



**peco**<sup>SM</sup>

AN EXELON COMPANY

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April 11, 2022

**VIA ELECTRONIC FILING**

Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street  
P.O. Box 3265  
Harrisburg, PA 17105-3265

**Re: Petition to Initiate a Proceeding to Issue a Policy Statement  
on Electric Utility Rate Design for Electric Vehicle Charging  
Docket No. P-2022-3030743**

Dear Secretary Chiavetta:

In accordance with the Secretarial Letter dated February 25, 2022, in the above-referenced proceeding, enclosed for filing are the **Comments of PECO Energy Company**.

If you have any questions, please do not hesitate to contact me.

Very truly yours,

Jack R. Garfinkle

Enclosures

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**Petition to Initiate a Proceeding to Issue a** :  
**Policy Statement on Electric Utility Rate** : **Docket No. P-2022-3030743**  
**Design for Electric Vehicle Charging** :

**COMMENTS OF PECO ENERGY COMPANY**

Pursuant to the February 25, 2022, Secretarial Letter issued by the Pennsylvania Public Utility Commission (the “Commission”) in the above-referenced docket, PECO Energy Company (“PECO” or the “Company”) hereby submits comments regarding the initiation of a proceeding for a Policy Statement on electric vehicle (“EV”) charging rate design in Pennsylvania, as requested in the February 4, 2022, petition of ChargeEVC-PA (the “ChargeEVC-PA Petition”). PECO appreciates the Commission’s efforts to first seek comments regarding the initiation of a proceeding and the scope of any such proceeding before addressing the substance of the ChargeEVC-PA Petition.

As explained in more detail below, PECO recognizes that the movement towards transportation electrification (“TE”) in Pennsylvania is well underway and that TE expansion can provide a broad range of benefits to Pennsylvanians. PECO has already taken numerous steps to support the expansion of TE, including implementation of innovative rate designs. PECO also fully appreciates the role that electric utility rate design will have in the future expansion of TE and understands that there are different approaches the Commission can take to address EV charging rate design. In particular, PECO believes that informal workshops can provide an important and useful forum for public and stakeholder education and dialogue and provide the Commission with additional information and perspectives. As described below, PECO believes that informal workshops will help determine whether a Policy Statement on rate design for EV

charging is necessary at this time as well as ensure that any such future proceedings are focused on the issues that are most critical to a wide range of stakeholders.

## **I. COMMENTS**

### **A. PECO Supports Transportation Electrification**

PECO commends ChargeEVC-PA for highlighting the importance of TE matters and the need for the Commission, utilities and interested stakeholders to engage in a dialogue about TE issues such as utility rate design for EV charging in Pennsylvania. PECO agrees with ChargeEVC-PA that EVs offer Pennsylvania families and businesses the opportunity to meet their transportation needs in a manner that saves fuel and maintenance costs, promotes economic development by taking greater advantage of Pennsylvania's energy resources, and results in cleaner air and reduced greenhouse gas emissions. As reflected in the market trends noted by ChargeEVC-PA in its Petition (pp. 1-8), PECO agrees that customer adoption of TE options will continue to accelerate and diversify with a broad range of impacts for the general public, communities, and infrastructure networks.

For more than a decade, PECO has been actively engaged in the evolution of the TE industry landscape. PECO representatives played active roles in the development of the Pennsylvania Department of Environmental Protection's Electric Vehicle Roadmap, and the Company is an ongoing participant in the Drive Electric PA Coalition. PECO has also initiated customer programs and implemented internal processes that have positioned the Company to proactively enable TE expansion in southeastern Pennsylvania, including the development of subject matter experts and external customer engagement.

In support of TE development in PECO's service territory, the Company has engaged with customers, industry stakeholders, and the Commission. Specifically, PECO offers customers EV registration incentives to provide data on EV adoption patterns throughout the

Company's service territory and hosts an online customer EV toolkit to provide information on vehicle and charging equipment options, incentives, costs and benefits of EV adoption, and charging station locations. To provide information to other industry stakeholders, PECO funded the first regional EV adoption forecast for southeastern Pennsylvania through the Delaware Valley Regional Planning Commission and convened the largest collaborative forum on TE opportunities and challenges in the region through the MidAtlantic Transportation Electrification Forum. Additionally, PECO has received Commission approval to implement: (1) a pilot demand charge discount rider to support the development of Level 3 DC fast charging ("DCFC") installations; (2) pilot incentives for public transit agencies that install high-capacity chargers and commercial customers who install Level 2 ("L2") chargers (with greater incentives for L2 chargers installed in environmental justice areas); and (3) generation time-of-use rates that may offer cost savings opportunities for EV owners.

Finally, PECO will be convening a collaborative working group meeting to discuss opportunities to support the equitable expansion of TE within PECO's service territory on a twice annual basis. The first of these meetings is scheduled to occur on May 18, 2022. The topics for discussion at these meetings will include but will not be limited to: outreach and education efforts; the results of the Company's apportionment of transit charging infrastructure investment; the provision of TE programming to low income communities and other historically disadvantaged communities, and proposed improvements for reaching these groups; potential local impacts of EV infrastructure investment; EV load management (including vehicle-to-grid technologies); and other related issues.

**B. The Near-Term Impacts of TE on PECO’s Grid are Limited**

Based on the Company’s experiences to date, PECO believes that any near-term impact of TE on the reliability and efficiency of grid operations will be limited. Although southeastern Pennsylvania is home to roughly half of the battery electric vehicles currently registered in the state<sup>1</sup>, the Company has not yet identified any system-wide grid impacts related to EV adoption.

In the future, PECO anticipates there will be some initial grid impacts as a result of increased charging from new commercial customer installations, such as fleet and Level 3 DCFC public charging stations. Rate design will be an important consideration for managing the grid impacts of these and other TE activities moving forward, and the Commission should continue to provide utilities with the flexibility to develop and pilot EV rate designs and other EV programs in order to gather valuable data to assess impacts to the grid and customers. However, the accelerated schedule proposed by ChargeVC-PA to produce a Policy Statement by December 31, 2022, is not necessary in light of these limited near-term grid impacts.

**C. Workshops Should Inform Any Next Steps by the Commission**

At this stage of TE market development, PECO recommends that the Commission initiate a series of informal workshops to gather and analyze information about EV charging rate design developments, challenges and opportunities. Informal workshops will provide a valuable forum for the Commission, utilities, market participants, other stakeholders, experts, and the general public to share information and thoroughly examine the issues raised by the Petition. Through such workshops, the Commission will be in a better position to consider whether developing a Policy Statement addressing rate design for EV charging is an appropriate next step.

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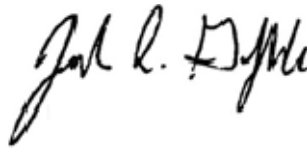
<sup>1</sup> See, COMMONWEALTH OF PA. DEP’T OF TRANSP. BUREAU OF MOTOR VEHICLES, REPORT OF REGISTRATIONS 55-57 (2020) available at <https://www.dot.state.pa.us/public/DVSPubsForms/BMV/Registration%20Reports/ReportofRegistrations2020.pdf>.

If the Commission nevertheless decides to open a proceeding in response to the ChargeEVC-PA Petition, PECO recommends that informal workshops be held in advance of parties filing any comments or the initiation of en banc public hearings. The potential benefits that could result from comments and public hearings can only be fully realized after the parties have had the necessary time and forum for open discussion and education on EV rate design issues and opportunities.

## II. CONCLUSION

PECO appreciates the opportunity to comment on this important matter and believes that the Company's recommendations will provide an opportunity for all interested and affected parties to discuss, identify, and resolve issues raised by expanded EV adoption in Pennsylvania and foster a more clean and efficient grid.

Respectfully Submitted



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*For PECO Energy Company*