PENNSYLVANIA PUBLIC UTILITY COMMISSION Harrisburg, Pennsylvania 17105-3265

Petition to Initiate a Proceeding to Consider Issuance of a Policy Statement of Electric Utility Rate Design for Electric Vehicle Charging

Public Meeting of May 18, 2023 3030743-LAW Docket No. P-2022-3030743

JOINT STATEMENT OF VICE CHAIRMAN STEPHEN M. DEFRANK AND COMMISSIONER KATHRYN L. ZERFUSS

Before the Commission is the Petition of ChargEVC-PA, filed on February 4, 2022, requesting the initiation of a proceeding that would result in the issuance of a Policy Statement on electric utility rate design for electric vehicle (EV) charging in Pennsylvania.

EV adoption continues to grow considerably in the Commonwealth, with 43,725 battery and 23,839 plug-in hybrid EVs registered as of March 2023, according to the Pennsylvania Department of Transportation (PennDOT). As well, incentives for both EVs and charging stations are continuing to be distributed right here in Pennsylvania from the federal government, the Commonwealth itself, and a number of electric distribution companies. The Pennsylvania Department of Environmental Protection has provided financial assistance to approximately 1,860 Level 2 Charging plugs at over 500 locations in the Commonwealth since 2018 and to 32 direct current (DC) fast charging projects since 2019. Further, PennDOT received approval of its National Electric Vehicle Infrastructure Formula Program (NEVI Program) by the Federal Highway Administration in September of 2022. The NEVI Program will disburse \$171.5 million per year over five years with an initial focus on DC fast charging stations and infrastructure located near highway corridors.²

This impending sea-change in the transportation sector presents an opportunity for our electric utilities as increased consumption from EVs can work to defray traditional customer distribution system costs. However, this new consumption will have a unique demand profile, particularly from the DC fast charger stations. Therefore, it is incumbent on this Commission and the regulated electric utility industry to consider and adopt rate structures that foster the most effective and equitable use of the distribution grid to the benefit of all consumers. We believe the issuance of a policy statement can assist in properly aligning EV charging demand with distribution system cost of service.

¹ Information presented at April 26, 2023 Department of Environmental Protection Drive Electric Pennsylvania Coalition Meeting. https://www.dep.pa.gov/Business/Energy/OfficeofPollutionPrevention/State-Energy-Plan/Pages/Drive-Electric-PA-Coalition.aspx

² www.penndot.pa.gov/ProjectAndPrograms/Planning/EVs/Pages/NEVI.aspx

To this end, we support the initiation of a proceeding to issue a Policy Statement on electric utility rate design for EV charging.

DATE: May 18, 2023

Stephen M. DeFrank, Vice Chairman

Kathryn I Zerfuss, Commissioner