



September 24, 2021

Via Email/Electronic Filing

Aida Camacho-Welch, Secretary
New Jersey Board of public Utilities
44 S. Clinton Avenue
Trenton, NJ 08625-0350

**RE: In the Matter of Medium and Heavy Duty Electric Vehicle Charging
Ecosystem
BPU Docket Number QO21060946:**

Dear Ms. Camacho-Welch:

On June 30, 2021, the New Jersey Board of Public Utilities (“BPU” or “Board”) issued a Notice in the above-captioned docket for a Public Meeting to discuss the New Jersey Electric Vehicles Infrastructure Ecosystem 2021 – Medium and Heavy Duty Straw Proposal (“Straw Proposal” or “Proposal”).¹ The Straw Proposal established a series of stakeholder meetings to discuss various aspects of the Straw Proposal and the Medium- and Heavy-Duty (“MHD”) Electric Vehicle (“EV”) Ecosystem in New Jersey. The public meetings were scheduled in a subsequent Notice issued August 5, 2021 (“Meeting Notice”).

The Meeting Notice provides that comments on the Straw Proposal may be submitted to the Board on or before October 5, 2021.² Regarding the issues discussed in the Board’s August 24, 2021 and August 26, 2021 stakeholder meetings, Public Service Electric and Gas Company (“PSE&G”) submits these comments to: (1) encourage the Board to adopt a broad role for electric distribution companies (“EDCs”) in the MHD EV Ecosystem; and (2) request that the Board reject the Straw Proposal’s inflexible 12-month deadline for Make Ready work.

I. Introduction

Through the Straw Proposal, the Board seeks to continue building out the EV Ecosystem in New Jersey to support and accelerate the adoption of MHD vehicles by fleet owners in the State. The Straw Proposal sets forth a framework for the MHD Ecosystem and seeks feedback from stakeholders on various issues, including the proper role of the State’s EDCs, equity in access to and benefits from MHD EV Ecosystem, and the technical and funding support needed to accelerate widespread EV adoption.³ The Straw Proposal also recognizes the need for a consistent statewide

¹ The June 30 Notice was subsequently updated on August 12, 2021.

² Meeting Notice at 3.

³ Straw Proposal at 2-4.

approach to promote cost-effective commercial scaling, statewide public health benefits, and achievement of the State's EV goals.⁴

Panel discussion stakeholder meetings were held on August 24, and August 26, 2021. The following topics were discussed:

- MHD EV programs across the United States and how New Jersey can leverage lessons learned from those programs (August 24, Panel 1)⁵
- New Jersey-specific issues, such as the wide array of MHD fleets serving and passing through New Jersey, the role and capabilities of New Jersey's EDCs, and the needs of particular fleet operators unique to New Jersey (August 24, Panel 2)⁶
- How to promote equity in the MHD EV Ecosystem, including reducing the burden on and increasing the benefit to overburdened communities (August 26)⁷
- How to support MHD EV access to and adoption of MHD EVs by public entities and small businesses, and ways to equitably fund the MHD EV Ecosystem (August 26)

II. The Board Should Maximize the EDCs' Role in the MHD EV Ecosystem, as EDCs are Uniquely Positioned to Enable Accelerated MHD EV Adoption and to Maximize the Benefits and Equity in the MHD EV Ecosystem

PSE&G encourages the Board to avoid imposing unnecessary restrictions on the EDCs' role in the MHD EV Ecosystem, and instead to establish a broad framework under which EDCs can fully support the MHD EV Ecosystem. Although the Company appreciates and supports the need for private investment in MHD EV infrastructure, the "shared responsibility" model set forth in the Straw Proposal needlessly restricts EDC participation and will ultimately delay and diminish MHD EV adoption in the state.

Under the shared responsibility model, EDCs may only incentivize Make Ready for charging for public fleets and publicly accessible MHD charging sites.⁸ The Straw Proposal does not permit EDCs to provide incentives for private fleet charging infrastructure.⁹ The Straw Proposal further limits EDCs' investment in Electric Vehicle Service Equipment ("EVSE") to

⁴ *Id.* at 4.

⁵ Panelists for the August 24 first panel were: Kathy Harris, Clean Vehicles and Fuels Advocate, Natural Resources Defense Council ("NRDC"); Kellen Schefter, Director of Electric Transportation at the Edison Electric Institute ("EEI"); Josh Cohen, Director Policy, Greenlots; and Kinshuk Chatterjee, Transportation Policy Analyst, Center for Sustainable Energy ("CSE").

⁶ Panelists for the August 24 second panel were: Dawn Neville, Manager Electric Transportation, PSE&G; Bethann Rooney, Deputy Director, Port Authority of NY and NJ ("Port Authority"); and James Sherman, Vice-President & Chief Operating Officer, Climate Change Mitigation Technologies LLC.

⁷ Panelists at the August 26 Meeting were: Maura Caroselli, New Jersey Division of Rate Counsel ("Rate Counsel"); Moises Luque, CEO, Supreme Green Team ("Supreme Green Team") & Member of the Statewide Hispanic Chamber of Commerce; Richard T. Thigpen, Senior Vice President, Corporate Citizenship, PSE&G; Rodney L. Williams, Director of Energy and Sustainability, Newark Board of Education, City of Newark ("Newark BOE"); and Kate Miguel, Clean Energy Advocate, Isles, Inc.

⁸ Straw Proposal at 12-13.

⁹ Straw Proposal at 13 (permitting EDCs to provide "technical assistance" to ensure that MHD charging for private fleets is properly planned for and integrated into the grid, but not to invest in this equipment or technology).

“areas of last resort,” where private investment in EVSE fails to provide publicly accessible or public-serving MHD EV charging in a geographically equitable manner.¹⁰ These limits on EDC participation hamper utilities from using their expertise, resources, and customer relationships to accelerate the MHD EV Ecosystem for the benefit of all New Jersey residents.

A. Broad EDC participation in the MHD EV Ecosystem is needed to enable and accelerate MHD EV adoption.

Broad EDC participation in the MHD EV Ecosystem will allow the State and its residents to overcome the significant initial hurdles to MHD EV adoption.¹¹ The Straw Proposal, however, takes too narrow a view of EDCs’ ability to enable and accelerate MHD EV growth in New Jersey. The Straw Proposal states that EDCs have “deep experience in delivering electricity and operating distribution infrastructure,” but “have no particular expertise in maintaining, marketing or operating EVSE.”¹² This ignores the fact that the core competencies of EDCs include siting, design, and build-out of electric infrastructure, which can be applied to deploying EVs in the State. In particular, PSE&G has significant experience and expertise in managing large, customer facing programs in energy efficiency and clean energy, such as demand response, energy efficiency, and solar loan programs.¹³

Indeed, experience with EV and other clean energy programs in New Jersey and throughout the United States demonstrates the importance of utility involvement for the success of the programs. At the August 26 Meeting, Mr. Williams and Mr. Luque both noted that their organizations’ clean energy programs would not have been possible without EDC support. Mr. Williams further stated that the Newark Board of Education (BOE)’s partnership with PSE&G is pivotal to recognizing all the potential benefits of clean energy for both the Newark BOE and the surrounding communities. Similarly, at the August 24 Meeting, Mr. Schefter provided examples where utility involvement, including financing, ownership, and operation of EV charging infrastructure, enabled and accelerated EV growth in the state. In particular, Mr. Schefter discussed Portland General Electric’s partnership with a local public transportation agency. Through this program, the utility built, owned and operated charging infrastructure for the transit agency, which allowed the transportation agency to use funds saved on charging infrastructure to increase its fleet of electric buses.

To enable similar successes in New Jersey, PSE&G urges the Board to recognize that the advantages of EDC involvement in the MHD EV Ecosystem goes far beyond EDCs’ expertise in energy delivery. Advantages of EDC participation include, but are not limited to, the EDCs’

¹⁰ Straw Proposal at 14.

¹¹ MHD EV adoption requires significant upfront investments that increase costs for fleet owners including upgrades to electric service and increased electric bills required to operate an MHD EV fleet. These hurdles were discussed at length by several panelists at the August 24 and 26 Meetings. At the August 24 Meeting, Mr. Sherman stated that there is “great pent-up demand” for MHD EV, “but there needs to be a robust incentive program for both vehicle and charging” to overcome “insurmountable” financial hurdles to MHD fleet electrification. Similarly, at the August 26 Meeting, Mr. Luque emphasized the need for financial incentives to allow small business owners such as himself to electrify their MHD fleet in New Jersey to access MHD EV.

¹² Straw Proposal at 10-11.

¹³ As just one example, PSE&G’s critical role in the development and success in the Newark BOE’s sustainability program was discussed at length at the August 26 Meeting.

established customer relationships and trusted name; their ability to provide on-bill repayment to customers; and EDCs' understanding of customer usage data. A broad EDC role in the MHD EV Ecosystem will encourage additional private investment in the MHD EV market.

B. Early EDC involvement in MHD EV adoption in overburdened communities is needed to promote equity in the MHD EV Ecosystem.

The Board should also recognize the EDCs' unique position to bring essential benefits of MHD EV electrification to overburdened communities through specifically targeted programs and incentives.¹⁴ In addition to providing much-needed equity in MHD EV adoption, targeting overburdened communities is also the most efficient way to realize early gains in the MHD EV ecosystem.

The Straw Proposal undermines EDCs' ability to promote MHD EV equity in overburdened communities by limiting EDCs to a "last resort" role. Under the Straw Proposal, EDCs are prohibited from investing in EVSE in overburdened communities until a minimum of 12 months has passed without private investment. This yearlong waiting period creates an unnecessary and avoidable delay in realizing public health benefits in communities that have already suffered.

III. The Straw Proposal's 12 Month Deadline to Install Make-Ready Infrastructure Upon Request Does Not Provide Sufficient Flexibility to Account for Different Needs of MHD EV Fleet Owners

The Board should ensure that EDCs have the flexibility needed to address the particular needs of MHD fleet owners and impact on grid operations for a particular MHD EV Make Ready project. The MHD EV Ecosystem requires complex, holistic long-term planning to ensure MHD EV load growth is integrated in a way that protects the safe and reliable operation of the grid. The Straw Proposal fails to provide the flexibility to enable EDCs to address these needs by imposing a 12-month deadline for EDCs to complete Make Ready work.¹⁵ PSE&G respectfully requests that the Board reject this deadline and allow EDCs ability to account for the scope and needs of particular projects.

Moreover, EDCs must have the flexibility to plan for future load growth and system impacts as MHD EV adoption continues to ramp up in the State. There is a wide array of MHD vehicles and fleet owners that serve New Jersey, each with unique electric service and charging

¹⁴ As described by Mr. Thigpen at the August 26 Meeting, MHD fleets have a disproportionate impact on overburdened communities because many such communities are located on or near major transportation corridors where MHD vehicles frequently travel. As such, MHD EV adoption in these communities presents "low-hanging fruit" where gains in public health and emissions reductions can be maximized. Moreover, according to the American Lung Association, the widespread transition to zero-emission transportation technologies could lead to emissions reductions that could help New Jersey avoid premature deaths, prevent asthma attacks and lost workdays and yield close to \$2 billion in avoided health costs in 2050. See Am. Lung Ass'n, *The Road to Clean Air: Benefits of a Nationwide Transition to Electric Vehicles*, available at <https://www.lung.org/clean-air/electric-vehicle-report> [lung.org]. Early and accelerated adoption of MHD EV is needed to bring critical health and related financial benefits to these communities.

¹⁵ Straw Proposal at 14.

needs that must fit the particular site where the fleet is charged. At the August 24 Meeting, Mr. Schefter discussed the wide range of charging and infrastructure needs for different MHD vehicles and fleet owners. For example, EDCs must be able to account for the very different charging and infrastructure needs of a package delivery fleet that can park and charge its vehicles overnight and a short-haul freight company that needs to charge vehicles between shifts and routes. Similarly, the MHD fleet for a small business, such as Mr. Luque's Supreme Green Team, will be significantly different from the fleet needs at the Newark BOE or NJ Transit. EDCs must have the flexibility to appropriately address the needs of these projects.

In some instances, the work needed to upgrade the EDC's system to accommodate MHD EV projects will make it impossible to meet this 12-month deadline. For example, if a new substation is needed to support MHD EV load growth, PSE&G would likely need longer than 12 months to build a new substation from design to being placed in-service. PSE&G will strive to forecast and account for MHD EV load growth in its capital planning and will make efforts to efficiently meet MHD EV needs where practicable in line with the states goals for accelerated EV infrastructure build-out. However, a fixed, 12-month timeframe is not reasonable for proper, safe and cost-effective consideration of individual projects and planning for long-term growth, reliability, and need of the electric system.

IV. Conclusion

PSE&G thanks the Board and Staff for its work to develop the MHD EV Ecosystem and appreciates the opportunity to participate in the stakeholder process. PSE&G encourages the Board to take full advantage of the robust support in these endeavors that the Company and other EDCs are willing and able to offer. PSE&G looks forward to continued collaboration with Board Staff and other public and private stakeholders toward reaching a cleaner energy future for New Jersey's utility customers.

Respectfully submitted,

A handwritten signature in blue ink that reads "Katherine E. Smith". The signature is fluid and cursive, with a long horizontal flourish at the end.

Katherine Smith