
# CENTRAL HUDSON GAS & ELECTRIC

# COMMERCIAL MANAGED CHARGING PROGRAM IMPLEMENTATION PLAN

Case 22-E-0236

July 18, 2023

# Contents

# Glossary: Abbreviations, Acronyms and Definitions

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|---|---|
| **Applicant** | Any entity who has submitted program registration details but has not yet been accepted. |
| **Application Portal** | Customer facing portal to be used for application and program details |
| **Approved Contractor** | An entity that has been approved by Supply Chain to work |
| **CLCPA** | Climate Leadership and Community Protection Act |
| **Commission** | State of New York Public Service Commission |
| **Company** | Central Hudson |
| **Commercial Customer** | The CMCP is available for commercial customers in rate classes SC-2, SC-3, or SC-13 with at least 25kW of nameplate electric vehicle supply equipment (EVSE) installed. |
| **CMCP** | Commercial Managed Charging Program |
| **Customer** | A person or organization that is billed for electric service |
| **DCFC** | Direct Current Fast Charger. Electric vehicle chargers characterized by its improved charging capability vs. Level 2 (L2) chargers. |
| **EV** | Electric Vehicle |
| **EVSE** | Electric Vehicle Supply Equipment |
| **Implementation Plan** | Outlined proposal to facilitate the execution of a managed charging program plan. |
| **L2** | Level 2 |
| **MRP** | Make-Ready Program to support the development of electric infrastructure and equipment necessary to accommodate an increased deployment of EVs within New York State by reducing the upfront costs of building charging stations. |
| **Managed Charging Program** | A utility managed charging program offers participants financial rewards for adopting grid-beneficial behavior. Can be active, where customer behavior is driven in response to direct utility signals, or passive, where the customer is free to participate or not based on their response to a price signal. |
| **NYISO** | New York Independent System Operator |
| **Participant** | Any accepted applicant participating in and/or receiving program incentives. |
| **Peak Avoidance Incentive** | An incentive that participating commercial customers may receive for shifting their EV loads to off-peak times. |
| **Peak Window** | 2:00PM-7:00PM daily |
| **PPI** | Per Plug Incentive Program |
| **Phase-In Rates** | EV-PIR - A tiered rate structure based on EVSE site load factors that provide an alternative to traditional demand-based rate structure. |
| **SCT** | Societal Cost Test |
| **Staff** | Staff of the Department of Public Service. |
| **Utilities** | New York State investor-owned electric utilities |

# 1. Introduction

### 1.1. BACKGROUND AND SUMMARY OF ORDER

The New York Public Service Commission's ("PSC") January 19, 2023, *Order Establishing Framework for Alternatives to the Traditional Demand-Based Rate Structure* ("Order")[1] adopted a suite of operating cost relief solutions for commercial electric vehicle (EV) charging customers. The Order directed the Joint Utilities (JU)[2] to file an Immediate Solution implementation plan on March 20, 2023 (60 days after issuance of the Order) and a Near-Term Solution proposal on July 17, 2023 (180 days after issuance of the Order). The Immediate Solution required: (1) for the Upstate Utilities[3] a Demand Charge Rebate (DCR) for all commercial EV charging use cases; (2) for the Downstate Utilities,[4] a Commercial Managed Charging Program (CMCP) with use-case specific adders for transit and public Level 2 (L2) charging, and a 50 percent DCR for public Direct Current Fast Charging (DCFC) sites; and (3) for all utilities, a termination of the existing Per-Plug Incentive (PPI) program for new applicants and the redeployment of those funds for demand management technology incentives. Most elements of the Joint Utilities' Immediate Solution were filed with the Commission on March 20, 2023, and the demand management technology filing was made on May 19, 2023. [5]

For a Near-Term Solution, the Order directed the Upstate Utilities to develop and implement a CMCP. This document is the CMCP implementation plan and associated draft tariff leaves for Central Hudson ("Company").

# 2. CMCP Design

### 2.1 CUSTOMER ELIGIBILITY

The Company's Commercial Managed Charging Program is an opt-in program open to commercial customers in rate classes SC-2, SC-3, or SC-13 with at least 25kW of nameplate electric vehicle supply equipment (EVSE) installed. All types of EV charging are eligible, including public charging, fleet and workplace charging, multi-unit dwellings, or any other market segments who take service on an eligible commercial rate.

Participating customers must have installed, or agree to have installed at the participants' expense, an interval meter capable of providing the data required to measure site load on an hourly or more

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[1] Case 22-E-0236, *Proceeding to Establish Alternatives to Traditional Demand-Based Rate Structures for Commercial Electric Charging*, Order Establishing Framework for Alternatives to Traditional Demand- Based Rate Structures (Issued January 19, 2023).

[2] The Joint Utilities are Central Hudson Gas & Electric Corporation (Central Hudson), Consolidated Edison Company of New York, Inc. (Con Edison), New York State Electric & Gas Corporation (NYSEG), Niagara Mohawk Power Corporation d/b/a National Grid (National Grid), Orange and Rockland Utilities, Inc. (O&R), and Rochester Gas and Electric Corporation (RG&E).

[3] The Upstate Utilities are Central Hudson, National Grid, NYSEG, and RG&E.

[4] The Downstate Utilities are Con Edison and O&R.

[5] The Joint Utilities requested and received a 60-day extension, until May 19, 2023, to file a demand management technology program. Case 22-E-0236, *Proceeding to Establish Alternatives to Traditional Demand-Based Rate Structures for Commercial Electric Vehicle Charging.* Ruling on Extension Request (issued March 8, 2023).

granular basis. As the Company gains Program experience, other data collection methods will be considered to potentially eliminate this requirement.

Customers that separately meter their EV load will be eligible to participate subject to the metering requirements. For customers whose EVSE load is comingled with other on-site load, the Company will establish eligibility through the computation of a Charging Ratio, where the customer's maximum EVSE charging capacity (in kW) is equal to or greater than 50% of the maximum site demand. Consistent with the Company's proposed Demand Charge Rebate Program, the Charging Ratio is defined as the ratio of the sum of EV charging capacity in kW to the sum of the maximum simultaneous demand of all load on the account in kW. The Charging Ratio will be determined at the time of Program application and will remain the Charging Ratio until such time as the Customer provides a new load letter. The customer's maximum potential load will be defined by the customer's load letter generated as part of new or additional electric service request. An updated load letter may be requested to establish eligibility for the program if the load letter on file is outdated. The Charging Ratio computation will be updated when a customer makes any changes to their loads (i.e., EV charging load, non-EV loads, or both). The Company reserves the right the re-evaluate the Charging Ratio and Program eligibility at any time.

Currently, the Company plans to allow customers participating in the CMCP to also participate in the EV Phase-In Rates (EV-PIR). In addition, the Company plans to allow any customers participating in the CMCP to also participate in the Company's Commercial Demand Response programs (i.e., Commercial System Relief Program and Targeted Demand Response offerings),[6] as well as the New York Independent System Operator (NYISO) demand response programs. The Company acknowledges that these programs are targeting similar peak-avoidance benefits, however the Company needs to gather more information about EV customer load management efforts across the different types of sites (e.g., separately metered, co-located with other loads, public charging versus private/fleet charging, etc.) to best understand how to align these offerings.

## 2.2 INCENTIVE DESIGN

The Company will offer incentives to participating customers to manage their EV loads to be during off-peak times. Specifically, the Company will offer a Peak Avoidance Incentive that incentivizes participants to reduce their EV charging demands during the program's Peak Window.

The Company proposes to measure Peak Avoidance on a monthly basis as follows:

$$Peak\ Avoidance\ (kW) = (Max.Demand\ during\ all\ hours) - (Max.Demand\ during\ Peak\ Window).$$

Where 'Max. Demand during all hours' will be the customer's highest average kilowatts of demand on the electric grid over a one-hour period that month, and 'Max. Demand during Peak Window' will be the customer's highest average kilowatts of demand on the electric grid over a one-hour period during the Peak Window that month. The customer will then receive an incentive based upon their Peak Avoidance Incentive as follows:

$$Peak\ Avoidance\ Incentive_i = (Peak\ Avoidance_i) * (Incentive\ Rate_i)$$

[6] The Company's commercial demand response programs are described on this website https://www.cenhud.com/en/my-energy/save-energy-money/commercial-demand-response/, with additional details on the baseline load procedure described at this website https://www.cenhud.com/globalassets/pdf/my-energy/cbl-methodology-2016.pdf.

For customers whose EVSE load is comingled with other on-site load, the Peak Avoidance Incentive will be calculated by applying a Charging Ratio, as described in section 2.1, to approximate the portion of site load attributable to EVSE:

$$Peak\ Avoidance\ Incentive_i = (Peak\ Avoidance_i) * (Charging\ Ratio) * (Incentive\ Rate_i)$$

Where *i* denotes the month. The proposed Incentive Rates are described in more detail in section 2.3.

The Company has not proposed to modify the incentives based upon a customer's participation in the EV-PIR, however should the Company do that in the future it may need to pay the CMCP incentives on a deferred basis to allow for those modifications to be based upon the customer's bill.

The Company has not specified any calculation adjustments for sites that have co-located battery storage, customer generation (e.g., solar) or any other circumstances that may result in the net demand on the electric grid being different from the power output of the EVSE.

### 2.3 INCENTIVE RATES

The CMCP incentives are designed to provide incentives to customers who manage their EVSE load while maximizing the Societal Cost Test (SCT). To support the proposed incentive levels, the Central Hudson performed a BCA according to the protocols in its BCA handbook, version 3.0[7], included in the Company's Distributed System Implementation Plan. Consistent with the Company's Dynamic Load Management (DLM) BCA, Central Hudson utilized the avoided transmission and distribution values from its 2016 Avoided Transmission and Distribution study.[8] The avoided generation capacity cost is determined based on the Department of Public Service 2022 Capacity Price Forecast for the Lower Hudson Valley.[9]

The proposed initial incentive amounts are comparable in value to Central Hudson's Commercial System Relief Program incentives, which have a proven track record of incentivizing customer load management.

The Company proposes to value the Peak Avoidance Incentive based upon avoided distribution, avoided transmission, and avoided generation capacity costs.

The Company proposes to make a baseline incentive available twelve months per year, with a higher incentive available from June to September (four months per year) during the summer months, when higher system value is more likely to be provided. The Company proposes these incentive values to encourage year-round management of EVSE loads, to align the largest incentives to the system peak window during the summer, and to achieve a cost-effective program.

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[7] Case 16-M-0411 - In the Matter of Distributed System Implementation Plans, Case 14-M-0101 - Proceeding on Motion of the Commission in Regard to Reforming the Energy Vision, Distributed System Implementation Plan (filed on June 30, 2020).

[8] The Commission's March 18, 2019 *Order Adopting Program Changes with Modifications* in Case 14-E-0423 stated that "the Commission expects to open a new proceeding to examine statewide [Marginal Cost of Service (MCOS)] methodologies in the near future. In the meantime, the Utilities shall continue using the existing MCOS results for designing these programs until and unless new MCOS results are adopted by the Commission." The Commission subsequently opened Case 19-E-0283 to examine the utilities' MCOS studies, in which Staff filed its MCOS whitepaper on March 27, 2023.

[9] Case 14-M-0101, *Proceeding on Motion of the Commission in Regard to Reforming the Energy Vision*, BCA Att A 2022 Capacity Price Forecast, October 3, 2022.

Based upon the Company's analysis, Central Hudson proposes the following monthly incentive rates in Table 1:

*Table 1 Peak Avoidance Incentive Rates*

| Month | Available Peak Avoidance Incentive (per-kW avoided) |
|---|---|
| January | **$1.25** |
| February | **$1.25** |
| March | **$1.25** |
| April | **$1.25** |
| May | **$1.25** |
| June | **$2.50** |
| July | **$2.50** |
| August | **$2.50** |
| September | **$2.50** |
| October | **$1.25** |
| November | **$1.25** |
| December | **$1.25** |

Central Hudson will monitor Program data and customer feedback to assess incentive level effectiveness. Further, the Company expects to revisit the Program BCA following Commission approval of updated MCOS and avoided transmission and distribution methodologies and resulting studies. The Company will also seek to understand the interaction of the Program with other load reduction programs and reevaluate the benefits included in the Program BCA as necessary.

### 2.4 PEAK WINDOW

Central Hudson proposes to institute a single five-hour peak window of 2:00pm to 7:00pm daily. This peak window aligns with the proposed Super-Peak period of the EV-PIR filed contemporaneously with this implementation plan, which will provide consistency for customers that may be participating in both the EV-PIR and CMCP.

The Company expects the 2:00pm to 7:00pm window to capture sufficient peak avoidance value while still giving commercial EVSE customers the flexibility to shift their charging to off-peak hours. Central Hudson will reassess the peak window over time to determine its effect on CMCP enrollment.

### 2.5 INCENTIVE CALCULATION EXAMPLES

Below are several illustrative examples of the Peak Avoidance Incentive calculation:

*Example 1*

Customer A is a distribution customer who sees a maximum EVSE demand in August of 150kW and a maximum EVSE demand during the peak window of 50kW. Customer A's Peak Avoidance is 100kW and they receive a $250 incentive for the month of August (100kW avoided * $2.50/kW- peak avoided incentive).

*Example 2*

Customer B is a distribution customer who sees a maximum EVSE demand in April of 150kW and a maximum EVSE demand during the peak window of 150kW. Customer B's Peak Avoidance is 0kW, and they receive no incentive for the month of April.

*Example 3*

Customer C is a distribution customer whose EVSE load comingled with other on-site load. Customer E has a charging ratio of 58%. They see a maximum EVSE demand in March of 150kW and a maximum EVSE demand during the peak window of 50kW. Customer E's Peak Avoidance is 100kW and they receive a $72.50 incentive for the month of March (100kW avoided * $1.25/kW- peak avoided incentive * 58% Charging Ratio).

## 2.6 PROGRAM DESIGN FLEXIBILITY

Central Hudson expects to adjust the program design over time to improve its effectiveness and efficiency. This is particularly applicable to the use of the Charging Ratio to determine eligibility and calculation of Peak Avoidance Incentives. The Company plans to continue to work with the Joint Utilities to improve data collection processes, technology, accuracy, and consistency. The Company also plans to adjust to key program design elements on an annual basis via a petition, as may be required, or in updated implementation plans describing the updates to the program design and including any revised tariff leaves, as necessary. Beyond the use of the Charging Ratio, the Company anticipates potentially adjusting program design elements including but not limited to customer eligibility, incentive rates, the peak window, data collection approaches, and other elements as needed.

## 2.7 PROGRAM DESIGN CONSIDERATIONS

This CMCP design balances customer accessibility, effectiveness, and efficiency to manage commercial EV charging loads. By incentivizing peak avoidance, the program is providing a price signal to minimize future peak loads and therefore drive more efficient investments in the electric grid (i.e., the incentives are tied to cost causation).

The Company has not added other incentives, such as a per-kWh off-peak charging incentive, as such incentives are less directly tied to cost causation and therefore less likely to result in a cost-effective program. Other managed charging programs, such as those for residential customers, use per-kWh off-peak rebates, as per-kWh charges and credits are more familiar to residential customers. Further, residential customers typically cannot do much to influence the maximum demand of their EVSE (i.e., the EVSE is either on or off), whereas commercial customers are likely to have multiple EVSE or DCFC and more tools to manage their overall peak demand.

The Peak Avoidance incentive only pays customers to the degree they are consistently moving EV charging load to off-peak times. The proposed approach will most effectively incentivize customers who move charging loads to off-peak hours. The proposed design avoids incenting customers who see maximum EVSE demand during the peak window but do little to shift their EV charging loads, and will avoid gaming and creating any distortionary incentives.

The Peak Avoidance incentives require obtaining interval data for EVSE load. Given that a large share of customers participating in the Make-Ready Program are co-locating their EVSE load with the rest of their premise load, allowing participation for these customers requires obtaining EVSE loads in a practical manner. The Company has proposed to require the use of interval meters, and to use a Charging Ratio where EVSE is not separately metered. While this approach comes with challenges and costs of its own,

at this time the Company believes the benefits of including those EVSE outweigh the data costs and challenges they entail.

Finally, the Company notes that this implementation plan does not currently assume any advanced technology integrations, such as advanced metering infrastructure, short-term peak load forecasts at the substation level, distributed energy resource management system (DERMS) integrations, or standards-based device integrations (e.g., OpenADR, IEEE 2030.5). Future iterations of this program may leverage or benefit from investments in such approaches, and the Company will consider proposals in this and other proceedings as it sees necessary.

# 3. CMCP Implementation

### 3.1 PROGRAM IMPLEMENTATION OVERVIEW

To launch the CMCP, the Company will establish a customer application process, a process to determine if interval metering is in place at the applicant's site and assist customers who require interval metering to participate, an incentive payment process, and a program data analysis and reporting process. Further, the Company will market the program to interested customers and perform other day-to-day program management responsibilities. These implementation steps are described below.

### 3.2 CUSTOMER ENROLLMENT PROCESS

The Company will establish a program website containing the program description, application instructions, and frequently asked questions. The website will be established by the time of the program launch. The Company will put in place a customer eligibility verification process to ensure that customers are on eligible rates and not in any competing or conflicting offerings (if applicable). The Company expects new program applications to be verified, and for newly enrolled customers to become eligible for incentive payments, within 30 days or less (pending no missing or incomplete application information).

The Company expects that some commercial customers will have multiple electric accounts under management, such as EVSE developers, fleet operators, or multi-family development property managers. The Company will strive to make program application, communications, incentive payment, and other management issues efficient and effective for customers with multiple EVSE sites under management.

A draft of the CMCP customer application data elements is attached as Appendix 2.

### 3.3 INCENTIVE PAYMENT PROCESS

The Company plans to pay CMCP incentives on a quarterly or more frequent basis. The Company has not established its payment approach at this time and whether it will issue incentives on-bill as a credit, off-bill as a standalone payment, or whether customer preference may dictate which payment method is used.

### 3.4 MARKETING AND OUTREACH

Outreach and education are central to the success of the CMCP. Central Hudson regularly communicates with its customers about EVs through a range of channels, including e-newsletters, social media, events, press releases, websites, direct mail, and advertisements. The Company will establish a program landing

page on its website where customers can learn more about the offering, review frequently asked questions and fill out an application to enroll in the program which is summarized in Appendix 2.

Central Hudson will primarily focus on two core audiences to identify potential participants: 1) Make-Ready Participants; and 2) EV project developers and other stakeholders.

*Make-Ready Participant Outreach*

Central Hudson will conduct an outreach campaign targeted at Make-Ready program participants. Tactics may include direct mail, personal outreach, bill inserts or flyers. Through these various outreach tactics, Central Hudson will direct customers to program information on the Company website where they may learn more about the program and fill out an application to enroll in the program.

*EV Project Developers and Stakeholder Outreach*

Other key audiences that Central Hudson will seek to engage are project developers and other stakeholders who populate the New York EV charging industry. Central Hudson will leverage existing outreach efforts with Make-Ready trade allies and developers to incorporate information about the launch of the CMCP. This includes frequently-asked-questions guides and webinars about the application process. Through these various entry points, Central Hudson will direct EV project developers and other interested parties to the CMCP information on its website.

### 3.5 PROGRAM TIMELINE

The Company expects to launch the CMCP after receiving approval of its implementation plan. The Company will require time to contract with a vendor, develop customer facing materials, and validate meter data and incentive payment processes. The Company expects to have a fully-implemented CMCP no later than the go-live date for the EV-PIR, and will strive to launch the Program as soon as practicable.

### 3.1 PROGRAM BUDGET

The Company's proposed budget for years one through three of the Program is summarized in Table 2. The program budget includes two estimates of customer incentive costs based upon different average levels of peak avoidance and participation. The Company requests authorization for the estimated program administration budget in addition to the high customer incentive budget estimate, totaling $460,000 over a three-year program term. The Company requests flexibility for the budget to be used across budget categories and across years until it is expended. The Company will file a budget for additional program years as necessary.

Total costs include high customer incentives, Company staffing and Other Administration costs, which consists of:

- Marketing: Any costs by the company in marketing the CMCP, including flyers, brochures, email outreach etc.

- IT Requirements: Costs associated with set-up, billing, and integration to allow for the CMCP to function.

- Evaluation: Costs associated with hiring a third party to review the CMCP and provide any recommendations once there is experience to evaluate.

*Table 2: Estimated Program Budget*

| Estimated Total Cost | Year 1 | Year 2 | Year 3 | Term |
|---|---|---|---|---|
| **Customer Incentives (Low)** | $9,000 | $13,000 | $17,000 | $39,000 |
| **Customer Incentives (High)** | $27,000 | $41,000 | $55,000 | $122,000 |
| **Staffing** | $18,000 | $18,000 | $19,000 | $54,000 |
| **Other Administration** | $108,000 | $43,000 | $96,000 | $246,000 |
| **Total (High Incentives)** | $161,000 | $114,000 | $185,000 | $460,000 |

### 3.1 COST RECOVERY

Peak Avoidance Incentives paid to Participants in the CMCP, including carrying charges calculated at the Companies' currently authorized pre-tax cost of capital applied to the net-of-tax balances, will be deferred to the end of each calendar year, and recovered during the subsequent program year through the EV Make-Ready Surcharge.

### 3.2 EVALUATION AND REPORTING

In the Order, the Commission directed the Companies to report on the following data semi-annually, on a per-participant basis if feasible: (1) the number of accounts participating in the immediate and near-term solutions; (2) participants' average peak demand kW; (3) participants average monthly kWh consumption; (4) participants' average annual load factor on a year-to-date basis; and (5) the number and type of each charger participating.

The Commission further directed the Companies to collect and report the following data annually: (1) the year-over-year growth rate in number of accounts participating in Solutions; (2) an assessment of whether incremental EV charging load has resulted in local grid impacts; (3) an assessment of the extent to which incremental EV charging load has resulted in upward or downward rate pressure on non-participating customer rates; and (4) an assessment on the impacts of Solutions on low- and moderate-income customers and Disadvantaged Community residents.

While much of the reporting data requested by the Commission is directly available to the Company such as participation and consumption data, several annual reporting requirements will require deeper analysis of unique distribution system, rate classes and demographics. To report on these requirements the Company will need to procure the services of an Evaluation, Measurement and Verification services provider. The Company have provided the estimated costs for these services in the Program Budget.

# Appendix 1 – Draft Tariff Leaves

Redline and Clean Draft Leaves

## 29. ENERGY COST ADJUSTMENT MECHANISM (Cont'd)

Miscellaneous Charges Factor (Cont'd)

*Electric Vehicle Make-Ready Program Factor*

The Electric Vehicle Make-Ready (EVMR) Program factor is designed to recover the following costs as addressed by the Commission in Case 18-E-0138:

(a) Utility-Owned Make-Ready Work: Until these costs are recovered through base rates, the depreciation expense related to utility-owned make-ready work including work related to future-proofing Company infrastructure and the return, at the Company's currently authorized pre-tax cost of capital, on the average unrecovered portion of such investment net of deferred income taxes for each program year will be recovered over a subsequent one-year period;

(b) Customer-Owned Make-Ready Work: Until these costs are recovered through base rates, incentives paid for customer-owned make-ready work, including carrying charges calculated at the Company's currently authorized pre-tax cost of capital applied to the net-of-tax balances of such incentives and carrying charges, will be recovered over a period of 15 years;

(c) Other Programs: This includes costs associated with the Environmental Justice Community Clean Vehicles Transformation Prize, Clean Personal Mobility Prize, Clean Medium- and Heavy- Duty Innovation Prize, Fleet Assessment Service, and Medium- and Heavy- Duty Make-Ready Pilot Program. To the extent that costs in these programs are for utility-owned make-ready infrastructure, such costs will be recovered consistent with Utility-Owned Make-Ready Work as noted in (a) above. Other costs of these programs, including carrying charges calculated at the Company's currently authorized pre-tax cost of capital applied to the net-of-tax balances of such other costs and carrying charges, will be recovered over a period of 15 years; ~~and,~~

(d) Make-Ready Implementation Costs: Implementation costs inclusive of the Fleet Assessment Service, including carrying charges calculated at the Company's currently authorized pre-tax cost of capital applied to the net-of-tax balances of such other costs and carrying charges, will be recovered over a period of 5 years;~~.~~

(e) Passive and Active Residential Managed Charging Program: Implementation and enrollment costs, including carrying charges calculated at the Company's currently authorized pre-tax cost of capital applied to the net-of-tax balances of such other costs and carrying charges, will be recovered over a period of 1 year from Service Classification No. 1 customers only;~~.~~ and,

(f) Commercial Managed Charging Program: Costs related to incentives paid to participants under the Commercial Managed Charging Program will be recovered over a subsequent one-year period.

~~Cost recovery will be determined:~~

~~1. on an annual basis to be effective with the first billing batch in February, with the first program year ending December 31, 2020 and each subsequent program year comprising a successive annual term thereafter;~~

~~2. for each service classification or sub-classification in proportion to each class' transmission and distribution revenues;~~

~~3. on a kWh basis for non-demand customers and on a kW basis for demand customers;~~

~~4. with the rate per kWh or kW determined by dividing allocable costs by estimated billed kWh deliveries or kW demand over the collection period;~~

~~5.~~1. ~~by reconciling recoveries (eleven months actual, one month forecast) with allocable costs for each twelve-month recovery period ending December 31, with any over or under recoveries included in the development of succeeding rates. Reconciliation amounts related to the one month forecast will be included in the second subsequent rates determination. with the disposition of any resulting over or under recovery at the end of the program recovery period addressed by the Commission.~~

## 29. ENERGY COST ADJUSTMENT MECHANISM (Cont'd)

Miscellaneous Charges Factor (Cont'd)

*Electric Vehicle Make-Ready Program Factor (Cont'd)*

Cost recovery will be determined:

1. on an annual basis to be effective with the first billing batch in February, with the first program year ending December 31, 2020 and each subsequent program year comprising a successive annual term thereafter;

2. for each service classification or sub-classification in proportion to each class' transmission and distribution revenues;

3. on a kWh basis for non-demand customers and on a kW basis for demand customers;

4. with the rate per kWh or kW determined by dividing allocable costs by estimated billed kWh deliveries or kW demand over the collection period;

5. by reconciling recoveries (eleven months actual, one month forecast) with allocable costs for each twelve month recovery period ending December 31, with any over or under recoveries included in the development of succeeding rates. Reconciliation amounts related to the one month forecast will be included in the second subsequent rates determination. with the disposition of any resulting over or under recovery at the end of the program recovery period addressed by the Commission.

The rates so determined for the EVMR Program will be stated in whole $0.00001 per kWh and whole $0.01 per kW and will be filed on the Statement of Electric Vehicle Make-Ready Program Charges not less than fifteen days prior to a proposed change in rates. These rates will be applied to the energy (kWh) and demand (kW) deliveries on the bills of all customers served under Service Classification Nos. 1, 2, 3, 5, 6, 8, 9, 13, and 14, except that customers taking service under the provisions of General Information Sections 41 (Excelsior Jobs Program) and/or 45 (Empire Zone Rate) will be exempt from the EVMR Program factor on the portion of their load served under these programs. Customers taking service under Service Classification No. 14 will be billed the rate applicable to their Parent Service Classification, which is the Service Classification that the customer would otherwise qualify for based on the customer's usage characteristics, with the rate applied to demand-billed customers on a contract demand basis.

For billing purposes, cost recovery for non-demand customers will be included in the Miscellaneous Charges, with the combined amount shown as one line item on customer bills. Cost recovery for demand-billed customers will be through the Miscellaneous Charges II, a separate line item on customer bills.

## 29. ENERGY COST ADJUSTMENT MECHANISM (Cont'd)

Miscellaneous Charges Factor (Cont'd)

*Electric Vehicle Make-Ready Program Factor*

The Electric Vehicle Make-Ready (EVMR) Program factor is designed to recover the following costs as addressed by the Commission in Case 18-E-0138:

(a) Utility-Owned Make-Ready Work: Until these costs are recovered through base rates, the depreciation expense related to utility-owned make-ready work including work related to future-proofing Company infrastructure and the return, at the Company's currently authorized pre-tax cost of capital, on the average unrecovered portion of such investment net of deferred income taxes for each program year will be recovered over a subsequent one-year period;

(b) Customer-Owned Make-Ready Work: Until these costs are recovered through base rates, incentives paid for customer-owned make-ready work, including carrying charges calculated at the Company's currently authorized pre-tax cost of capital applied to the net-of-tax balances of such incentives and carrying charges, will be recovered over a period of 15 years;

(c) Other Programs: This includes costs associated with the Environmental Justice Community Clean Vehicles Transformation Prize, Clean Personal Mobility Prize, Clean Medium- and Heavy- Duty Innovation Prize, Fleet Assessment Service, and Medium- and Heavy- Duty Make-Ready Pilot Program. To the extent that costs in these programs are for utility-owned make-ready infrastructure, such costs will be recovered consistent with Utility-Owned Make-Ready Work as noted in (a) above. Other costs of these programs, including carrying charges calculated at the Company's currently authorized pre-tax cost of capital applied to the net-of-tax balances of such other costs and carrying charges, will be recovered over a period of 15 years;

(d) Make-Ready Implementation Costs: Implementation costs inclusive of the Fleet Assessment Service, including carrying charges calculated at the Company's currently authorized pre-tax cost of capital applied to the net-of-tax balances of such other costs and carrying charges, will be recovered over a period of 5 years;

(e) Passive and Active Residential Managed Charging Program: Implementation and enrollment costs, including carrying charges calculated at the Company's currently authorized pre-tax cost of capital applied to the net-of-tax balances of such other costs and carrying charges, will be recovered over a period of 1 year from Service Classification No. 1 customers only; and,

(f) Commercial Managed Charging Program: Costs related to incentives paid to participants under the Commercial Managed Charging Program will be recovered over a subsequent one-year period.

## 29. ENERGY COST ADJUSTMENT MECHANISM (Cont'd)

Miscellaneous Charges Factor (Cont'd)

*Electric Vehicle Make-Ready Program Factor (Cont'd)*

Cost recovery will be determined:

1. on an annual basis to be effective with the first billing batch in February, with the first program year ending December 31, 2020 and each subsequent program year comprising a successive annual term thereafter;

2. for each service classification or sub-classification in proportion to each class' transmission and distribution revenues;

3. on a kWh basis for non-demand customers and on a kW basis for demand customers;

4. with the rate per kWh or kW determined by dividing allocable costs by estimated billed kWh deliveries or kW demand over the collection period;

5. by reconciling recoveries (eleven months actual, one month forecast) with allocable costs for each twelve month recovery period ending December 31, with any over or under recoveries included in the development of succeeding rates. Reconciliation amounts related to the one month forecast will be included in the second subsequent rates determination. with the disposition of any resulting over or under recovery at the end of the program recovery period addressed by the Commission.

The rates so determined for the EVMR Program will be stated in whole $0.00001 per kWh and whole $0.01 per kW and will be filed on the Statement of Electric Vehicle Make-Ready Program Charges not less than fifteen days prior to a proposed change in rates. These rates will be applied to the energy (kWh) and demand (kW) deliveries on the bills of all customers served under Service Classification Nos. 1, 2, 3, 5, 6, 8, 9, 13, and 14, except that customers taking service under the provisions of General Information Sections 41 (Excelsior Jobs Program) and/or 45 (Empire Zone Rate) will be exempt from the EVMR Program factor on the portion of their load served under these programs. Customers taking service under Service Classification No. 14 will be billed the rate applicable to their Parent Service Classification, which is the Service Classification that the customer would otherwise qualify for based on the customer's usage characteristics, with the rate applied to demand-billed customers on a contract demand basis.

For billing purposes, cost recovery for non-demand customers will be included in the Miscellaneous Charges, with the combined amount shown as one line item on customer bills. Cost recovery for demand-billed customers will be through the Miscellaneous Charges II, a separate line item on customer bills.

# Appendix 2 – Draft Customer Enrollment Form

**Customer Enrollment Form Data Elements**

- Customer name or organization
- Customer contact information
    - Primary name, email, phone number
    - Secondary name, email, phone number
- Customer account number(s) applying to CMCP
- For each account number:
    - Does this site represent only EV charging load?
    - Does this site use an EV energy management system or EVSE power sharing?
    - Does this account have co-located distributed generation (e.g., solar panels)?
    - Does this account have co-located standalone battery storage?
        - Battery storage integrated into the EVSE will be reported in the EVSE inventory.
    - Does this account have an interval meter installed (to be verified by the Company)?
    - Itemized description of Level 2 EVSE ports and kW for each port
    - Itemized description of DCFC ports and kW for each port
    - Maximum simultaneous EVSE demand in kW
    - EVSE Network Service Provider name
    - Site Type (Public, Multi-Unit Dwelling, Commercial Vehicle Fleet, Workplace, Other).
- Form W-9 submission