



August 23, 2023

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

**Re: Petition of PECO Energy Company for Expedited Approval to Modify the Electric Vehicle Charging Pilot
Docket No. P-2023-3040238**

Dear Secretary Chiavetta:

This firm represents Electrify America, LLC (“Electrify America”). The purpose of this correspondence is to advise the Pennsylvania Public Utility Commission (“Commission” or “PUC”) that Electrify America withdraws its Petition to Intervene filed May 17, 2023 (“Petition”) in the above-captioned proceeding (a copy of the now-withdrawn Petition is attached hereto as Exhibit A). The basis for Electrify America’s withdrawal is that PECO advised Electrify America that its Petition would result in a contested case, and in order to avoid initiating a contested case, Electrify America is revoking its submission. As stated in the Petition, Electrify America does not protest or otherwise object to the proposed modifications to PECO’s DCFC Pilot Rider, and Electrify America never intended to initiate a contested case. Accordingly, and for the avoidance of doubt, Electrify America supports the PUC’s approval of PECO’s Petition to Modify its Electric Vehicle Charging Pilot.

Electrify America looks forward to continued collaboration and participation with other stakeholders to promote a supportive utility environment for electric vehicle (“EV”) charging in Pennsylvania. Electrify America’s investment in Pennsylvania depends in part on sustainable economics for the private market of EV infrastructure. Utility rates and incentives should be structured to support infrastructure development in order to best align with Commonwealth public policy and ensure the financial sustainability of EV infrastructure operation. Incentivizing EV infrastructure and structuring particular rates for public charging stations are critical steps to allow the Commonwealth to realize its transportation electrification goals.¹

Traditional demand charges pose a significant barrier to achieving transportation electrification goals. This is because demand charges are often one of the most significant cost

¹ See Pennsylvania Department of Environmental Protection, *Electric Vehicles in PA*, available at <https://www.dep.pa.gov/Business/Energy/OfficeofPollutionPrevention/ElectricVehicles/Pages/default.aspx> (stating that the Pennsylvania Department of Environmental Protection “acknowledges the significant role that electric vehicles (EV) will play in Pennsylvania’s transportation future” and finding that “boosting consumer confidence in EVs with a strategic rollout of EV charging stations to meet the projected demand” is vital “to support a regional clean transportation network”).

factors in direct current fast charging (“DCFC”) station operation, determining whether charging companies have the financial capacity to generate a return on investment and open new locations. Demand charges are a critical barrier to the widespread electrification of the transportation sector. These charges, assessed on peak energy consumption during a billing period rather than quantity of electricity used, pose a special economic challenge for high-power, low-utilization uses such as DC fast charging. Demand charge credits have the potential to provide relief to encourage the private market for DCFC stations. Electrify America and some stakeholders have recommended in the Commission’s Policy Statement proceeding, that “the Commission should explicitly address rate design alternatives to demand rates in a policy statement on EV charging rate design.”²

In a separate or future PUC proceeding, Electrify America would recommend adjustments to PECO’s tariff regarding the demand charge credits offered by PECO through its Pilot Rider. Modifications to the tariff would ensure that PECO’s demand charge credit program fully addresses the barrier that demand charges impose on public DCFC stations. Principally, Electrify America suggests tariff language billing practices that ensure certainty and reduce volatility, as predictable rates and costs for operation allow charging companies to sustainably manage their charging stations.³ PECO’s discretion to adjust or modify demand credits introduces surprises to charging companies, making it difficult to plan or otherwise anticipate increased costs. As discussed above and in Electrify America’s Petition, the reduction of burdensome demand charges is key to the economic success of the private market of charging companies, and any discretion or alteration of these vital credits has the potential to introduce unwarranted volatility and counterproductive forces to charging companies. Further, PECO bases contract demand provisions on nameplate capacity. Many charging stations are anticipating faster-charging EVs that automakers are bringing to market, in addition to requirements for funding pursuant to the National Electric Vehicle Infrastructure Standards and Requirements (“NEVI”). These high-powered EV charging stations have more limited opportunities to receive demand charge relief if contract demand provisions are based on nameplate capacity. There have also been issues regarding the appropriate Procurement Class assignment and Generation Capacity Tags for Peak Load Contribution (PLC) assigned to new DCFC station accounts. The Procurement Class assignments directly affect whether new stations are able to receive the intended benefits of PECO’s program. Generally speaking, by focusing on actual measured demand, Electrify America would be better positioned to realize the intended benefits of DCFC-specific rates or available demand credits. Ultimately, the goal of Electrify America and other charging companies is to ensure predictable billing practices that reduces volatility from demand charges or unnecessary discretion by the electric distribution companies in administering DCFC-specific programs.

Again, and for the avoidance of doubt, Electrify America withdraws its Petition for the purpose of avoiding the initiation of a contested case. Electrify America agrees that these recommendations and issues identified above should be addressed in a separate PUC proceeding,

² Pennsylvania Public Utility Commission, *Recommendations of the Electric Vehicle Charging Rate Design Working Group*, Docket No. P-2022-3030743, at p. 17 (March 29, 2023). The Commission has since granted the request to initiate a proceeding that will result in the issuance of a Policy Statement on electric utility rate design for EV charging in Pennsylvania.

³ PECO’s tariff provides it with discretion to modify demand credits under the DCFC Pilot Rider, which leads to surprise changes and does not afford charging companies the ability to accurately predict operation costs. *See* PECO Tariff PUC No. 7, Original Page 84.

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or as part of a Commonwealth-wide proceeding to establish a consistent framework for DCFC rate structures. A strong private market of charging companies will allow the Commonwealth to achieve its transportation electrification policy goals.

Electrify America appreciates the efforts undertaken by the Commission and all involved stakeholders seeking to increase EV and DCFC infrastructure and promote greater EV adoption. Therefore, Electrify America respectfully withdraws its Petition.

Sincerely,

COZEN O'CONNOR



By: William Lesser (PA ID # 332951)

WL

cc: Service List

EXHIBIT A

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

PETITION OF PECO ENERGY COMPANY :
FOR EXPEDITED APPROVAL TO MODIFY : **Docket No. P-2023-3040238**
THE ELECTRIC VEHICLE CHARGING :
PILOT :

NOTICE TO PLEAD

You are hereby advised that, pursuant to 52 Pa. Code § 5.66, you may respond to the enclosed Petition to Intervene of Electrify America, LLC within twenty (20) days after the date of service. Your answer should be filed with the Secretary of the Pennsylvania Public Utility Commission, Commonwealth Keystone Building, 400 North Street, Harrisburg, PA 17120. A copy should also be served on the undersigned counsel.

Dated: May 17, 2023

Respectfully submitted,



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**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

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ELECTRIFY AMERICA, LLC’S PETITION TO INTERVENE

AND NOW COMES Electrify America, LLC (“Electrify America”), pursuant to 52 Pa. Code §§ 5.71-5.76, to file this Petition to Intervene in the above-referenced proceeding (the “EV Charging Pilot Proceeding”). Electrify America operates Direct Current Fast Charging (“DCFC”) stations within the service territory of PECO Energy Company (“PECO”). Accordingly, Electrify America is directly impacted by PECO’s proposal to modify its EV Charging Pilot, particularly the proposal to establish a Public Benefit Program to provide incentives for certain L2 and DCFC stations, and therefore has an interest in the above-captioned proceeding. PECO filed a related petition relating to electric vehicles (“EVs” or “EV”), namely its Petition for Expedited Approval to Extend the Electric Vehicle DCFC Pilot Rider by 18 Months, Docket Number P-2023-3039439 (“DCFC Pilot Rider Extension Proceeding”). On April 19, 2023, Electrify America submitted a Petition to Intervene in the DCFC Pilot Rider Extension Proceeding (“April Petition to Intervene”) that includes comments requesting modification of the DCFC Pilot Rider,¹ which Electrify

¹ In its April 19, 2023 Petition to Intervene, Electrify America recommends improvements to the DCFC Pilot Rider, namely that (i) contract demand should not be set at nameplate capacity, which limits the ability of charging companies to benefit from demand charge credits; (ii) initial Procurement Class assignments and corresponding Generation Capacity Tags for Peak Load Contribution should reflect the current Procurement Class 3 as set forth in PECO’s Default Service Plan as opposed to a legacy Procurement Class 4; and (iii) PECO’s reservation of rights to modify and reduce demand credit values without advance notice or further participation introduces too much volatility that undermines that efficacy of such demand charge credits for DCFC charging companies. Further information and context concerning these recommended improvements are contained within Electrify America’s April Petition to Intervene.

America now seeks to incorporate into the present Petition to Intervene by way of reference. As one of the leading companies in EV public charging stations, Electrify America has a direct interest in the adoption and proliferation of EVs and in the success of the private market of charging companies that is necessary to achieve transportation electrification goals. Electrify America does not protest or otherwise object to PECO's Petition to modify the EV Charging Pilot. However, Electrify America seeks to intervene because it has an interest that may be directly impacted by the EV Charging Pilot Proceeding, which is not adequately represented by existing participants, and as to which Electrify America may be bound by the action of the Pennsylvania Public Utility Commission ("Commission" or "PUC") in this proceeding.

In support whereof, Electrify America states:

1. Electrify America, the largest open DCFC network in the United States, is investing more than \$2 billion over ten years on Zero Emissions Vehicle ("ZEV") infrastructure, education and awareness. This investment will enable millions of Americans to discover the benefits of electric driving and support the build-out of a nationwide network of ultra-fast community and highway chargers that are convenient and reliable. To date, Electrify America has built a coast-to-coast network of DCFC stations across over 780 locations and with over 3,330 individual DC fast chargers in total, including 21 locations with 86 individual DC fast chargers in Pennsylvania. Within PECO's service territory, Electrify America currently operates 9 stations with 38 individual DC fast chargers. The chargers range from 150 kW to 350 kW of power based on anticipated needs and use cases, as well as available real estate and power. The ultra-fast 350 kW chargers are the most powerful public chargers on the market today, capable of recharging speeds close to gasoline fueling.

2. Electrify America anticipates further expansion in Pennsylvania, particularly given the presence of major highway corridors, metropolitan areas, and the expected influx of \$171 million dollars in Federal funding through the National Electric Vehicle Infrastructure (“NEVI”) Formula Program.² Electrify America is uniquely situated as a non-proprietary charging network capable of providing up to 350 kW to capable vehicles in Pennsylvania, and more broadly is one of few charging networks statewide providing the fastest and most customer-friendly refueling speeds. Faster refueling speeds are widely recognized as instrumental in allowing the Commonwealth (and country) to realize its EV adoption and transportation electrification goals.

3. In Pennsylvania, the Department of Environmental Protection “acknowledges the significant role that EVs will play in Pennsylvania’s transportation future” and finds that “boosting consumer confidence in EVs with a strategic rollout of EV charging stations to meet the projected demand” is vital “to support a regional clean transportation network.”³ The Pennsylvania Electric Vehicle Roadmap provides that “having more charging stations available in workplace and public locations will go a long way to help current electric vehicle owners maximize their vehicle’s capabilities and decrease range anxiety for people considering an electric vehicle purchase.”⁴ This is in line with Federal policy under recent infrastructure law investments and executive orders to develop a national network of 500,000 EV chargers along highways and in communities.⁵ Public

² See PA PUC Docket P-2023-3039439, PECO Petition for Expedited Approval to Extend the Electric Vehicle DCFC Pilot Rider by 18 Months, p. 3.

³ Pennsylvania Department of Environmental Protection, *Electric Vehicles in PA*, <https://www.dep.pa.gov/Business/Energy/OfficeofPollutionPrevention/ElectricVehicles/Pages/default.aspx>

⁴ Pennsylvania Department of Environmental Protection, *Pennsylvania Electric Vehicle Roadmap: 2021 Update*, at p. 6, <https://files.dep.state.pa.us/Energy/OfficeofPollutionPrevention/StateEnergyProgram/PAElectricVehRoadmapBookletDEP5334.pdf>

⁵ Fact Sheet, *Biden-Harris Administration Announces New Standards and Major Progress for a Made-in-America National Network of Electric Vehicle Chargers* (Feb. 15, 2023), <https://www.whitehouse.gov/briefing-room/statements-releases/2023/02/15/fact-sheet-biden-harris-administration-announces-new-standards-and-major-progress-for-a-made-in-america-national-network-of-electric-vehicle-chargers/>

policy for the Commonwealth and the United States strongly support a nationwide buildout of public fast charging stations in order to confront the climate crisis through transportation electrification.

4. Proceedings before the Commission have focused on the Commission’s potential to develop a Policy Statement on electric utility rate design for EV charging. *See* Docket No. P-2022-3030743. Electrify America has participated in a working group to provide joint stakeholder recommendations on an EV policy statement to the Commission, which recommendations were published in the form of a working group report on March 29, 2023.⁶ In the working group report, Electrify America and a broad group of stakeholders recommend, among other things, that “the Commission should explicitly address rate design alternatives to demand rates in a policy statement on EV charging rate design” (p. 17). Electrify America looks forward to participating in future opportunities in this proceeding and with the working group, and Electrify America applauds the Commission, Staff, and other stakeholders for their work in developing a Policy Statement to promote EV infrastructure and electric utility rate design for EV charging.

5. Electrify America’s investment in Pennsylvania depends in part on sustainable economics for the private market of ZEV infrastructure. Utility rates and incentives should be structured to support infrastructure development in order to best align with Commonwealth public policy and ensure the financial sustainability of continued ZEV infrastructure operation. Incentivizing ZEV infrastructure and structuring particular rates for public charging stations are critical steps to allow the Commonwealth to realize its transportation electrification goals. Electrify America seeks the opportunity to participate in the proceeding in order to provide input

⁶ Pennsylvania Public Utility Commission, *Recommendations of the Electric Vehicle Charging Rate Design Working Group*, <https://www.puc.pa.gov/pdocs/1779404.pdf>

on the proposed modifications to the EV Charging Pilot, as necessary to represent its interests as a DCFC station provider who may be eligible for incentives under the program.

6. Electrify America is encouraged by the progress made to-date to incentivize EV adoption and DCFC deployment in Pennsylvania and in PECO's service territory. Electrify America supports changes to PECO's EV pilot programs that will provide a better utility environment for the private market of charging companies to succeed. A strong private market for ZEV and DCFC infrastructure will additionally avoid utility owned and operated charging stations, which often involve higher costs to utility ratepayers. In this vein, Electrify America's April Petition to Intervene raised a set of concerns with PECO's DCFC Pilot Rider and corresponding recommendations for improvement of the DCFC Pilot Rider, and respectfully requests that the Commission address these concerns and recommendations in this proceeding should it decline to address them in the DCFC Pilot Rider Extension Proceeding. Those concerns, which are more fully explained in the April Petition to Intervene, revolve around areas of needed improvement for the DCFC Pilot Rider. In brief, these concerns and Electrify America's recommendations are as follows:

- a. By basing the contract demand provisions on nameplate capacity, customer-friendly, high-powered EV charging stations have limited opportunities to receive demand charge relief under the DCFC Pilot Rider. Electrify America proposes that this issue could be remedied through adjustments to the DCFC Pilot Rider that (i) set DCFC station contract demands at values less than station nameplate kW⁷ or (ii) waive the minimum billed demand of 40% of contract demand provision for DCFC stations enrolled in the DCFC Pilot Rider.

⁷ For example, an engineering estimate of DCFC station peak demand could be estimated based on assumptions regarding high power EV charging sessions that may occur simultaneously.

- b. The service contract for the DCFC Pilot Rider for new DCFC stations requires PECO to specify the Procurement Class for the account. In practice, controversies regarding the appropriate Procurement Class assignment and Generation Capacity Tags for Peak Load Contribution (PLC) assigned to new DCFC station accounts have arisen. Electrify America suggests that these Procurement Class assignments should be defaulted to Procurement Class 3 to allow new stations to receive the intended benefits of this program.
- c. PECO's tariff⁸ provides it with discretion to modify demand credits under the DCFC Pilot Rider, which leads to surprise changes and does not afford charging companies the ability to accurately predict operation costs. This undermines the value and purpose of the DCFC Pilot Rider to spur and sustain DCFC station development. Electrify America suggests that the Commission eliminate or change this language to temper PECO's ability to modify demand credits during the pendency of this interim program and any extension to the Pilot Rider.

7. Electrify America's counsel in this matter is reflected in the signature block below.

Counsel for Electrify America will accept electronic service in this proceeding on behalf of the Company and will not require hard-paper copies of filed documents.

8. As explained in detail above, the Commission's disposition of PECO's Petition will impact the rates and services in addition to available DCFC and EV incentives provided to Electrify America by PECO.

⁸ PECO Tariff PA PUC No. 7, Original Page 84.

9. Consistent with 52 Pa. Code § 5.72(b), Electrify America has an interest that may be directly affected by this proceeding and that is not represented by any other party of record. Consequently, Electrify America should be granted intervenor status in this proceeding.

WHEREFORE, Electrify America respectfully requests that the Pennsylvania Public Utility Commission grant this Petition to Intervene and provide Electrify America with full party status in this proceeding.

Dated: May 17, 2023

Respectfully submitted,



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CERTIFICATE OF SERVICE

I hereby certify and affirm that I have this day served copies of **Electrify America LLC's Letter to Withdraw its Petition to Intervene** on the persons listed below, in the manner specified in accordance with the requirements of 52 Pa. Code § 1.54.

Dated: August 23, 2023

Respectfully submitted,



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