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October 16, 2020

VIA ELECTRONIC MAIL

Aida Camacho-Welch, Secretary
Board of Public Utilities
44 South Clinton Ave., 9th Floor
Trenton, New Jersey 08625

Re: BPU Docket No. EO18101111

Dear Secretary Camacho-Welch:

Please find enclosed for filing the pre-filed Rebuttal Testimony of Joshua J. Cohen on behalf of Zeco Systems Inc. d/b/a Greenlots in BPU Docket No. EO18101111, *In the Matter of the Petition of Public Service Electric and Gas Company for Approval of its Clean Energy Future- Electric Vehicle and Energy Storage ("CEF-EVES") Program on a Regulated Basis*.

Thank you, please confirm receipt and feel free to contact me with any questions or concerns.

Respectfully submitted,

/s/ Nathan Howe

Nathan Howe

Enclosures

Cc: Service List (via e-mail)

STATE OF NEW JERSEY

BEFORE THE BOARD OF PUBLIC UTILITIES

In the Matter of the Petition of Public Service Electric and Gas Company for Approval of its Clean Energy Future-Electric Vehicle and Energy Storage ("CEF-EVES") Program on a Regulated Basis	)))))))	BPU Docket No. EO18101111

REBUTTAL TESTIMONY
OF
JOSHUA J. COHEN
ON BEHALF OF ZECO SYSTEMS D/B/A/ GREENLOTS

October 16, 2020

I. INTRODUCTION

Q. Please state your name, position, and business address.

A. My name is Joshua J. Cohen. I am Director of Policy for Zeco Systems, Inc. d/b/a Greenlots ("Greenlots"). Greenlots' principal place of business is located at 767 S. Alameda Street, Suite 200, Los Angeles, CA, 90021. I currently work remotely at my home office in Maryland.

Q. Have you previously filed direct testimony in this proceeding?

A. Yes, I filed direct testimony pertaining to Public Service Electric & Gas Company ("PSE&G" or "the Company")'s Clean Energy Future-Electric Vehicle and Energy Storage Program ("CEF-EVES Program") as submitted on October 11, 2018.

Q. What is the purpose of your rebuttal testimony?

A. I believe it is important to present different perspectives on certain assertions and amplify others raised in the direct testimony of various witnesses, including that of ChargePoint Witness Kevin Miller and Electrify America Witness Jigar Shah.

Q. Are you sponsoring any additional attachments as part of your rebuttal testimony?

A. No.

Q. In ChargePoint's direct testimony, Witness Miller described the market for electric vehicle ("EV") charging infrastructure in New Jersey as "competitive" (page 6) and disagreed with the description of the market as a "market failure" (page 8). Do you share this view?

A. No. A competitive market for EV charging infrastructure does not exist at present in New Jersey. Greenlots expects this dynamic will change in time as EV adoption increases. Once EVs become plentiful enough in New Jersey to support a business case for private parties to profitably deploy and operate public charging infrastructure at scale, then one might more plausibly describe the market as competitive. Indeed, Greenlots sees the instant portfolio of pilot offerings as a critical step to help mature the market to that point sooner rather than later, but at present a competitive market is aspirational outside of very limited circumstances where a motivated buyer at scale of charging products and services may exist.

Q. In Electrify America's direct testimony, Witness Shah argued that utility ownership of public DC fast charging stations would be "premature" (page 26). Do you share this view?

A. No. In the context of the proposed CEF-EVES Program and the current state of the EV charging market in New Jersey, Greenlots believes strongly that utility ownership and operation of charging infrastructure will incentivize competition, spur the growth of the competitive market, and hasten the day when it may become profitable for private companies to deploy, own and operate publicly-accessible charging stations at scale. Moreover, utility ownership will help ensure charging stations are well-maintained in

good working order, and – particularly if the utilities are able to select and procure hardware and software that support interoperability – avoid the risk of stranded assets.

Q. In ChargePoint's testimony, Witness Miller recommends modifying the program to provide for "site host choice of charging equipment and network solutions" (page 25). Do you share this perspective?

A. Customer choice is an important aspect of a charging program. In the context of a utility EV charging program, Greenlots views the utility as a key customer of the EV charging market. The utility should have the appropriate flexibility to design its program and procurement strategy and select its hardware and software partners. The site host should have the choice of whether or not to participate in the utility's charging program, but not to choose for the utility how it should design its EV charging program and procurement strategy or select its hardware and software partners.

Site host choice of charging networks has potentially costly implications. First, it would place a burden on PSE&G to integrate its operating system and back-end software with multiple charging networks. The complexity and added costs associated with this integration can be significant and result in delayed program implementation. More importantly, the additional expense may result in added costs passed through to ratepayers or, if the utility faces a fixed budget, less deployed infrastructure.

Indeed, the consequences of forcing utilities to offer multiple networks in their program design eliminates the ability of utilities to standardize on back-end network, billing and

control infrastructure. It could also result in increased consumer protection and security concerns with respect to the flow of customer data, and outside entry points into utility billing systems. The experience of many utilities in EV charging pilots is that the time, cost and complexity to separately integrate with each EV charging provider's specific network offering is one of the most challenging aspects of such programs.

While well intentioned, both in principle and in practice, the implications of site host choice of charging networks become more readily apparent if we extend this example beyond the CEF-EVES Program into other areas of utility operations. Site host choice of other information technology and operational systems and decisions such as demand response (DR), distributed energy resource management systems (DERMS), billing systems and other key functions would not only be seen as inappropriate involvement in internal utility operations and decision-making but would be logistically complex and costly. Establishing this precedent when it comes to selection of EV charging networks could have an unintended and unwelcome effect beyond the instant proceeding.

Greenlots is convinced that utility procurement, selection and management of charging hardware and software offers multiple benefits. These benefits include strengthening competition within the industry. Indeed, Greenlots views utility selection and procurement of hardware and software as the purest form of competition, one in which market participants can compete on price, functionality, features and other criteria. As Greenlots noted in its direct testimony, this procurement model enables a variety of market participants, regardless of size or market share, to compete equally based on clear

standards set forth by the utility within parameters approved by the Commission. Moreover, a utility-led wholesale level procurement and selection of network provider offers the greatest likelihood of driving costs down and offering the utility – and by extension, its ratepayers – more value for every dollar spent.

Q. In ChargePoint's Testimony, Witness Miller recommends modifying the program to provide "site host control over pricing" and expressed the opinion that "flexibility in pricing" which allows site hosts to "tailor pricing" for drivers is important (page 24). Do you share this perspective?

A. No. Driver pricing is one aspect of a broader vision that Greenlots sees as critical to ensuring a positive driver experience for utility-provided service, namely the uniform expectation of pricing, reliability and customer service. Effectively, a driver should be able to pull up to any utility-provided charging location and have the same experience there as anywhere else within that network. This is not to say that a utility cannot offer a range of pricing options, for instance to offer incentives to participate in managed charging or other tools to manage load. Put simply, the pricing experience needs to be consistent.

There is another aspect to the importance of a consistent pricing experience: pricing is key to behavior. On the one hand, if a site host sets pricing too high and reduces or even eliminates the relative savings of driving an EV compared to driving a gas vehicle, that reduces the single largest incentive drivers have for choosing an electric vehicle, namely cost savings. Such a scenario would have the effect of hindering the state's EV adoption

goals and leveraging utility filings such as PSEG's CEF-EVES Program to do so. On the other hand, pricing that is deeply discounted or even free and fails to reflect the cost of electricity can create an expectation that such discounted pricing is the norm.

Q. Does this conclude your pre-filed rebuttal testimony?

A. Yes.