

July 27, 2018

Secretary Rosemary Chiavetta,
Commonwealth Keystone Building, Second Floor,
400 North Street, Harrisburg, PA 17120

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

Dear Secretary Chiavetta,

I am writing to you on behalf of Advanced Energy Economy (AEE) to support the proposed policy statement of the Public Utility Commission (PUC) in the above-referenced docket regarding resale/redistribution of electricity by third parties for electric vehicle (EV) charging. We agree with the Commission's conclusion that the sale of electricity by publicly accessible EV charging facilities for the purpose of charging EVs should not be considered a resale of electric utility service to a residential customer, and we agree that electric distribution companies (EDCs) in Pennsylvania should expressly address these clarifications regarding charging facilities in their tariffs.

As a national association of business leaders who are making the global energy system more secure, clean, and affordable, AEE supports a transition to a 21st century transportation system. In the advanced transportation sector, AEE's membership includes manufacturers of electric vehicles of different vehicle sizes - from small, low-speed vehicles to large heavy-duty vehicles, charging infrastructure providers, grid integration solution firms, fleet operators, and companies providing supporting technologies and software services.

AEE commends the Commission for recognizing that the rapidly growing EV market will need expanded access to publicly available charging stations. From 2011 to 2017, U.S. sales of light-duty EVs have grown at a compound annual growth rate (CAGR) above 50%, and that growth has continued over the course of 2018.¹ The medium- and heavy-duty EV markets are also growing rapidly. Sales of plug-in electric buses increased 40% from 2016 to 2017, and analysts project a 19% CAGR over the next 10 years.² As vehicle sales rise, so too does the need for more charging infrastructure.

By providing regulatory certainty and establishing its view that non-utility electric vehicle supply equipment (EVSE) operators of public charging stations should be exempt from the requirements of a "Public Utility," the Commission is taking action that will clearly support investment in that charging infrastructure. Market data, including a recent market survey that found that 85% of potential purchasers who were aware of EVs cited a lack of charging infrastructure as a reason they are not buying EVs,

¹ Navigant Research, 2017: <https://www.navigantresearch.com/research/market-data-ev-geographic-forecasts>

² <https://www.navigantresearch.com/newsroom/sales-of-plug-in-electric-buses-increased-40-percent-from-2016-to-2017>

clearly shows that the expanded charging infrastructure will support further deployment of EVs.³ Furthermore, studies have shown that rising adoption of EVs coupled with smart charging behavior, can reduce costs for all ratepayers while benefiting the grid and providing a range of societal and environmental benefits.^{4,5}

Beyond providing clear benefit to the EV charging infrastructure market, AEE strongly believes that the Commission's proposed decision is fundamentally the appropriate conclusion. Although we understand the potential need for certain restrictions on the resale of electricity to consumers, this use case is unique. EV charging stations do not function as typical commercial or industrial customers. There is widespread recognition that EVSE companies are providing a service, rather than just electricity, such that these operators should be allowed to "resell" electricity to drivers as needed. In fact, such a determination has already been made by 20 states and the District of Columbia either by statutory amendment or regulatory clarification.⁶

Given the circumstances, our organization respectfully requests that the Commission finalize its policy statement as soon as possible and require the EDCs to expressly address these clarifications regarding EV charging facilities in their tariffs.

If you would like additional information, please do not hesitate to contact me.

Sincerely,



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² Altman Vilandrie & Co. Private Study. 2017. The findings are summarized at <https://ngtnews.com/survey-lack-of-awareness-high-costs-hamper-ev-adoption>.

⁴ <http://www.mjbradley.com/reports/mjba-analyzes-state-wide-costs-and-benefits-plug-vehicles-five-northeast-and-mid-atlantic>

⁵ <https://www.ethree.com/tools/electric-vehicle-grid-impacts-model/>

⁶ Arkansas Code § 23-1-101(9); Cal. Pub. Util. Code, § 216(1); Colo. Rev. Stat. § 40-1-103.3(2); CT Section 16-1 of the 2016 supplement to gen. statutes; D.C. Code §§ 34-207, 34-214; Fla. Stat. § 366.94; Haw. Rev. Stat. § 261-1(2); Idaho Code § 61-119; 220 Ill. Comp. Stat. §§ 5/3-105(C), 5/16-102; Me. Rev. Stat. Ann. Tit. 35, §§ 313-A, 3201(5), 3201(8-B); Md. Code Pub. Utils. §§ 1-101(J)(3), 1-101(X)(2); Minn. Stat. § 216B.02 (Subd. 4); Missouri PSC File No. ET-2016-0246; NYPSC Case No. 13-E-0199; Or. Rev. Stat. § 757.005(1)(B)(G); PA PUC Order R-2014-2430058; Utah Code §§ 54-2-1(7)(C), 54-2-1(19)(J); Va. Code Ann. § 56-1.2.1; Wash. Rev. Code § 80.28.310; W. Va. Code § 24-2D-3.

