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VIA ELECTRONIC MAIL

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**Re: Petition 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**

To the Electric Vehicle Rate Design Working Group:

UGI Utilities, Inc. – Electric Division (“UGI Electric” or the “Company”) submits these informal comments as a member of the Electric Vehicle Charging Rate Design Working Group (“Working Group”). The Working Group was created in response to the Pennsylvania Public Utility Commission’s (“Commission”) Order entered on December 1, 2022 (“Order”),¹ whereby the Commission’s Bureau of Technical Utility Services (“TUS”) was required to “convene an electric vehicle charging rate design working group of interested parties, including, but not limited to, the Parties to this docket, to discuss electric vehicle rate design.”² The purpose of the Working

¹ See *Petition to Initiate a Proceeding to Consider Issuance of a Policy Statement on Electric Vehicle Rate Design for Electric Charging*, Docket No. P-2022-3030743 (Order entered December 1, 2022).

² *Id.* at Ordering Paragraph 2.

Group is to explore Electric Vehicle (“EV”) rate design issues.³ Specifically, the Commission supported investigating “rate designs that advance effective management of energy and infrastructure.”⁴ Ultimately, the Commission decided that an informal stakeholder process to review EV rate issues should precede any formal one.⁵

On December 21, 2022, the Commission issued a Secretarial Letter scheduling an informal Working Group meeting on January 25, 2023, and requested that the recommendations of the Working Group, regarding EV rate design, be filed in this docket no later than March 31, 2023. At that meeting, parties were invited by TUS to submit informal comments regarding recommendations for a Commission-issued policy statement on EV rate design. As a regulated Electric Distribution Company (“EDC”) in Pennsylvania subject to the Commission’s authority and jurisdiction and a member of the Working Group, UGI Electric appreciates the opportunity to provide these recommendations and is committed to continuing its efforts to facilitate the efficient adoption and integration of EVs in the Company’s service territory.

UGI Electric supports the implementation of a Commission-issued policy statement regarding EV rate design. In addition to its Comments and recommendations that were filed on or around April 11, 2022, the Company respectfully submits the following informal comments and recommendations.

1. The Commission should prioritize consumer engagement and education to support the expansion of the EV market in a safe, equitable, and efficient manner. EV rates alone will not be an effective means to achieve an expanded EV market that is safe and equitable. A focused effort on public outreach and education is central to achieving this goal. Based on

³ *Id.* at 16.

⁴ *Id.* at 17.

⁵ *Id.*

UGI Electric’s experience, there is a significant public lack of awareness about how EV charging works and how EV vehicle battery and range dynamics are part of EV charging considerations, which likely will be compounded by the adoption of EV specific rate designs. At a minimum, consumers must be educated regarding the proper utilization of various EV rates. This education should explain how such rate mechanisms could minimize the associated load growth impact on the electrical distribution system in a cost-effective manner. Customers also need to understand that responsible EV charging (e.g., charging during off peak hours) can reduce energy and load growth costs. Furthermore, the public would benefit from clear and concise information regarding how different infrastructure options are being funded and the options available to consumers who are interested in becoming EV owners or EV charging station providers. The Commission and other federal and state agencies should spearhead this necessary public outreach and education, where possible in conjunction with EV manufacturers and retailers. EDCs will also play an important role in educating consumers; however, EDCs should not be the only point of education for consumers. Additionally, the Commission should look to support EDCs with full and current cost recovery for activities related to the education of the public regarding EV technologies, EV rates, and any other efforts related to customer engagement and education that facilitates the adoption of EVs.

2. The Commission should not adopt a mandatory EV rate design, and each EDC should be allowed to address the specific needs of its customers and service territory. The Company agrees with the position provided informally by the Office of Consumer Advocate (“OCA”) that a one-size-fits-all approach to EV rate design is unreasonable, inappropriate, and may be harmful to the equitable integration of EVs. Individual EDCs are better situated

to design rates that address the specific needs of its customers and overall service territory. Moreover, and as stated in its prior comments,⁶ EDCs with 100,000 customers or less are not required to implement or utilize smart meter technology.⁷ The lack of smart meter technology for small EDCs should be considered as part of the overall consideration of certain rate design implementations (*i.e.*, Time Of Use rates). While UGI does not believe it necessary, should the Commission adopt a mandatory rate design for EVs that relies upon smart meter technology, then the Commission should affirm that small EDCs without such metering technology are exempt from that requirement.

The Company appreciates the opportunity to provide these informal comments and supports a Commission-issued policy statement regarding EV rate designs.

Respectfully submitted,



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⁶ See UGI Electric's Comments in re: *Petition of ChargeVC-PA to Initiate a Proceeding to Issue a Policy Statement on Electric Utility Rate Design for Electric Vehicle Charge*, Docket No. P-2022-3030743, at 5 (April 11, 2022).

⁷ See 66 Pa.C.S. § 2807(f)(6).