



May 23, 2022

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

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

**Comments of the Vehicle-Grid Integration Council (VGIC)
on Demand Charge Alternatives for Commercial EV Charging**

The Vehicle-Grid Integration Council (VGIC)¹ is a 501(c)(6) membership-based advocacy group committed to advancing the role of electric vehicles (EVs) and vehicle-grid integration (VGI) through policy development, education, outreach, and research. VGIC supports the transition to decarbonized transportation and electric sectors by ensuring the value from EV deployments and flexible EV charging and discharging is recognized and compensated in support of achieving a more reliable, affordable, and efficient electric grid. Scaling VGI will help accomplish the following public policy goals:

- **Benefit drivers and fleet owners** by reducing the total cost of EV ownership.
- **Decarbonize the transportation sector** by accelerating EV adoption.
- **Support the decarbonization of the power sector** by providing essential grid flexibility services as renewable energy and distributed energy resource penetration increases.
- **Increase affordability** by putting downward pressure on electricity bills for all customers.

¹ VGIC member companies and supporters include American Honda Motor Co., Inc., dcbel, Enel X North America, Inc., ENGIE NA, Fermata Energy, FlexCharging, Flo/AddEnergie, Ford Motor Company, FreeWire Technologies, General Motors Company, Nissan Group of North America, Nuvve Holding Corporation, Sacramento Municipal Utility District, Stellantis N.V., Sunrun, The Mobility House, Toyota Motor North America, Inc., Veloce Energy, Inc., Wallbox USA Inc., and WeaveGrid. The views expressed in these Comments are those of VGIC, and do not necessarily reflect the views of all individual VGIC member companies or supporters. <https://www.vgicouncil.org/>.

- **Improve grid resiliency and security** during extreme weather events using vehicle-to-building systems.
- **Foster economic activity** through innovation, competition, and market transformation.

VGIC appreciates the opportunity to respond to the Public Service Commission’s Notice Soliciting Comments on demand charge alternatives for commercial EV charging. Specifically, VGIC provides high-level recommendations in response to Question 4 (“What solution design elements should be considered to best maintain an incentive to manage electric demand?”). We reserve the right to provide additional details in reply comments.

- Recommendation 1: The Commission should look beyond a “one size fits all” solution and instead consider a range of solutions. Different EV customers and charging site hosts have different mobility needs as well as different willingness and ability to manage their charging to align with specific tariff or program parameters. A single rate or solution is not likely to be a good fit for both various fleets (*e.g.*, electric school buses, last mile delivery, *etc.*) and public charging sites. Therefore, flexible solutions, including both rate designs and other programmatic managed charging approaches, should be encouraged to accommodate as wide a range of EV charging use cases as possible.
- Recommendation 2: The Commission should enable increased use of dynamic pricing as an option for EV customers. Dynamic pricing incentivizes beneficial charging patterns around the clock and can unlock significant savings for EV customers who can align their EV charging with periods with little or no grid constraints, thereby minimizing utility investments needed to support transportation electrification. Dynamic rates can include 1) dynamic demand charges (*e.g.*, based on average daily demand, measured only during specific windows, or adjusted by load factor), 2) enhanced TOU rates that include larger differentials and have time periods updated on a regular basis to reflect changes in wholesale market prices, and 3) optional real-time rates. These dynamic components can include both time-varying distribution system costs as well as energy costs. Given that dynamic rates may require technological advances from the IOUs, VGIC encourages the Commission to explore ways to support the IOUs in this transition, including through opportunities with automotive Original Equipment Manufacturers (OEMs) and other energy service providers to deploy dynamic charging capabilities.
- Recommendation 3: Solutions should address customers with EV charging integrated with on-site load and distributed energy resources (DERs). Promoting combined EV



charger and building/facility loads and DERs can provide opportunities to manage total site demand, as well as enable backup power and resiliency applications, through vehicle-to-building or vehicle-to-load strategies. For customers with integrated EV and on-site loads, EV- or EV supply equipment (EVSE)-based submetering can be leveraged to enable participation in any potential EV-specific rates without the need for a costly additional utility meter or subpanel upgrade. At the very least, a separate service panel and meter for EVs should not be the assumed or default configuration.

- Recommendation 4: The Commission should explore solutions that incentivize co-location with energy storage and other Automated Load Management (ALM) approaches. ALM software solutions can share available electrical capacity among charging stations, while utilizing on-site energy storage systems can also keep maximum site charging load well under the cumulative nameplate capacity of all EVSE at a given site. Aside from managing demand, these solutions can also help avoid installing additional electrical capacity, thereby mitigating make-ready costs and accelerating energization timelines.

VGIC appreciates the opportunity to provide these comments and looks forward to working with the IOUs, the Commission, and other stakeholders to ensure the success of New York's transportation electrification efforts.

Respectfully submitted,

Ed Burgess

A handwritten signature in black ink, appearing to read "Edward A. Burgess".

Policy Director

Vehicle-Grid Integration Council (VGIC)