Hon. Kathleen H. Burgess  
Secretary to the Commission  
New York State Public Service Commission  
Empire State Plaza  
Agency Building 3  
Albany, New York 12223-1350  

Re: Case 18-E-0138 – Proceeding on Motion of the Commission Regarding Electric Vehicle Supply Equipment and Infrastructure.

Dear Secretary Burgess:

Pursuant to the Notice of Working Group Meetings and Request for Post-Conference Comments (“Request for Comments”) issued on August 16, 2018, the Independent Energy Efficiency Program, Inc. (“IEEP”), Municipal Electric Utilities Association (“MEUA”), and the New York Municipal Power Agency (“NYMPA,” and together with IEEP and NYMPA, the “Municipal Utilities”) hereby submit the following comments on the technical conferences held by the New York State Department of Public Service (“DPS”) and the New York State Energy Research and Development Authority (“NYSERDA”), and the questions posed in the Request for Comments.

The Municipal Utilities presented at the technical conferences, and through these comments, reiterate our commitment to continue a thoughtful, deliberate, individually tailored, and cost-effective approach to New York’s electric vehicle infrastructure buildout. The members of the Municipal Utilities are all municipal electric utilities. All of these municipal systems are not-for-profit enterprises, which acquire the lowest cost power available and distribute that power to their customers at no profit. Essentially, these systems are customer-owned.

The MEUA is an association of forty New York municipal electric utilities. The MEUA was formed in 1930 to represent its members’ interest with respect to efficient and cost-effective provision of electric services to its members’ ratepayers. All MEUA members are entitled to a portion of the Niagara Power Project by federal and State statute, and contract. Some MEUA
members are full requirements customers of the New York Power Authority, and are thereby subject to NYPA’s regulatory oversight. These members do not fall under the New York State Public Service Commission’s (“Commission”) jurisdiction.

The majority of MEUA members, however, require more energy than they are allocated through preference power. These members acquire their supplemental energy needs through NYMPA. NYMPA is a joint action agency of thirty-six New York municipal utility members. NYMPA was formed in 1996 pursuant to Section 119-o of the General Municipal Law, and commenced supplying power to its members in May 1998.

The Municipal Utilities’ members vary widely in their relative size, operating characteristics, customer makeup, and location. For example, one of the smaller members, with under 450 total customers, is a winter peaking system with a peak load of 2.1 MW. Eighty percent of the customers are residential. By contrast, a larger member has over 17,000 total customers and a system peak, in the winter, of 116 MW. The combined load of the Municipal Utilities’ members accounts for just over 2.0% of the New York Control Area. The member systems span the State, and are located in urban, rural, tourist destination, and university settings. Each system provides its customers individually tailored, grassroots programs with unparallel community participation.

The IEEP is a not-for-profit corporation, and the mechanism used by the MEUA to advance the State’s energy efficiency goals. The IEEP is a cooperative entity designed to implement energy efficiency and system benefit projects, as well as renewable resource demonstration and education programs, in the participating municipal systems’ service territories. While the Municipal Utilities’ programs are administered centrally for economies of scale and consistency of contracting, each municipality determines which of the approved programs it will offer. The Municipal Utilities’ programs are designed to deliver benefits to the system and its electric customers based on specific local input. The Municipal Utilities’ program is funded through an adder to its member systems’ purchased power costs, as approved by NYPA and the Commission.1

With the support of the IEEP, the Municipal Utilities have had a hybrid/electric vehicle program since 2003, which has allowed the members to experiment, share lessons learned, and, most critically, involve the member utilities in all aspects of planning and implementing individual programs and projects. Continued utility involvement is paramount to ensure that electric vehicle infrastructure development is integrated into utility planning, and works with, rather than against, existing utility programs and processes. This utility led approach has allowed the Municipal Utilities to individually tailor programs and projects to meet each system’s unique needs and circumstances in a cost-effective way. Specifically, the Municipal Utilities have concentrated their efforts in electrifying the local fleets, as well as supporting the installation of public and private charging infrastructure. The Municipal Utilities have supported the purchase of 30 hybrid vehicles to be used by meter readers, utility management staff, and

maintenance workers. Additional purchases are planned for this and next year. In addition, the Municipal Utilities have begun converting their members’ bucket trucks to hybrid technologies. With IEEP support, six members have replaced bucket trucks that had reached the end of their useful lives with hybrids. By concentrating on fleet management, the entire municipality and its customers realize lower overall operating costs.

The Municipal Utilities have also supported the installation of charging infrastructure in strategically selected locations. Specifically, five members have installed charging stations near high visibility areas adjacent to canal corridors and larger downtown urban areas, and in close proximity to a university and a local hotel. Other installations are being planned now. As a direct consequence of the Municipal Utilities’ program’s local grassroots design and focus, its electric vehicle program has excelled in seamlessly integrating projects into existing utility processes while minimizing costs to ratepayers. The current and continued success of increased electric vehicle penetration requires continued utility participation coupled with the flexibility to design solutions individually tailored to locally identified needs. Utilizing this established approach ensures proper grid coordination, local support, and cost-effective implementation.

With respect to the questions posed by the Request for Comments, the Municipal Utilities offer the following responses to selected questions:

1. What role should the utility play in supporting Electric Vehicle Supply Equipment (EVSE) deployment? Please address this question from the perspective of utility ratepayers, Electric Vehicle (EV) suppliers, and providers of EVSE. How should utility investment costs, if any, be compensated or recovered? Should utilities have the opportunity for earnings adjustment mechanisms related to successful EVSE deployment?

As described above, the Municipal Utilities believe that they should be integral in all aspects of EVSE deployment. Because EVSE must be integrated into utility distribution systems, the utilities must play an active role in planning EVSE deployment. In addition, in the case of the Municipal Utilities, they are in the best position to cost-effectively deploy EVSE at those locations within their systems that make the most sense.

2. What are the most significant changes the Commission can make in order to enhance the utilities’ roles in supporting EVSE deployment? What are the benefits and problems with utility ownership of EVSE?

The Commission should allow the Municipal Utilities and their members to continue to pursue EV deployment through their existing, grassroots, individually tailored program to ensure that increased penetration is achieved in the most cost-effective and deliberate manner.

3. What role should the utility play in encouraging EV adoption? Should the role of the utility extend beyond customer education and awareness? Please address this question from the perspective of utility ratepayers, EV suppliers, and providers of EVSE. How should utility costs, if any, be compensated or recovered?
The Municipal Utilities believe that fleet management is and should continue to be a primary driver of EV adoption within their territories. As electric department fleets age, it makes sense to gradually convert the fleets to hybrid or fully electric vehicles. This conversion will result in a corresponding buildout of charging infrastructure that can then be used to facilitate private EV adoption. The Municipal Utilities are also uniquely positioned to deploy ESVE because most members provide multiple public services, such as water and sewer, and road maintenance. This creates access for Municipal Utilities to not only electric department, but many other municipal fleet vehicles. Therefore, Municipal Utilities will continue to promote EV adoption through fleet management within their territories.

4. What is the best way for utilities, charging station providers, and site hosts to work together to locate charging stations where they best meet electric system, customer, and community needs? What data is needed to further this collaboration?

As discussed above, Municipal Utilities currently have the best access to information about their systems. In addition, due to their member systems’ relatively small size, Municipal Utilities also have unparallel access and communication with their communities. Therefore, Municipal Utilities must retain the ultimate authority over location of charging stations within their communities.

5. Are there any communities or customer groups that require special consideration in the placement of EVSE facilities? What role should the utility play in encouraging or facilitating increased EV usage by low- to moderate-income households?

The Municipal Utilities have traditionally had great success in attracting program participation across all customer groups and communities. Because their programs take an individually tailored, grass roots approach to design and implementation, yet allow for knowledge sharing between different systems, there is every reason to believe that the same level of success can be achieved with the municipal EV programs.

9. What considerations should be taken into account in designing rates for charging stations? For example, should a typical three-part tariff (customer, demand and energy charge) be applied? Should the rate design be different for residential versus commercial use? Should the rate design be expected to change over time as EV penetration increases? Should time-of-use rates be required for EV charging? Should utility residential EV charging tariffs (filed in Case 18-E-0206) be modified? Please address these questions from the perspective of utility ratepayers, EV owners, and EVSE suppliers.

The Municipal Utilities believe that all rates should be cost-based to prevent cross-subsidies between ratepayers. In addition, individual members need to retain the flexibility to structure their rates to reflect the realities of individual systems.
10. How should the cost of recovering distribution network upgrades for EVSE be recovered if not through the demand charges?

All utility costs should continue to be recovered based on traditional rate making cost causation principles.

12. Should the Commission address electrifying light-duty passenger vehicles, and medium and heavy-duty vehicles within this Case?

As described above, the Municipal Utilities are already in the process of electrifying municipal fleets, including light, medium, and heavy-duty vehicles. To the extent it makes sense financially and operationally, fleet electrification may be a prudent vehicle for future EV deployment.

13. How should Staff structure future stakeholder engagement in this proceeding? Should additional issue-specific working groups be held prior to Staff issuing recommendations?

The Municipal Utilities believe that process in this case has been adequate to date. To the extent narrower issues are identified through these comments, specific working groups may be warranted.

The Municipal Utilities believe that its existing program has been successful in encouraging low-cost, efficient energy vehicle adoption for its member municipal electric systems, and should be allowed to continue consistent with these comments.

Respectfully submitted,

READ AND LANIADO, LLP

By: /s/ Konstantin Podolny