# STATE OF NEW YORK PUBLIC SERVICE COMMISSION

**Proceeding on Motion of the Commission** Case 14-M-0101

in Regard to Reforming the Energy Vision

In the Matter of Distributed System Implementation Plans

Case 16-M-0411

# PETITION FOR AN ORDER ESTABLISHING A SEPARATE PROCEEDING TO ADVANCE NEW YORK'S ELECTRIC VEHICLE MARKET

The undersigned organizations ("Petitioners") respectfully submit this Petition for an Order Establishing a Separate Proceeding to Advance New York's Electric Vehicle Market.

#### I. **Background**

New York's State Energy Plan ("SEP") targets a 40% reduction in greenhouse gas ("GHG") emissions by 2030 and an 80% reduction in GHG emissions by 2050. Transportation presently accounts for 40% of New York's GHG emissions and is a significant contributor of other air pollutants.<sup>2</sup> It is also fertile ground for significant emission reductions: full battery electric vehicles ("EVs") already lead to 50-75% lower GHG emissions than conventional internal combustion engine vehicles when emissions from the electricity used for charging are factored in, and these benefits will only grow as New York's electric grid becomes even cleaner through implementation of the Clean Energy Standard.

New York has also established ambitious goals for transportation electrification. In 2013, New York joined with seven other states in a Zero-Emission Vehicle ("ZEV") Memorandum of Understanding and corresponding Multi-State Action Plan to commit to a collective goal of 3.3 million ZEVs on the road by 2025. This translates into approximately 850,000 EVs in New York by 2025. New York doubled down on its ZEV goals as part of the International ZEV Alliance, committing to making all passenger vehicle sales zero-emission vehicles as soon as possible, and no later than 2050.<sup>5</sup>

To achieve its ZEV goals, in 2013 New York instituted ChargeNY, a collaborative initiative among the New York State Energy Research Development Authority ("NYSERDA"), New York Power Authority ("NYPA"), and the Department of Environmental Conservation

<sup>&</sup>lt;sup>1</sup> Calculated from 1990 baseline levels. See 2015 New York State Energy Plan, available at: https://energyplan.ny.gov/.

<sup>&</sup>lt;sup>2</sup> NYSERDA, Electricity Pricing Strategies to Reduce Grid Impacts from Plug-In Electric Vehicles Charging in New York State, 1 (June 2015).

<sup>&</sup>lt;sup>3</sup> ZEV Multi-State Task Force, Multi-State ZEV Action Plan 2 (May 2014).

<sup>&</sup>lt;sup>4</sup> Sierra Club, Charging Up, available at: https://www.sierraclub.org/sites/www.sierraclub.org/files/uploadswysiwig/ChargingUp DIGITAL ElectricVehicleReport Oct2015 0.pdf

http://zevalliance.org/content/cop21-pr-zero-emission-2050

("DEC") with a goal of deploying 30,000 to 40,000 EVs and 3,000 EV charging stations by 2018. As Governor Cuomo declared in his 2013 State of the State Address, ChargeNY's goal is to "[i]nvest in an electric car network to reduce reliance on fossil fuels, installing a statewide network of charging stations and have New York be one of the forerunners in this race all across the country." Most recently in his 2018 State of the State Address, Governor Cuomo committed to ChargeNY 2.0, expanding the 2018 goal to 10,000 EV charging stations by 2021.

We support New York's ambitious transportation and State Energy Plan climate goals and the steps that New York has taken to date to achieve them. However, we believe that additional actions are necessary to overcome other barriers to EV adoption in order to achieve New York's goals. For example, Connecticut has a parallel 80% GHG emissions reduction by 2050 climate goal, and concluded that to achieve this goal, 92% of Connecticut's vehicles must be ZEVs by 2050. To reach similar levels of EV market penetration, New York's utilities have a significant role to play in maximizing economic and environmental benefits while minimizing strain on the grid. This role includes: (1) designing rates to incentivize off-peak charging; (2) investing in EV infrastructure or electric vehicle supply equipment ("EVSE") for light, medium, and heavy-duty vehicles, especially in areas underserved by the competitive market, such as multi-unit dwellings, low-income communities, and DC fast charging; and (3) educating all their electric customers about the economic and environmental benefits of vehicle electrification including EV rebates, potential savings with time of use ("TOU") rates, and the locations of EV charging stations in their respective service territories.

Due to its enormous potential for transportation emissions reductions, we applaud the Commission for taking the initiative to integrate EV development into the utilities' Distributed System Implementation Plan ("DSIP") process under REV. Along with the Joint Utilities' soon-to-be-finalized EV Readiness Framework, the Commission is also requiring New York's utilities to file EV-only rate proposals by April 1, 2018, which will require the creation of a new proceeding. We believe that expanding this new proceeding to incorporate current and anticipated future EV initiatives across the State will be necessary to support EV adoption at the levels needed to meet New York's EV and SEP goals, create thousands of jobs, reduce GHG emissions, and improve public health.

## II. Requested Action

The Commission Should Open a Separate Proceeding within REV to Advance New York's Electric Vehicle Market and Issue an Order Requesting Proposals from Utilities for Scalable Pilot Programs That Can Accelerate EV Charging Infrastructure Buildout in Their Service Territories

In order to maximize the benefits of utilities' role in advancing vehicle electrification and to further the Commission's goal of a "coordinated statewide approach" on EV infrastructure, 9

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<sup>&</sup>lt;sup>6</sup> 2013 State of the State Address.

<sup>&</sup>lt;sup>7</sup> 2018 Connecticut Comprehensive Energy Strategy, 48-49 (February 8, 2018), available at http://www.ct.gov/deep/lib/deep/energy/ces/2018 comprehensive energy strategy.pdf

<sup>&</sup>lt;sup>8</sup> Case 14-M-0101, Order Adopting Distributed System Implementation Plan Guidance, 26 (April 20, 2016).

<sup>&</sup>lt;sup>9</sup> *Id.* at 25-26.

we request the Commission establish a new proceeding under REV that encompasses the broad range of New York's EV development. The associated proceeding should be designed to evaluate EV-related issues including the Joint Utilities' EV Readiness Framework, the utilities' April 1, 2018 EV-only rate proposals and any other EV-related rate changes, and utility EV proposals for charging infrastructure and customer education. Centralizing review of EV project proposals in this manner will help ensure coordination and collaboration amongst New York's utilities and meaningful opportunity for stakeholder engagement. Organizing EV-related matters from the DSIP process and other relevant proceedings into one centralized location will also allow EV stakeholders to more easily follow these many processes and help spur New York's EV growth. This is particularly important given the many potentially interested stakeholders, including municipalities, city and regional transit agencies, automobile manufacturers, EVSE companies, environmental and environmental justice organizations, labor groups, local EV driver/bus rider groups, neighborhood associations, and community groups.

Contemporaneous with opening this new proceeding, and in conjunction with the utilities' April 1, 2018 deadline for rate proposals, we also urge the Commission to expressly require utilities to submit EV projects, programs, and/or EV investment plans with the goal of accelerating buildout of EV charging infrastructure to support light, medium and heavy-duty vehicles in their respective service territories. To complement these projects and programs, utilities should also be required to submit proposals for educating their customers about TOU rate savings, EV rebates, and charging station locations. <sup>10</sup> In the interest of ensuring engagement from <u>all</u> of the utilities, we urge the Commission to require that utilities submit EV infrastructure projects and customer education initiatives, in addition to their EV-rate proposals, by April 1, 2018.

The Commission has already recognized that "collaborative planning may . . . be supplemented by individual utility initiatives, consistent with the collaborative planning for the deployment and integration of EVSE in their service territory." Similarly, the EV Readiness Framework recommended that "[f]or the near-term, demonstration and pilot projects will be the primary means for the utilities, in concert with stakeholders, to develop and test different EVSE deployment approaches." While the Framework is a laudable first step in recognizing the utilities' role in advancing EV and EVSE deployment, there is no requirement for concrete proposals as requested above. We believe establishing a separate EV proceeding and requiring utilities to submit EV/EVSE pilot projects and programs are essential steps toward achievement of New York's ZEV and SEP goals.

While we believe the Commission's existing REV demonstration project criteria and forthcoming EV Readiness Framework will be a good foundation for evaluation of those projects, we also urge that additional EV-specific criteria be added in order to ensure that EV charging infrastructure development maximizes economic and environmental benefits for the

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<sup>&</sup>lt;sup>10</sup> Central Hudson recently submitted a TOU Rate Outreach and Education Plan in the REV docket for educating its customers about its new TOU rate option as well as creating partnerships with EV dealerships to promote EV market growth.

<sup>&</sup>lt;sup>11</sup> *Id.* at 26.

<sup>&</sup>lt;sup>12</sup> EV Readiness Framework, 4. Appendix B of the Framework also details current projects on an individual utility basis.

broadest array of New Yorkers. To this end, we recommend the following non-exhaustive criteria:

- (a) effectively using price signals and load management practices to maximize benefits to the system, electricity customers and EV drivers, including facilitating the integration of renewable resources;
- (b) providing equitable deployment of services, including electrification of medium- and heavy-duty vehicles such as zero-emission buses, to increase access to and benefits from electric vehicles in low-income communities, who are disproportionately affected by adverse air pollution impacts;
- (c) fostering a competitive market and the non-exclusive engagement of third party vendors of EV supply equipment and services in a manner that supports scalable growth of the broader EV charging industry; and
- (d) increasing access to EV charging beyond single-family homes with a focus on multi-family dwellings and public high-power "fast charge" locations, in order to improve EV adoption and awareness.

We believe that these additional actions are critical not only to New York's achievement of its state climate goals, <sup>13</sup> but also to deliver tremendous economic and environmental benefits for all New Yorkers. New York imports more than \$20 billion worth of transportation fuels every year. Using that investment for in-state EV development would be an economic boon for New York. As a 2011 NYSERDA EV report concluded, a 40% EV market share in New York would produce "positive economic benefits ranging from \$4.45 to \$10.73 billion/year and 19,800 to 59,800 jobs for Gross State Product and employment impacts, respectively." Similarly, a June 2015 NYSERDA-commissioned EV report concluded that off-peak EV charging could save customers up to \$147 million annually in reduced generating capacity and infrastructure upgrade costs over the next 15 years. <sup>15</sup>

Due to the enormous potential economic benefits, other utility regulators in the region have already approved or are considering utility programs to expand EV charging infrastructure. These follow approval by the California Public Utilities Commission of significant utility investments in EV charging infrastructure by all three of the major distribution utilities in California. 16

• In 2017, Massachusetts' two largest distribution utilities, Eversource and National Grid, both filed comprehensive EV charging infrastructure proposals with the Department of Public Utilities targeting a combined investment of approximately \$70

<sup>&</sup>lt;sup>13</sup> The benefits of vehicle electrification complement the GHG reduction and renewable energy goals of New York's Clean Energy Standard. The lower the carbon intensity of New York's electric generation, the greater the climate benefit of shifting from oil-fueled to electricity-fueled vehicles.

<sup>&</sup>lt;sup>14</sup> NYSERDA 2011 Transportation Electrification Report.

<sup>&</sup>lt;sup>15</sup> Indeed, while rapid EV expansion can deliver tremendous benefits, as the April 2014 REV Staff Report warned, without proper planning, they have the potential to strain the electricity grid, aggravate peak demand and increase costs for New York utilities and customers.

<sup>&</sup>lt;sup>16</sup> San Diego Gas & Electric's proposal was approved by the CPUC in January 2016 (Decision No. 16-01-045), Southern California Edison's proposal was approved in January 2016 (Decision No. 16-01-023) and Pacific Gas & Electric's proposal was approved December 2016 (Decision No. 16-12-065).

million to accelerate deployment of EVs in Massachusetts in furtherance of the Commonwealth's ZEV MOU and climate goals. 17 The proposals include incentives to deploy over 4,000 Level 2 EV charging stations and approximately 150 direct current ("DC") fast charging stations at public and semi-public long-dwell time or other strategic locations, as well as customer education and outreach. The Department issued an order largely approving Eversource's proposal in November.

- In Rhode Island, National Grid has filed a \$12 million proposal targeting a mix of Level 2 and DC fast chargers focused on traditionally underserved market segments as part of a broader Power Sector Transformation proposal. 19
- In Delaware, Delmarva Power & Light has filed an application for a \$1.5 million plug-in vehicle charging program that would target deployment of EV charging infrastructure in multi-family dwellings as well as public Level 2 and DC fast chargers.<sup>20</sup>
- In Maryland, on January 19, 2018, four of the state's five distribution utilities filed a petition with the Maryland Public Service Commission seeking approval of EV charging infrastructure and education proposals totaling \$104 million.<sup>21</sup> Collectively, the proposed programs would provide rebates or other incentives to support the installation of approximately 18,000 "smart" Level 2 chargers for residential customers; rebates or other incentives for installation of approximately 3,000 smart Level 2 and DC fast chargers in non-residential (multi-unit dwellings, workplaces, fleets) or public settings; and utility ownership of more than 1,000 Level 2 and DC fast charging stations in non-residential or public settings, in addition to a budget for EV customer education and outreach.<sup>22</sup>
- Beginning in 2016, San Diego Gas & Electric, Southern California Edison, and Pacific Gas & Electric have collectively received regulatory approval for nearly \$200 million to deploy 12,500 charging stations and other market acceleration programs in

<sup>&</sup>lt;sup>17</sup> Eversource filed its proposal as part of its rate case (DPU Docket No. 17-05); National Grid filed its proposal as a stand-alone docket (DPU Docket No. 17-13).

<sup>&</sup>lt;sup>18</sup> Order Establishing Eversource's Revenue Requirement, Mass. Dept. of Pub. Utilities, Docket. No. 17-05 (Nov. 30, 2017). <sup>19</sup> Rhode Island Public Utilities Commission Docket No. 4780 (filed Nov. 27, 2017).

<sup>&</sup>lt;sup>20</sup> Delmarva Power & Light Company's Application For Approval of a Voluntary Program for Plug In Vehicle Charging, Delaware Public Service Commission, Docket No. 17-1094 (Oct. 19, 2017).

<sup>&</sup>lt;sup>21</sup> The petition was co-signed by a number of other groups including ChargePoint, Greenlots, Natural Resource Defense Council, Sierra Club, Pace Energy and Climate Center, Chesapeake Climate Action Network, Institute for Energy and Environmental Research, Marylanders for Energy Democracy and Affordability, Solar United Neighbors of Maryland, and Nuclear Information and Resource Service, and was supported by letters from fourteen Maryland legislators, General Motors, Tesla, the Edison Electric Institute, SemaConnect, local governments and municipalities; locally-owned private businesses; civic, neighborhood, and trade associations; local development groups; low- and moderate-income advocates; environmental advocates; and EV private market participants. <sup>22</sup> Petition for Implementation of a Statewide Electric Vehicle Portfolio, Maryland Public Service Commission,

Public Conference 44 (Jan. 19, 2018). The Maryland petition was recently docketed under Case No. 9478 on Feb. 6, 2018.

multi-unit dwellings and workplaces, including those in low-income communities.<sup>23</sup> In January 2018, the California Public Utilities Commission (CPUC) approved an additional \$43 million in "Priority Review" pilots with an emphasis on medium and heavy-duty electrification opportunities.<sup>24</sup> The CPUC is currently reviewing a third set of "Standard Review" proposals amounting to a collective \$1 billion in utility investments to support a broad portfolio approach to transportation electrification, including substantial investments to support greater medium and heavy-duty charging, light-duty DC fast charging, and ride-share vehicle charging.<sup>25</sup>

The Public Service Commission should ensure that New Yorkers similarly benefit from the role that utilities can appropriately and constructively play in accelerating the deployment of EV charging infrastructure and market education and outreach on EVs.

#### III. Conclusion

To fulfill New York's SEP and ChargeNY goals and Governor Cuomo's commitment to make New York a national leader in the EV market, New York can leapfrog these other states' efforts in EV expansion and reap the corresponding economic and environmental benefits. In order to secure these benefits, we urge the Commission to institute a separate proceeding within REV to centralize New York's current and future EV initiatives and to solicit utility proposals for EV charging infrastructure along with the utilities' EV-rate proposals due by April 1, 2018. This proceeding is necessary to ensure not only that New York's SEP and ChargeNY goals are met, but also that New York's EV expansion reduces utility and utility customer costs, creates jobs, and provides cleaner air and water for all New Yorkers.

## Respectfully submitted,

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January 11, 2018, available at: <a href="http://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M204/K670/204670548.PDF">http://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M204/K670/204670548.PDF</a>
<a href="mailto:25">25</a> See Transportation Electrification Activities Pursuant to SB 350, available at: <a href="http://www.cpuc.ca.gov/sb350te/">http://www.cpuc.ca.gov/sb350te/</a>

<sup>&</sup>lt;sup>23</sup> California Public Utilities Commission, *IOU Infrastructure Programs*, available at : <a href="http://www.cpuc.ca.gov/uploadedFiles/CPUC\_Public\_Website/Content/Utilities\_and\_Industries/Energy/Energy\_Programs/Infrastructure/RDD\_and\_Emerging\_Programs/Alternative\_Fuel\_Vehicles/IOUInfrastructurePrograms.pdf">http://www.cpuc.ca.gov/uploadedFiles/CPUC\_Public\_Website/Content/Utilities\_and\_Industries/Energy/Energy\_Programs/Infrastructure/RDD\_and\_Emerging\_Programs/Alternative\_Fuel\_Vehicles/IOUInfrastructurePrograms.pdf</a>
<sup>24</sup> California Public Utilities Commission, *Decision on the Transportation Electrification Priority Review Projects*,

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