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AN EXELON COMPANY

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March 30, 2023

VIA eFILING

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17105-3265

**Re: Petition of PECO Energy Company for Expedited Approval to Extend the
Electric Vehicle DCFC Pilot Rider by 18 Months
Docket No. P-2023-**

Dear Secretary Chiavetta:

Enclosed please find the **Petition of PECO Energy Company for Expedited Approval to Extend the Electric Vehicle DCFC Pilot Rider by 18 Months** ("Petition") in the above-referenced matter. The Petition has been served as indicated on the enclosed Certificate of Service.

If you have any questions, please contact me directly at 267-533-1775.

Very truly yours,

Caroline S. Choi

Enclosures

c: Per the Certificate of Service (w/encls.)

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

PETITION OF PECO ENERGY :
COMPANY FOR EXPEDITED :
APPROVAL TO EXTEND THE : **DOCKET NO. P-2023-**
ELECTRIC VEHICLE DCFC PILOT :
RIDER BY 18 MONTHS :

CERTIFICATE OF SERVICE

I hereby certify and affirm that I have this day served copies of the **Petition of PECO Energy Company for Expedited Approval to Extend the Electric Vehicle DCFC Pilot Rider by 18 Months** on the persons listed below, in the manner specified in accordance with the requirements of 52 Pa. Code §1.54:

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Dated: March 30, 2023

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

PETITION OF PECO ENERGY :
COMPANY FOR EXPEDITED :
APPROVAL TO EXTEND THE : **DOCKET NO. P-2023**
ELECTRIC VEHICLE DCFC PILOT :
RIDER BY 18 MONTHS :

**PETITION OF PECO ENERGY COMPANY FOR EXPEDITED APPROVAL TO
EXTEND THE ELECTRIC VEHICLE DCFC PILOT RIDER BY 18 MONTHS**

I. INTRODUCTION

PECO Energy Company (“PECO” or the “Company”), pursuant to 52 Pa. Code § 5.41, hereby petitions the Pennsylvania Public Utility Commission (the “Commission”) for expedited approval to extend by eighteen (18) months the duration of PECO’s existing Electric Vehicle DCFC Pilot Rider (the “EV-FC Pilot Rider” or “Rider”).

The EV-FC Pilot Rider is a five-year program designed to support customer installation of publicly available, public transit, or workplace fleet electric vehicle Direct Current Fast Chargers (“DCFCs”) through reduced customer demand charges for a 36-month period after a customer installs a DCFC, or until the end of the pilot on June 30, 2024 (whichever comes first). By extending the pilot program through December 31, 2025, the Company will be able to provide customers who are installing DCFCs with reduced demand charges for a longer period and thereby support the increased availability of DCFCs in Pennsylvania, including new DCFCs that will be installed using Pennsylvania’s allocation of federal funds under the National Electric Vehicle Infrastructure (“NEVI”) program.

In support of this Petition, PECO states as follows:

II. BACKGROUND

1. PECO is a corporation organized and existing under the laws of the Commonwealth of Pennsylvania with its principal office in Philadelphia, Pennsylvania. PECO provides electric delivery service to approximately 1.6 million customers and natural gas delivery service to more than 511,000 customers in Pennsylvania.

2. The EV-FC Pilot Rider was originally approved as part of a partial settlement in PECO's 2018 electric base rate proceeding.¹ Pursuant to the Rider, PECO applies a demand (kW) credit initially equal to 50% of a DCFC's nameplate capacity rating for commercial and industrial customers served under Rate GS, PD, or HT who install a qualifying DCFC. The demand credit is available for a 36-month term or until the pilot ends on June 30, 2024, whichever comes first. PECO collects data on DCFCs enrolled in the pilot, including the number of DCFCs installed, the number of charging ports in each DCFC, the DCFC nameplate capacity (kW), hourly and monthly usage (kWh), and the hourly and monthly demand (kW).

3. In PECO's 2021 electric base rate proceeding, the availability of the Rider was expanded to include DCFCs used to charge public transit vehicles.²

III. EV-FC PILOT RIDER IMPLEMENTATION

4. As of January 31, 2023, 29 customer accounts were enrolled in the EV-FC Pilot Rider. The enrolled accounts represent a total of 197 DCFC charging ports.

¹ See *Pennsylvania Public Utility Commission v. PECO Energy Company – Electric Division*, Docket No. R-2018-3000164 (Order entered Dec. 20, 2018).

² See *Pennsylvania Public Utility Commission v. PECO Energy Company – Electric Division*, Docket No. R-2021-3024601 (Order entered Nov. 18, 2021).

5. Customer enrollment in the EV-FC Pilot Rider was initially slow when the pilot began in 2019, but enrollment has increased in recent years. Due to a combination of long lead times to develop DCFC charging stations and construction delays from the COVID-19 pandemic, no sites were energized in 2019, and only three sites were energized in 2020. Fifteen new sites came online in 2021, ten new sites came online in 2022, and one new site has so far come online in 2023.

6. As a result of this enrollment history, only 45% of currently-enrolled customer accounts will receive the full 36 months of Rider benefits if the pilot ends on June 30, 2024. Specifically, only 13 of the 29 accounts (representing 104 charging ports) were enrolled in the Rider as of July 2021, and accordingly, only those 13 accounts would receive the full 36 months of demand charge credits before the pilot is scheduled to expire.

7. The Company expects substantial new participation in the EV-FC Pilot Rider in 2023. Customers already have submitted approximately 50 service and meter applications for DCFC charging sites in 2023, representing approximately 350 new DCFC charging ports, which would be eligible for the EV-FC Pilot Rider.

8. Furthermore, significant new resources will soon be available to customers seeking to install DCFCs in the Commonwealth. Under the federal Infrastructure Investment and Jobs Act of 2021, Pennsylvania will be receiving approximately \$171 million for the purpose of establishing a network of strategic EV fast chargers along primary travel corridors in the state.³ While the program, known as NEVI, provides federal cost-share resources to support the

³ See generally <https://www.penndot.pa.gov/ProjectAndPrograms/Planning/EVs/Pages/NEVI.aspx>

establishment of DCFCs, it does not address ongoing costs associated with operating these stations, such as demand charges.⁴

9. The Pennsylvania Department of Transportation is accepting applications for the initial round of NEVI funding from March 27, 2023 through May 5, 2023.⁵

10. Extending the pilot for an additional 18 months to December 31, 2025, would permit an additional 15 existing customer accounts (representing 85 DCFC charging ports) to receive pilot benefits for a full 36 months instead of losing pilot benefits on June 30, 2024.⁶ The extension would also permit the Company to provide meaningful demand charge relief to customers whose applications are currently in the pilot enrollment pipeline and thereby support the Commonwealth's ongoing efforts to incentivize DCFC development.

11. PECO also notes that the Commission is leading an ongoing effort to consider electric vehicle charging rate design issues. On February 4, 2022, ChargeEVC-PA filed a Petition to initiate a formal policy statement on electric utility rate design for electric vehicle charging in Pennsylvania. *See* Docket No. P-2022-3030743. On December 1, 2022, the Commission entered an Order which, among other things, directed: (1) the creation of an EV Charging Rate Design Working Group; and (2) the preparation of an order considering ChargeEVC-PA's request for a

⁴ The Pennsylvania State Plan for Electric Vehicle Infrastructure Deployment (p. 48) has acknowledged that demand charges can be an issue impacting EV charger deployment. *See* [https://www.penndot.pa.gov/ProjectAndPrograms/Planning/EVs/Documents/Final%20PA%20NEVI%20State%20Plan%20\(ver%207-21-2022\).pdf](https://www.penndot.pa.gov/ProjectAndPrograms/Planning/EVs/Documents/Final%20PA%20NEVI%20State%20Plan%20(ver%207-21-2022).pdf) ("With support of utility companies and the Joint Office, PennDOT will continue to explore ways that demand charges can be better addressed within the NEVI Formula Program."). In 2023, the Joint Office of the U.S. Department of Transportation and U.S. Department of Energy is also expected to issue a Funding Opportunity Announcement for a \$2.5 billion competitive grant program to incentivize the development of charging infrastructure in disadvantaged communities. <https://www.transportation.gov/rural/ev/toolkit/ev-infrastructure-funding-and-financing/federal-funding-programs> Prospective projects under this program would also face challenges in terms of ongoing operating costs.

⁵ *See* <https://www.penndot.pa.gov/ProjectAndPrograms/Planning/EVs/Pages/Apply.aspx>

⁶ The remaining account (representing 5 charging ports), which enrolled in the Rider in 2023, would not receive 36 months of the demand charge credit if the pilot were extended to December 31, 2025.

policy statement and the Working Group’s recommendations relative to electric vehicle rate design by June 1, 2023. The Working Group’s activities are ongoing.⁷ Extending the pilot 18 months to December 31, 2025, would provide PECO with additional time to assess and act on any policy statement that may be issued while continuing to provide demand charge relief to customers.

12. In preparation for this filing, PECO invited all parties to the 2021 electric base rate proceeding to a virtual meeting on February 27, 2023, in order to present and discuss the proposed extension of the Rider. The meeting was attended by representatives of the following parties from the Company’s 2021 electric base rate proceeding, as well as ChargeEVC-PA: the Office of Consumer Advocate (“OCA”), ChargePoint, Inc. (“ChargePoint”), the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (“CAUSE-PA”), the Philadelphia Area Industrial Energy Users Group (“PAIEUG”), the Retail Energy Supply Association and NRG Energy, Inc. (“RESA/NRG”), the Tenant Union Representative Network (“TURN”), and Walmart Inc. (“Walmart”). PECO held an additional briefing on March 13, 2023, for the Office of Small Business Advocate (“OSBA”).

13. PECO shared a draft of this Petition with all parties to the 2021 base rate proceeding and no parties expressed opposition to the Petition.⁸

⁷ See <https://www.puc.pa.gov/electricity/electric-vehicles/>.

⁸ ChargePoint supports the Petition and the following parties have indicated that they do not oppose the Petition: the Commission’s Bureau of Investigation and Enforcement, OCA, OSBA, PAIEUG, CAUSE-PA, TURN, RESA, Calpine, CEA, and Walmart. The Trustees of the University of Pennsylvania and The Hospital at the University of Pennsylvania take no position on the Petition.

IV. REQUEST FOR EXPEDITED CONSIDERATION

14. PECO requests that the Commission consider this Petition on an expedited basis to provide certainty to existing and potential EV-FC Pilot Rider participants regarding the availability of the Rider and its associated demand charge reductions in 2024 and to facilitate customer investment decisions regarding new DCFC installations in 2025. If the Commission approves this extension, PECO will promptly submit a compliance tariff filing reflecting the extension of the EV-FC Pilot Rider to December 31, 2025.

V. NOTICE

15. PECO is serving copies of this filing on all parties to the Company's electric base rate proceedings at Docket Nos. R-2021-3024601 and R-2018-3000164.

VI. CONCLUSION

Based upon the foregoing, PECO respectfully requests that the Commission grant this Petition and approve an 18-month extension of the EV-FC Pilot Rider to December 31, 2025.

Respectfully submitted,



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Dated: March 30, 2023

Counsel for PECO Energy Company

VERIFICATION

I, Richard G. Webster, Jr., hereby declare that I am the Vice President of Regulatory Policy and Strategy for PECO Energy Company; that, as such, I am authorized to make this verification on its behalf; that the facts set forth in the foregoing Petition are true and correct to the best of my knowledge, information and belief; and that I make this verification subject to the penalties of 18 Pa.C.S. § 4904 pertaining to false statements to authorities.

A handwritten signature in blue ink, consisting of the initials 'RW' followed by a long horizontal flourish.

Dated: March 30, 2023

Richard G. Webster, Jr.