	

**COMMENTS OF
INDUSTRIAL ENERGY CONSUMERS OF PENNSYLVANIA**

On May 4, 2018, the Pennsylvania Public Utility Commission ("PUC" or "Commission") entered a Proposed Policy Statement in the above referenced docket in order to support increased investment in Electric Vehicle ("EV") charging infrastructure and to eliminate regulatory uncertainty surrounding the operation of EV charging stations in the Commonwealth of Pennsylvania. The Commission's Policy Statement was specifically designed to accomplish these objectives by "(1) making clear that it is the policy of the Commission that an EV charging facility open to the public for the sole purpose of recharging an EV battery should not be construed as a sale to a residential consumer and (2) requiring that EDCs expressly address EV charging stations in their tariffs." Proposed Policy Statement, pp. 1-2. With the issuance of the Proposed Policy Statement, the Commission also solicited Comments from interested parties within 45 days.

The Industrial Energy Consumers of Pennsylvania ("IECPA")¹ offers these Comments in response to the Commission's inquiry. IECPA is an association of energy-intensive industrial consumers of electricity and natural gas taking service from a variety of regulated utilities in Pennsylvania, including Columbia Gas of Pennsylvania, Inc., Metropolitan Edison Company, PECO Energy Company, Pennsylvania Electric Company, Peoples Natural Gas Company LLC, PPL Electric Utilities Corporation, UGI Utilities, Inc. – Gas Division, and West Penn Power Company.

As a preliminary matter, IECPA supports the Commission's effort to accomplish the express goals stated in the Proposed Policy Statement of promoting increased EV charging infrastructure development and eliminating regulatory uncertainty pertaining to the ownership and operation of EV charging stations by third parties. Furthermore, IECPA also agrees with the Commission's conclusion that EV charging does not constitute a sale for resale of electricity to residential customers and concurs with the Commission's intent to require Electric Distribution Companies ("EDCs") to develop EV charging stations through their tariffs. To that end, the Proposed Policy Statement represents a clear first step in advancing the Commission's policy objectives. IECPA is concerned, however, that some regulatory uncertainty may still exist and should be addressed in the Commission's Final Policy Statement.

While the Proposed Policy Statement's recommended provision at 52. Pa. Code § 69.3502 establishes a minimum number of issues to be addressed in each EDC's tariff pertaining to EV charging stations, there are additional issues that the Proposed Policy Statement does not address with EDC tariffs that will certainly be contested subjects in future regulatory proceedings before

¹ For the purpose of this matter, IECPA's membership consists of: Air Products & Chemicals, Inc.; AK Steel Corporation; Arconic, Inc.; ArcelorMittal USA LLC; Benton Foundry, Inc.; Carpenter Technology Corporation; East Penn Manufacturing Company; Knouse Foods Cooperative, Inc.; Praxair, Inc.; Proctor & Gamble Paper Products Company; and United States Gypsum Company.

the Commission if not addressed by policy. Specifically, as EV charging infrastructure expands throughout the Commonwealth, all EDCs will incur costs associated with upgrading their distribution facilities and connecting those EV charging stations. Although it is certain that EV charging operations do not constitute sales for resale of electricity to residential customers, it remains unclear how those EDC infrastructure costs might be allocated. IECPA believes and recommends that EDC tariffs should also specifically address this issue by clarifying that any additional costs incurred by an EDC for the purpose of connecting EV charging stations and/or expanding infrastructure to meet these additional loads should be directly allocated to the owners/operators of the EV charging stations consistent with standard cost causation.² Such costs should not be allocated to retail customer classes, which have no cost responsibility for such initiatives. This additional tariff provision would add further regulatory clarity and insure that costs are not unjustly or unreasonably borne by retail ratepayers.

Respectfully submitted,

By 

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² Section 1301(a) of 66 Pa. C.S. states: "Every rate made, demanded or received by a public utility shall be just and reasonable, and in conformity with regulations or orders of the Commission." In keeping with principles of traditional ratemaking, IECPA maintains that just and reasonable rates are based primarily on the utility's cost to serve. In this instance, that cost to serve is the direct cost incurred by an EDC in providing the connection to the customer that will own or operate an EV charging station.

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Dated: July 30, 2018