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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. EO18080190

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. EO18020190, *In the Matter of the Petition of Atlantic City Electric Company for Approval of a Voluntary Program For Plug-in Vehicle Charging*.

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)	
Atlantic City Electric Company for)	BPU Docket No.
Approval of a Voluntary Program)	EO18020190
For Plug-In Vehicle Charging)	

REBUTTAL TESTIMONY OF JOSHUA J. COHEN

ON BEHALF OF

ZECO SYSTEMS INC. D/B/A/ GREENLOTS

October 19, 2020

1 I. INTRODUCTION

2

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

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

8

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

10 **A.** Yes, I filed direct testimony pertaining to Atlantic City Electric Company (“Atlantic City
11 Electric” or “ACE”)’s Voluntary Program for Plug-In Vehicle Charging as submitted via
12 Amended Petition on December 17, 2019 (“PIV Program”).

13

14 **Q. What is the purpose of your rebuttal testimony?**

15 **A.** I believe it is important to present different perspectives on certain assertions raised in the
16 direct testimony, including that of ChargePoint Witness Kevin Miller and EVgo Witness
17 Carine Dumit.

18

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

20 **A.** No.

22 **Q. In ChargePoint’s direct testimony, Witness Miller described the market for electric**
23 **vehicle (“EV”) charging infrastructure in New Jersey as “competitive” (page 7) and**
24 **disagreed with the description of the market as a “market failure” (page 9). Do you**
25 **share this view?**

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

36 **Q. In ChargePoint’s direct testimony, Witness Miller expressed the opinion that**
37 **“utility ownership and operation of charging infrastructure can have a detrimental**
38 **impact on the competitive market” (page 31). EVgo Witness Dumit expressed a**
39 **similar view that such utility ownership and operation “would be redundant to and**
40 **in direct competition with the private sector” (page 9). Do you share these**
41 **perspectives?**

42 **A.** No. In the context of the proposed PIV Program and the current state of the EV charging
43 market in New Jersey, Greenlots believes strongly that utility ownership and operation of
44 charging infrastructure will spur the growth of the competitive market, incentivize

45 competition, and hasten the day when it may become profitable for private companies to
46 deploy, own and operate publicly-accessible charging stations at scale. Indeed, as
47 Greenlots addressed in its direct testimony (pages 17-27) and briefly notes on page 5,
48 below, utility ownership is important to incentivize procurement-based competition
49 within the industry. Moreover, utility ownership will help ensure charging stations are
50 well-maintained in good working order, and – particularly if the utilities are able to select
51 and procure hardware and software that support interoperability – avoid the risk of
52 stranded assets.

53
54 **Q. In ChargePoint’s testimony, Witness Miller recommends that the Board “deny**
55 **Offering 7, which proposes ACE’s ownership and operation of public DCFC**
56 **stations, and instead shift funding to Offering 9...which proposes rate incentives**
57 **and ‘make ready’ work incentives for private owner/operators of public DCFC**
58 **stations” (page 5). Do you agree with this recommendation?**

59 **A.** No. As Greenlots detailed at length in its direct testimony (pages 17-27), Greenlots
60 believes that a range of utility investment approaches is appropriate and, indeed,
61 necessary to accelerate EV adoption, expand access to multiple customer segments in an
62 equitable and efficient manner, and ensure that stations are operated in good working
63 order throughout the life of the program and beyond. Just as the ownership and operation
64 of public charging stations should not be reserved exclusively for utilities, neither should
65 it be reserved exclusively for private owner-operators. Though these private operators
66 represent an important part of the EV charging industry, they are not deploying public
67 charging stations at the pace and scale needed for New Jersey to achieve its electrification

goals, as evidenced clearly by the charging infrastructure gap which persists today in New Jersey.

Q. In ChargePoint's testimony, Witness Miller argues that network choice is important (page 21). 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 ACE 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 PIV Program into other areas of utility operations. Site host choice of 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.

Q. In ChargePoint's testimony, Witness Miller argues that "the lack of EV charging network choice in ACE's proposed program pose[s] a risk to the competitive EV charging market" (page 21). Do you share this view?

A. No. 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 (pages 32-33). 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 largely 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 should 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 ACE's PIV Program to do so. On the other hand, pricing that is deeply discounted or even free and fails to reflect the cost of electricity could create an expectation that such discounted pricing is the norm.

Q. In EVgo's testimony, Witness Dumit expressed concern that driver pricing set by a utility could "undercut competition and impact usage of third-party networks" (page 11). Do you share this view?

A. No. As ACE details in several of its witnesses' filed testimony, including that of Witness Michael T. Normand, ACE intends to set the driver pricing for its utility-owned charging stations "based on an assessment of the prevailing market rates in New Jersey (one rate for L2 and one rate for DCFC) based on a market pricing study of current public charging prices" which "will be updated regularly" (Normand testimony at pages 11-12).

Q. Does this conclude your rebuttal testimony?

A. Yes.