



Lindsay Baxter
Manager, Regulatory and Clean Energy Strategy
lbaxter@duqlight.com
412-393-6224

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VIA ELECTRONIC FILING

Ms. Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
2nd Floor, Room-N201
400 North Street
Harrisburg, PA 17120

**Re: Electric Utility Rate Design for Electric Vehicle Charging
Docket No. M-2023-3040755**

Dear Secretary Chiavetta:

Enclosed for filing please find Duquesne Light Company's Reply Comments in the above referenced proceeding.

If you have any questions regarding the information contained in this filing, please feel free to contact me.

Sincerely,

Lindsay A. Baxter
Manager, Regulatory and Clean Energy Strategy

Enclosure

cc: Regi Sam rsam@pa.gov
Joseph P. Cardinale, Jr. jcardinale@pa.gov
Tiffany L. Tran, tiftran@pa.gov
Karen Thorne, kathorne@pa.gov

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Electric Utility Rate Design for Electric :
Vehicle Charging : Docket No. M-2023-3040755
 :

**COMMENTS OF
DUQUESNE LIGHT COMPANY**

I. INTRODUCTION

The Pennsylvania Public Utility Commission (“Commission” or “PUC”) adopted a Proposed Policy Statement Order on October 19, 2023, which invited public comment on proposed draft policy statement language related to electric utility rate design for electric vehicle charging. Initial comments were due January 22, 2024, in accordance with the timeline set forth in the Order, following publication in the *Pennsylvania Bulletin*, 53 Pa.B. 7935, December 23, 2023. Reply Comments were invited within sixty (60) days of publication. Twenty-two entities filed original Comments in response to the proposed Policy Statement. Generally, there was support for the draft language, with some suggestions for changes.

II. BACKGROUND

Duquesne Light Company (“Duquesne Light” or “Company”) is a public utility as the term is defined under Section 102 of the Public Utility Code, 66 Pa.C.S. § 102, and is certificated by the Commission to provide electric distribution service in portions of Allegheny and Beaver Counties in Pennsylvania. Duquesne Light provides electric service to approximately 605,000 customers in and around the City of Pittsburgh. Since 2018, the Company has offered programs to facilitate transportation electrification in its service territory. Beginning in June 2021, it has

offered an opt-in time-of-use (“TOU”) rate to customers with an electric vehicle (“EV”) as a component of its default service plan.

As an electric distribution company (“EDC”), the outcome of this proceeding may impact Duquesne Light’s current and future rates and electric vehicle programs. The Company filed comments regarding the draft Policy Statement on January 22, 2024 and respectfully submits these Reply Comments for consideration.

III. COMMENTS

Duquesne Light is generally supportive of the draft Policy Statement. As the Commission finalizes the Policy Statement, the Company encourages it to consider the following:

- **Keep true to the intent of a policy statement.** Several commenters recommended the Commission set requirements in the policy statement, for example for certain rate types, for specific timing by which EDCs should propose an EV-charging specific rate; or for reporting requirements. Duquesne Light believes such requirements are inappropriate in the context of a policy statement and urge the Commission to reject such recommendations.

Any place where specific rate mechanisms are named, for example, it should be clear that these are offered as examples only and are not intended to be prescriptive, nor do they represent an exhaustive list. Similarly, Duquesne Light does not take a position specifically on demand charges, but recommends the Commission speak to this topic broadly as one for consideration by EDCs, rather than creating specific expectations or requirements. Finally, regarding proposed reporting requirements, the Company strongly supports ongoing evaluation of program implementation and sharing of

results with the Commission and interested stakeholders, but believes reporting expectations should be determined in the context of an individual EDC proceeding with input from the parties.

- **Allow flexibility in how rates are proposed** – Both the Office of Consumer Advocate (“OCA”) and the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (“CAUSE-PA”) discuss the coordination between rates that apply to supply, which are most likely to be addressed in a Default Service Proceeding, and distribution rates, which are more likely to be proposed in a base rate proceeding.¹ While Duquesne Light agrees that coordination of various rates may be more complicated in a deregulated energy state, as compared to one that is vertically-integrated, it does not believe this is an insurmountable challenge. EDCs should be provided flexibility to develop rate proposals in the forum and on the timeline that best serves their customers. For example, Duquesne Light has previously proposed a rate design for approval in a proceeding with a deferred implementation date, allowing for coordination with other rates or programs that may be on different timelines.² There is not a “one-size-fits-all” approach that will work best for each EDC and its stakeholders; thus, the Commission should avoid being overly prescriptive on this topic.

¹ Comments of OCA at 4 and CAUSE-PA at 3.

² Base Rate Filing of Duquesne Light Company, Docket No. R-2021-3024750, *Direct Testimony of David B. Ogden, Statement No. 16*.

- **Allow for continued evolution.** Electric Vehicle Service Providers (“EVSP”) proposes the Commission “Provide certainty with long duration rates,” for example 10 years.³ While Duquesne Light understands EVSP’s position, it does not support locking in rate structures for a period of 10 years, particularly for an emerging technology with changing usage patterns.

Sierra Club, in its comments, offers a position counter to EVSP’s, supporting “the Commission’s recommendation that ‘electric vehicle charging distribution and default service generation rates should be flexible and adaptable to changing circumstances and technologies,’ and its directive that EV rate structures ‘should be periodically reviewed and adjusted . . . to ensure that they remain fair, cost-effective and efficient.’”⁴ The Electrification Coalition also speaks to this point, noting the importance of forecasting to determine “when market share has changed enough to warrant reevaluation of EV charging rate design.”⁵

- **Data specifications deserve additional consideration, outside of this proceeding.** In its initial comments, DLC noted that there is opportunity for additional consideration of data specifications, including the potential for use of alternative sources of data, such as vehicle telematics or charging station data. However, the Company did not believe the Policy Statement was the appropriate place for setting these specifications; rather, a working group or separate process may be more

³ Comments of EVSC at 8.

⁴ Comments of Sierra Club at 2.

⁵ Comments of Electrification Coalition at 1.

appropriate. Commenters Weave Grid and MCR Performance Solutions also discuss the potential value of having alternatives to a second revenue-grade meter.⁶ The Company encourages the Commission to give additional thought to how alternatives to a second meter may be used to cost-effectively enable EV charging rates.

IV. CONCLUSION

Duquesne Light supports a policy statement that encourages adoption of rates designed to ensure electric vehicle charging occurs in a way that is beneficial to the distribution system. The proposed language is in keeping with the intent of a policy statement – to provide a “guidepost” and direction. The Company encourages the Commission to avoid prescriptive elements in the final Policy Statement, allowing each individual EDC, with input from its stakeholders, the ability to craft a proposal that best meets the needs of its service territory.

Respectfully submitted,



Lindsay A. Baxter
Manager, Regulatory and Clean Energy Strategy
Duquesne Light Company
411 Seventh Avenue, Mail Drop 15-7
Pittsburgh, PA 15219
lbaxter@duqlight.com
Tel. (412) 393-6224

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⁶ See Weave Grid at 3-4 and MCR at 5-7.