PENNSYLVANIA PUBLIC UTILITY COMMISSION Harrisburg, Pennsylvania 17120

Petition to Initiate a Proceeding to Consider Issuance of a Policy Statement on Electric Utility Rate Design for Electric Vehicle Charging Public Meeting November 10, 2022 3030743-LAW Docket No. P-2022-3030743

STATEMENT OF COMMISSIONER RALPH V. YANORA

Before the Pennsylvania Public Utility Commission (Commission) today is the Petition of ChargEVC-PA (Petitioners) requesting that the Commission initiate a proceeding that will result in issuance of a Policy Statement on electric utility rate design for electric vehicle (EV) charging in Pennsylvania. While I keep an open mind on this topic, I continue to support a cost-based approach to rate design that reflects the actual use of the electric grid.

If widely adopted, the demands of EV charging have the potential to alter current electric demand curves in perhaps unpredictable ways. I agree that the Commission should consider how electric distribution companies can ensure that EV rates align with any costs or benefits that EVs may impose on jurisdictional utility electric service. I am pleased that the Petitioners likewise acknowledge this critical consideration. As the Petitioners and commenters have stated, there are many regulatory considerations involved in evaluating the effects of EV charging on regulated electric service. While I agree that it is appropriate to consider these matters now, I also believe it necessary to narrow the discussion here to rate design alone. In particular, I agree that the following questions, posed by the Petitioners, are appropriate to frame the discussion:

General Questions

- 1. Should the Commission adopt minimum filing requirements for EV rate design proposals?
- 2. What goals should the Commission focus on in reviewing utility proposals for EV rates?
- 3. Should the EV charging rates be designed as part of the rate otherwise charged to the customer (e.g., a "whole-home" rate), or designed as a standalone EV rate, which requires a separate meter and billing?
- 4. Should the rates as designed be default or opt in? Should EV-specific rates be required for those customers participating in other approved utility EV programs?
- 5. Should the EV-specific rates vary by season (summer, winter)?
- 6. What opportunities are there for managed charging, and what role should EDC rates play in managed charging?
- 7. How should rate design for supply and distribution be aligned (if at all)?
- 8. How can EV charging be aligned with renewable energy production?
- 9. Should eligibility to participate in utility-offered EV incentive programs be tied to utilization of EV-specific rates?
- 10. How should low-income and equity considerations be considered for EV-specific rate design?

Residential Rate Questions

- 11. What types of rate design are optimal for residential EV charging?
- 12. What are the potential benefits of optimal rate designs?
- 13. What are the costs associated with various rate design options?
- 14. What are best practices in designing an EV specific rate?
 - a. Hours for peak, off-peak, and super off-peak periods (includes length of period)
 - b. Communications to customers for education, enrollment, and changes
- 15. How often should customers be permitted to switch rate plans once enrolled?
- 16. What metering capability is needed for various rate design options, and should customers be required or have the option to separately meter EV consumption from the house load?
- 17. Should the Commission entertain rate design pilot proposals or just move directly into new EV rate designs?

Commercial, Industrial and Public Charging Rate Questions

- 18. What types of rate design are optimal for commercial and industrial EV charging?
- 19. Should utilities require a specific separate rate for direct current fast charge ("DCFC") stations? If so, should the rate designs recognize issues related to demand charges and station economics in periods of low utilization?
- 20. Should the Commission consider specific separate tariffs for workplace, fleet, or electrified mass transit?¹

As the Public Utility Code requires, I believe that the Commission can and should support public accommodation and convenience in a manner that reflects the actual and practical uses of the electric grid by establishing market-based rate designs. This may include accommodating the wide-spread public adoption of EV's and their charging demands. As this statement makes clear, I agree with the Petitioners that rate designs should be cost-based and not include subsidies. Safeguards need to be in place so that the benefits espoused by the Petitioners may be achieved as an organic realization of the economic needs of our citizens.

Date: November 10, 2022

RALPH V. YANORA, COMMISSIONER

_

¹ Petition at pp. 15-16.