

Amy E. Hirakis
Counsel

PPL
Two North Ninth Street
Allentown, PA 18101-1179
Tel. 610.774.4254 Fax 610.774.6726
AEHirakis@pplweb.com



E-File

August 22, 2017

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

**Re: Third Party Electric Vehicle Charging Resale/
Redistribution of Utility Service Tariff
Docket No. M-2017-2604382**

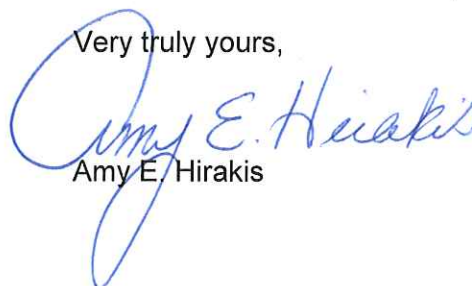
Dear Ms. Chiavetta:

Enclosed for filing on behalf of PPL Electric Utilities Corporation ("PPL Electric") are PPL Electric's Comments in the above-captioned proceeding. These Comments are being filed pursuant to the Secretarial Letter issued on June 15, 2017 at the above referenced docket.

Pursuant to 52 Pa. Code § 1.11, the enclosed document is to be deemed filed on August 22, 2017, which is the date it was filed electronically using the Commission's E-filing system.

If you have any questions regarding these comments, please call me at (610) 774-4254 or William Agee, Business Finance Specialist for PPL Electric at (610) 774-7338.

Very truly yours,


Amy E. Hirakis

Enclosures

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Third Party Electric Vehicle Charging – :
Resale/Redistribution of Utility Service Tariff : Docket No. M-2017-2604382
Provisions : :

**COMMENTS OF
PPL ELECTRIC UTILITIES CORPORATION**

TO THE PENNSYLVANIA PUBLIC UTILITY COMMISSION:

On May 18, 2017, the Pennsylvania Public Utility Commission (“Commission”) passed a Motion by Chairman Gladys M. Brown (“Motion”) requesting comments on several topics related to third-party electric vehicle charging stations and the potential restrictions, if any, in the electric distribution companies’ (“EDCs”) tariffs to the resale or redistribution of electricity by third-party electric vehicle charging stations. PPL Electric Utilities Corporation (“PPL Electric” or the “Company”) supports the Commission’s efforts to address third-party electric vehicle charging stations and believes that EDCs are in a unique position to play an important role in advancing the use of electric vehicles in the Commonwealth.

In accordance with the Motion, the Company submits the following Comments.

I. BACKGROUND

PPL Electric is a public utility and electric distribution company (“EDC”) as defined in Sections 102 and 2803 of the Pennsylvania Public Utility Code, 66 Pa. C.S. §§ 102, 2803. PPL Electric furnishes electric distribution, transmission, and default supply services to approximately 1.4 million customers throughout its certificated service territory, which includes

all or portions of 29 counties and encompasses approximately 10,000 square miles in eastern and central Pennsylvania.

On May 18, 2017, the Commission passed a Motion by Chairman Brown requesting comments on questions related to third-party electric vehicle charging stations. Per the Motion, interested parties were directed to file comments within 45 days of the Secretarial Letter being published in the *Pennsylvania Bulletin*.

On July 8, 2017, the Commission's Secretarial Letter was published in the *Pennsylvania Bulletin*.

II. COMMENTS

PPL Electric supports and encourages the advancement of electric vehicles in Pennsylvania. For the past several years, the Company has invested in the electrification of its vehicle fleet through ownership of 15 Plug-in Hybrid Electric vehicles and 30 electric power take-off¹ bucket trucks. PPL Electric also has direct experience with electric vehicle charging stations. Currently, the Company owns 23 Level 2 charging stations for company use. Additionally, PPL Electric has adopted and achieved the Department of Energy's and Edison Electric Institute's goal of designating 5% of the Company's transportation budget for fleet electrification. The Company will continue to look for opportunities to invest in electric vehicles for its fleet in the future.

PPL Electric actively participates in Pennsylvania's Electric Vehicle Coalition ("EV Coalition"). The EV Coalition is a public-private initiative with the purpose of advancing the growth of electric vehicles in Pennsylvania and is led by the Pennsylvania Department of Environmental Protection. Other participating member organizations and entities include the

¹ ePTO is battery storage system that allows the bucket to be operated when the vehicle's engine is not running.

Commission, other EDCs, Southeastern Pennsylvania Transportation Authority, electric vehicle charging vendors, universities, and other businesses. Specifically, the goals of the EV Coalition are to increase awareness, education, and understanding of electric vehicles, to increase the rate of adoption of and demand for electric vehicles, and to promote consistent access and charging experiences for all.

The Company believes that its perspective as an EDC will be valuable to the Commission as it addresses issues related to potential tariff restrictions on third-party-owned electric vehicle charging stations and the resale and redistribution of electricity. PPL Electric looks forward to working with the Commission and interested stakeholders to address the questions in the Motion and to encouraging the increased adoption of electric vehicles and electric vehicle charging stations in Pennsylvania.

In accordance with Chairman Brown's Motion, PPL Electric addresses the topics outlined in the Motion as follows:

A. RESTRICTIONS, IF ANY, IN PPL ELECTRIC'S TARIFF ON THE RESALE/REDISTRIBUTION OF UTILITY SERVICE FOR THIRD-PARTY ELECTRIC VEHICLE CHARGING

The only provision in PPL Electric's tariff restricting the resale and redistribution of electricity is Rule 5F. *See* PPL Electric Tariff Rule 5F, Supplement No. 42, Electric Pa. P.U.C. No. 201, Fourth Revised Page No. 9A. Rule 5F provides that "[e]nergy purchased from the Company shall not be submetered and resold to another party except as permitted under 5F(2) and 5F(4)." *Id.* The referenced exceptions apply only to landlord/tenant scenarios² and,

² Rule 5F(2) and (4) state the following:

(2) Where installation of electric service was completed by May 21, 1980, electric energy may be redistributed and submetered to tenants provided service to the premises is to one point of delivery through a single meter under the applicable general rate schedule, and charges for electric service

therefore, would not typically apply to third-party electric vehicle charging. Thus, the Company's tariff prohibits the resale/redistribution of electricity by a third-party electric vehicle charging station only where the electricity is "submetered and resold." PPL Electric believes that language specifically addressing third-party owned electric vehicle charging stations from its Distribution Tariff Rule 5F would provide additional clarity to customers.

B. BENEFITS AND DETRIMENTS OF SPECIFIC TARIFF PROVISIONS PERMITTING THE UNRESTRICTED RESALE/REDISTRIBUTION OF UTILITY SERVICE FOR THIRD-PARTY ELECTRIC VEHICLE CHARGING

In the Motion, Chairman Brown observed that Duquesne Light Company's ("Duquesne") tariff includes a specific provision addressing electric vehicle charging. Although Rule 18 of Duquesne's tariff generally states that "[a]ll electric energy shall be consumed by the customer to whom the Company supplies and delivers such energy," Rule 18.1 clarifies that "[f]or purposes of third party-owned electric vehicle charging stations, charging the electric vehicle shall not be considered redistribution" that is prohibited by Rule 18.³ See Duquesne Tariff Rules 18 and

to such tenants do not exceed charges as computed under the Company's applicable rate schedule for comparable service.

...

(4) Company, at its discretion, may permit submetering for both existing and new service locations in accordance with the resale provisions of 5F(2) when all of the following conditions are present:

- (a) It is impractical for the Company to separately bill each tenant.
- (b) Each tenant has control of the majority of his electric energy use.
- (c) That substantial energy conservation will be effected.

PPL Electric Tariff Rule 5F(2) and (4), Supplement No. 42, Electric Pa. P.U.C. No. 201, Fourth Revised Page No. 9A.

³ PPL Electric observes that the approach taken by Duquesne is similar to the one taken by Liberty Utilities in New Hampshire. Last year, the New Hampshire Public Utilities Commission ("NHPUC") approved Liberty Utilities' tariff amendments clarifying that "[t]he sale of electric vehicle charging services to a third party from an electric vehicle charging station shall not be considered a resale of electricity." See Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities Proposed Tariff Amendment to Allow Resale of Electricity for Electric Vehicle Charging Stations – Termination of Tariff Amendment Suspension and Approval of Revised Tariff Pages, Docket No. DE 15-489 (Secretarial Letter dated May 24, 2016). A copy of the Secretarial Letter approving Liberty Utilities' tariff amendment is available at the following URL address:

18.1, Supplement No. 95, Electric – Pa. P.U.C. No. 24, Fourth Revised Page No. 23. Rule 18.1 of Duquesne’s tariff also provides certain rules for third-party electric vehicle charging stations, such as requiring the owner of the charging facility to notify Duquesne 120 days before a planned installation of a charging facility and to be responsible for all tariff rates, fees, and charges. *See* Duquesne Tariff Rule 18.1, Supplement No. 95, Electric – Pa. P.U.C. No. 24, Fourth Revised Page No. 23.

PPL Electric supports development of tariff provisions for electric vehicle charging stations. Such tariff provisions would establish clear terms and conditions for service to electric vehicle charging station, providing clarity for customers and third-party electric vehicle charging station owners and removing potential barriers for the installations of electric charging stations across the state.

C. APPROPRIATENESS OF ENCOURAGING EDCS TO MOVE TOWARD A TARIFF DESIGN THAT INCLUDES PROVISIONS FOR THIRD-PARTY ELECTRIC VEHICLE CHARGING RESALE/REDISTRIBUTION

As explained above, tariff provisions for electric vehicle charging stations could provide several benefits and PPL Electric therefore supports incorporating such provisions in its tariff. Both EDCs and the Commission have historically developed, revised, or eliminated tariff provisions in order to encourage public policy decisions based on the state’s and EDC’s position given the political, business, technological, and social environment of the state and EDC’s service territory. Nevertheless, the EDCs have different tariffs, characteristics, customer bases, and objectives. Accordingly, the Company maintains each EDC should have the flexibility to decide the language to incorporate throughout its tariff provisions that would be best for the EDC and its customers. To aid EDCs in incorporating such tariff provisions, PPL Electric

http://www.puc.state.nh.us/Regulatory/Docketbk/2015/15-489/LETTERS-MEMOS-TARIFFS/15-489_2016-05-24_SEC_LTR_TERMINATING_SUSPENSION_APPROVING_REV_TARIFF.PDF

recommends that the Commission enter an order establishing a streamlined process for EDCs to obtain approval to modify their tariffs to include provisions for third party electric vehicle charging resale and redistribution.

D. OTHER RESALE/REDISTRIBUTION TARIFF PROVISIONS THAT MAY HELP ESTABLISH CLEAR RULES FOR THIRD-PARTY ELECTRIC VEHICLE CHARGING STATIONS

The Company continues to evaluate whether other tariff provisions could help establish clear rules for third-party electric vehicle charging stations. The Company does not have any other definitive proposals regarding resale and redistribution tariff provisions at this time, but PPL Electric maintains that any other tariff provisions should be flexible and not inhibit future technologies and innovation.

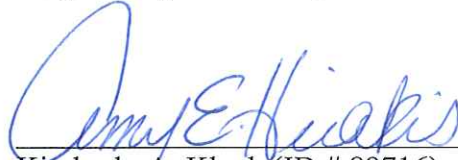
E. OTHER REGULATORY OPTIONS THAT MAY HELP ESTABLISH CLEAR RESALE/REDISTRIBUTION RULES FOR THIRD-PARTY ELECTRIC VEHICLE CHARGING STATIONS

In addition to a streamlined process for limited tariff modifications related to third-party charging stations, PPL Electric supports a collaborative with interested parties and stakeholders to discuss rules for the resale and redistribution of electricity by electric vehicle charging stations. This is an emerging issue in Pennsylvania, and the Company believes it would be beneficial to meet with these parties, discuss the implications of specific tariff provisions addressing the issue, and develop an appropriate solution.

III. CONCLUSION

Based on the foregoing, PPL Electric supports the Commission's efforts to address third-party electric vehicle charging stations and respectfully requests that the Commission take these Comments into consideration.

Respectfully submitted,



Kimberly A. Klock (ID # 89716)

Amy E. Hirakis (ID #310094)

PPL Services Corporation

Office of General Counsel

Two North Ninth Street

Allentown, PA 18101

Phone: 610-774-5696

Fax: 610-774-4102

E-mail: kklock@pplweb.com

ahirakis@pplweb.com

Date: August 22, 2017

Attorneys for PPL Electric Utilities Corporation