Fleet charging simplified

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December 5, 2022

Hon. Michelle L. Phillips, Secretary
New York State Public Service Commission
Three Empire State Plaza
Albany, NY 12223-1350

Case 22-E-0236 - Proceeding to Establish Alternatives to Traditional Demand-Based Rate Structures for Commercial Electric Vehicle Charging

Dear Secretary Phillips:

bp pulse fleet appreciates the opportunity to provide these comments to the New York State Public Service Commission (PSC) on the Department of Public Service Whitepaper Regarding Alternatives to the Traditional Demand Charge for Commercial Customer Electric Vehicle Charging, submitted in Case 22-E-0236 on September 26, 2022.

Sincerely,

Brian Ross
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bp pulse

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Hon. Michelle L. Phillips, Secretary
New York State Public Service Commission
Three Empire State Plaza
Albany, NY 12223-1350

Re: Comments of bp pulse fleet on the Department of Public Service Whitepaper Regarding Alternatives to the Traditional Demand Charge for Commercial Customer Electric Vehicle Charging (Case 22-E-0236)

bp pulse fleet appreciates the opportunity to provide these comments to the New York State Public Service Commission (PSC) on the *Staff Whitepaper*, submitted in Case 22-E-0236 on September 26, 2022.

We support Department of Public Service (DPS) Staff proposal to create utility Commercial Managed Charging Programs for customers with light-duty, heavy-duty and fleet (which could include a mix of vehicle classes) electric vehicle charging as their largest source of energy demand. This near-term incentive is appropriate for encouraging smart charging behavior that is in the public interest. When large energy users avoid adding incremental utility peak demand, all utility customers benefit from avoided costs.

However, we caution that open-ended demand charge relief risks creating a dependency on distorted price signals. Demand charges are generally good rate design that aligns with principles such as cost causation, efficiency, and transparency. Any rate relief intended to encourage desired policy outcomes should be modest and time limited.

We are elated that DPS Staff also recommends that utility managed charging programs feature incentives to reduce the cost of including automated load management (ALM) in EV charging projects, using funds drawn from underutilized utility Per Plug Incentive programs.[1] We recommend that the Commission clarify that these incentives will apply to the costs of hardware, software and electrical equipment, and installation of equipment, that supports on-site energy storage, battery-integrated EVSE, and ALM software solutions. Also, in addition to upfront incentives, it would be useful to offer incentives to reduce recurring costs such as licensing, leasing, and maintenance.

As a leading provider of fleet electric vehicle charging solutions - including several projects in New York City – bp pulse fleet helps customers optimize and operationalize their charging

[1] Staff white paper, pg. 37.

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behavior using our Omega charging management software and ALM. We believe that EV charging equipped with ALM is fundamental to large scale EV charging projects because it facilitates flexible electricity demand and ensure that fleet managers and operators maintain focus on critical operations and responsibilities, not on vehicle energy management.

Incentives for ALM are also appropriate as the technology provides cost savings that improve the business case for EV. Avoiding summer peak demand charges is high value, but ALM provides year-round benefit. For example, EV charging volume tends higher in winter since colder temperatures can lower battery efficiency and increase demand for cabin heating. ALM provides energy cost management by optimizing charging times to meet vehicle energy needs. It also continues to provide utility customer benefits be enabling EV charging as flexible load, reliable demand response, and energy storage that can integrate renewables year-round.

ALM will also be important to meeting state EV policy targets and mandates. At the scale of charging needed for fleets – especially for medium- and heavy-duty vehicles – the grid will need new capacity. A study published earlier this year for the New York State Energy Research and Development Authority forecasted up to $28B in distribution system upgrades through 2050 for new EV charging load – it also estimated up to $11B saved by managed EV charging.[2] EV charging, like other large and flexible customer electricity use, does need incentive, through utility programs or tariffs, to maximize off-peak electricity demand. When that reduces system peak coincident demand, the savings avoid contributing to utility rate increases that affect all utility customers. Avoiding peak also potentially simplifies utility interconnection project scope to reduce cost and time to commission EV charging into service. Grid reinforcements needed upstream of the site can take years.[3] This is a significant risk to installing the charging necessary to deploy EVs the scale and timeline envisioned in state public policies.

Thank you again for this opportunity to comment. bp pulse fleet appreciates the PSC's thoughtful consideration of our recommendations.

Sincerely,

/s/Brian Ross

Brian Ross
Senior Manager Policy & Projects - East
bp pulse fleet

[2] New York State Energy Research and Development Authority (NYSERDA). "Transportation Electrification Distribution System Impact Study," NYSERDA Report Number 22-13. Prepared by Resource Innovations, San Francisco, CA. nyserda.ny.gov/publications. Pg. 45.
[3] National Grid, Calstart, Rocky Mountain Institute et al. *Electric Highways: Accelerating and Optimizing Fast-Charging Deployment for Carbon-Free Transportation.* November 2022. Pg. 4.