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E-File

April 11, 2022

Rosemary Chiavetta, Secretary Pennsylvania Public Utility Commission Commonwealth Keystone Building 400 North Street, 2nd Floor North P.O. Box 3265 Harrisburg, PA 17120-3265

Re: Petition of ChargEVC-PA to Initiate a Proceeding to Consider Issuance of a Policy Statement on Electric Utility Rate Design for

Electric Vehicle Charging Docket No. P-2022-3030743

Dear Secretary Chiavetta:

Enclosed for filing on behalf of PPL Electric Utilities Corporation ("PPL Electric") are PPL Electric's Comments in the above-captioned proceeding. These Comments are being filed pursuant to the March 12, 2022 request for comments issued in the *Pennsylvania Bulletin*.

Pursuant to 52 Pa. Code § 1.11, the enclosed document is to be deemed filed on April 11, 2022 which is the date it was filed electronically using the Commission's Efiling system.

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

Respectfully submitted,

Michael J. Shafer

Enclosure

cc: Certificate of Service

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition to Initiate a Proceeding to

Issue a Policy Statement on : Docket No. P-2022-3030743

Electric Utility Rate Design for :

Electric Vehicle Charging

COMMENTS OF PPL ELECTRIC UTILITIES CORPORATION ON THE CHARGEVC-PA PETITION TO INTIATE A PROCEEDING TO ISSUE A POLICY STATEMENT ON ELECTRIC UTILITY RATE DESIGN FOR ELECTRIC VEHICLE CHARGING

I. <u>INTRODUCTION & BACKGROUND</u>

On February 4, 2022, ChargEVC-PA filed a Petition to Initiate a Proceeding to Issue a Policy Statement on Electric Utility Rate Design for Electric Vehicle Charging¹ ("ChargEVC-PA Petition"). The Petition provides background regarding EV adoption in Pennsylvania, EV growth, benefits of deployment, barriers to entry, and opportunities to advance deployment. The Petition offers a proposed policy statement, questions to be addressed and information requested, and a proposed structure and timing for the proceeding.

On February 25, 2022, the Pennsylvania Public Utility Commission ("Commission") issued a Secretarial Letter seeking comments from interested parties limited to preliminarily addressing whether to initiate such a proceeding and the parameters of the proceeding, if opened.

PPL Electric Utilities Corporation ("PPL Electric" or the "Company") appreciates the opportunity to address the Commission's request at this instance.

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¹ ChargEVC-PA, "Petition to Initiate a Proceeding to Issue a Policy Statement", filed February 4, 2022, Docket No. P-2022-3030743.

II. <u>COMMENTS</u>

PPL Electric is generally supportive of the ChargEVC-PA petition to further discussion on EV rate design. The Company believes this is an important and rapidly evolving topic as EV adoption increases and expects to participate in any proceedings the Commission should initiate.

As ChargEVC-PA noted in its Petition, there is significant effort by vehicle manufacturers to increase production and sales of electric vehicles over the next several years. Additionally, ChargEVC-PA also noted the recently passed Infrastructure Investment and Jobs Act of 2021 ("Act" or "IIJA"). Pub. L. No. 117-58, 135 Stat. 429 (2021). This Act provides many opportunities for advancing electric vehicle infrastructure and adoption in Pennsylvania. As the adoption of electric vehicles increases, it is imperative for Pennsylvania to ensure that infrastructure is available to support EV growth and that education is available to consumers to best utilize their vehicles in a safe and affordable way. PPL Electric believes that EV rate design options play a role for consumers to optimize their vehicles.

Should the PUC decide to initiate a proceeding, ChargEVC-PA proposed a structure that includes:

- 1) Issuance of an Order by the Commission (a) initiating the proposed proceeding to consider issuance of a Policy Statement, (b) propose a Policy Statement, (c) invite comments to be filed by interested parties within 90 days after publication in the Pennsylvania Bulletin,
 - 2) filing of written reply comments within 60 days after initial comments are due,
- 3) an en banc hearing before the full Commission within 30 days after reply comments are due,

4) up to three informal workshops, led by Commission Staff, among interested parties within 60 days after the *en banc* hearing, and

5) issuance by the Commission of a final Policy Statement and publication in the Pennsylvania Bulletin no later than December 2022².

First, as mentioned earlier, PPL Electric anticipates participating in any proceeding that the Commission should open on this topic and as such, would anticipate participation in each of the elements proposed by ChargEVC-PA as appropriate. However, the Company offers that the structure would be improved by providing for informal workshops to be conducted prior to filing comments.

PPL Electric makes this suggestion based on its experience with the Notice of Proposed Rulemaking Order on Amendments to Regulations at 52 Pa. Code §§53.51-53.56 (relating to information to be furnished with the filing of rate changes) at Docket No. L-2012-2317273. The Proposed Rulemaking Order to adopt rules and regulations regarding the information and data to be submitted when a public utility uses a Fully Projected Future Test Year ("FPFTY") is both complex and has many interested parties. In the FPFTY proceeding, the Commission revised its initial Order and interested parties participated in Commission-led workshops prior to filing comments. The workshops provided such value that the Commission issued revised proposed regulations prior to party comments.

PPL Electric suggests a similar approach be taken here – workshops should be held prior to requested comments. This allows parties to better understand areas of commonality and

See ChargEVC-PA Petition, pg. 17.

provides for sharing of experiences regarding efforts already undertaken in this space, such as TOU rates or EV rates. Additionally, holding workshops first allows time for consideration of other relevant documentation on rate design such as NARUC's Manual on Distributed Energy Resources Rate Design and Compensation (the manual recognizes plug-in EVs as distributed resources due to the ability to provide energy back to the grid)³. The workshops may also provide the Commission with the opportunity to assess the need for the other actions proposed by ChargEVC-PA and proceed accordingly.

Finally, ChargEVC-PA in its structure proposed specific timing for comments and reply comments, and ultimately publication in the Pennsylvania Bulletin by no later than December 2022. PPL Electric appreciates ChargEVC-PA's request for urgent action with respect to EV rates. However, there should not be artificial timelines that compromise the process to develop strong policies around EV rates. While Pennsylvania adoption rates, manufacturer announcements and IIJA funding create a sense of urgency, the Company urges the Commission to consider other state efforts that could shed light on electric utility rate design for EV charging and streamline the process without duplicative efforts. Notably, the Pennsylvania Department of Environmental Protection is pursuing initiatives to promote EV adoption in Pennsylvania. Structured and timed appropriately, the Commission could leverage this effort in its own proceeding, should it choose to initiate one⁴.

³ https://www.naruc.org/rate-design/

⁴See https://www.dep.pa.gov/Business/Energy/OfficeofPollutionPrevention/ElectricVehicles/Pages/default.aspx

III. <u>CONCLUSION</u>

PPL Electric supports initiation of a proceeding to advance discussion regarding EV rate design. This is an important component for consumers to optimize their EV energy usage and any proposed policy statement should be broad enough for each utility to offer the options that best meet the needs of its customers and its distribution grid. The Company appreciates the opportunity to provide these Comments and respectfully requests that the Commission take these Comments into consideration in developing its next steps.

Respectfully submitted,

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Date: April 11, 2022 Counsel for PPL Electric Utilities Corporation

CERTIFICATE OF SERVICE

(Docket No. P-2022-3030743)

I hereby certify that a true and correct copy of the foregoing has been served upon the following persons, in the manner indicated, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

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