



October 5, 2021

Aida Camacho-Welch  
Secretary of the Board  
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*Via email: [board.secretary@bpu.nj.gov](mailto:board.secretary@bpu.nj.gov)*

Re: Comments of Greenlots  
Docket No. QO21060946: *In the Matter of* Medium and Heavy Duty Electric Vehicle  
Charging Ecosystem

Dear Secretary Camacho-Welch:

Greenlots respectfully offers these comments for consideration by the Board of Public Utilities (the “Board” or “BPU”) in the above-referenced docket. Greenlots appreciates the open stakeholder process that Board staff established to solicit detailed input and a diversity of perspectives about the Medium- and Heavy-Duty (“MHD”) Electric Vehicle (“EV”) Charging Ecosystem straw proposal.

### [About Greenlots](#)

Greenlots is a leading provider of EV charging software and services working to equitably grow the market for transportation electrification in New Jersey, and a member of the Shell Renewables & Energy Solutions group. The Greenlots network supports a significant percentage of the DC fast charging infrastructure in North America, and an increasing amount of the Level 2 infrastructure. Greenlots’ smart charging solutions are built around an open standards-based focus on future flexibility while helping site hosts, fleets, utilities, and grid operators manage dynamic EV charging loads and improve system efficiency.

The Greenlots network is also supporting the deployment of Shell Recharge, which in the U.S. is beginning to be deployed to provide Shell’s retail customers—including convenience stores, service stations, and drivers—on the go charging.

## Comments

1. The MHD and fleet EV charging ecosystems are highly varied and warrant and a more flexible framework for utility involvement and incentives than the light-duty charging ecosystem.

*Flexibility* should be the operative word when designing regulatory frameworks to support medium- and heavy-duty charging and fleet charging, particularly during this still-nascent stage of adoption. These segments entail a diversity of vehicle types, customers, use cases and applications. Unlike most light duty vehicles which, for the most part, are intended to serve largely similar transportation needs for a few passengers at a time, MHD vehicles reflect a wide variety of vehicle types and applications even within the same weight class. For example, Class 4 vehicles include passenger vans, box trucks and walk-in delivery trucks; Class 6 vehicles include beverage trucks, rack trucks and some school buses; and Class 8 vehicles include cement trucks, dump trucks and big rigs.

Duty cycles and charging needs vary not only among different types of vehicles within the same weight class, but for different use cases of the same vehicle model. A national package delivery company which dispatches a large fleet of Class 2 delivery vans from a central depot will likely have different infrastructure, charging cycle, and planning needs than a small business which operates a handful of the same Class 2 delivery vans with no central depot. Using this example, the larger national company may have already electrified some of its delivery hubs at other locations and have employees experienced in working with infrastructure providers and managing installations. By contrast, the smaller local business may have little understanding of the many considerations associated with going electric. The types and amounts of incentives of most interest to the national company may differ from those of interest to the local company; the former may be more interested in purely financial incentives to drive down up-front installation costs; the latter may be as much if not more interested in turning over the planning process to an outside firm and subsequently operationalizing the infrastructure expenses on a monthly basis.

As these two examples illustrate, the customer journey to electrify a vehicle fleet or MHD vehicles is both more diverse and complex than for light-duty vehicles, and the electric utility has an even more critical role to engage with the customer and support that journey, especially on the front end. This engagement is useful to help the customer understand where they are on the electrification journey and what steps, investments and planning will be needed. This engagement is also useful to help the utility understand from a system perspective what its customers are planning to do. The Board should not only enable but encourage utility involvement and allow sufficient flexibility for the utility to support its customers in different ways along their respective electrification journeys.

## 2. Electrification of both public and private MHD and fleet vehicles will deliver significant public benefits which warrant ratepayer investment.

The straw proposal notes in a number of places that electrification of fleets and MHD vehicles will deliver significant public benefits by reducing greenhouse gas emissions, reducing criteria air pollutants, and reducing incidence of respiratory disease.<sup>1</sup> These air quality benefits are expected to be most impactful in overburdened and frontline communities—many of which suffer from disproportionately high rates of asthma, COPD and other respiratory diseases—because these communities are often home to the ports, warehouses, distribution centers and other commercial and industrial areas where MHD vehicles operate most frequently.

The straw proposal's recognition of the significant public benefits that MHD and fleet electrification will provide is inconsistent with the straw proposal's bifurcated approach towards utility incentives and cost recovery—allowing cost recovery of infrastructure incentives only for public fleets, while restricting utility support of private fleets to technical assistance and advisory services.<sup>2</sup>

Greenlots encourages revising the straw proposal framework to reflect a more expansive and philosophically consistent recognition of the public beneficiaries of fleet and MHD vehicle electrification, regardless of whether the vehicle owner/operators are private or public entities. The general public—including ratepayers—are the beneficiaries, and it is therefore appropriate for ratepayers to support cost recovery for utility incentives for both public and private fleet electrification. Otherwise, the straw proposal's current framework risks exacerbating existing disparities between those fortunate to live and work in neighborhoods with better air quality and those who live and work in overburdened communities.

## 3. It is appropriate and warranted to pair software-enabled energy management requirements to utility incentives.

Software is critically important both for enabling energy management and for data collection to inform utility system planning. Both of these software-enabled benefits are of value not just to the customer of record or the utility, but ultimately to ratepayers. It is therefore appropriate to require that charging infrastructure financed in whole or in part with utility incentives be software enabled.

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<sup>1</sup> See, e.g., "As indicated in the 2019 [Energy Master Plan], pollution from transportation resulted in \$4.6 billion in public health and climate costs to New Jersey residents in 2015, due to the intensity of MHD emissions in urban areas because of population density and increased truck and bus use in those areas" (p. 12).

<sup>2</sup> See, e.g., "EDCs may provide up to 100% incentives for Make-Ready for charging infrastructure for public fleets, prioritizing those fleets serving urban and Overburdened Communities" (pp. 12-13); and "Staff proposes that while EDCs should not incentivize charging infrastructure for private fleets, the EDCs should provide technical assistance," (p. 13).

Taking this a step further, Greenlots encourages the straw proposal framework to also require that customers participate in energy management programs. The need for—and value of—managing charging load is already widely accepted among BPU stakeholders, and its need and value will become increasingly more important as EV adoption and EV charging continue to scale up. The more load on the system, the more value that load management has to offer. MHD vehicles require significantly more power than light duty vehicles; therefore, managing their load offers even more value.

During the September 24 Open Meeting, one commenter noted that some MHD fleets should be able to charge whenever and wherever needed, and suggested that the MHD and fleet ecosystem should not require managed charging as a condition of accessing MHD incentives. Greenlots has a different perspective. Managed charging does not prohibit vehicles from charging whenever and wherever needed. Rather, managed charging programs are intended to incentivize—not mandate—charging in a manner that optimizes load on the grid. Eliminating any requirement for managed charging because certain MHD vehicles may need flexibility to charge at any time would shortchange ratepayers by denying them the value that managed charging has to offer.

While Greenlots strongly supports a focus on managed charging, Greenlots notes that different charging applications can benefit from different types of managed charging. Fleet customers in particular should have the option to participate in a utility-delivered program or develop site-wide load management plans that balance and manage load from all Level 2 and DCFC stations comprehensively.

#### 4. An SREC-style auction is an ill-fitting approach to determine utility incentive levels.

During the September 24 Open Meeting, one commenter suggested that to determine the appropriate level of utility incentives, an auction approach would be warranted similar to the method used to determine the value of solar renewable energy certificates (“SRECs”). While Greenlots appreciates the creative thinking behind this approach, Greenlots is convinced that an auction-style approach would be a poor fit for purpose for MHD and fleet charging incentives.

The market for SRECs is a compliance-based market. The purpose behind SRECs is to move the market towards meeting mandated solar energy requirements. The SREC market exists because of the compliance obligation which creates a demand for the credit. The value of an SREC is effectively capped by the amount of the alternative compliance payment.

This compliance-based framework for valuing SRECs is a very different type of scenario which serves a different purpose than the market for EV charging infrastructure. The purpose behind EV infrastructure incentives such as make-ready incentives is to support deployment, not to mandate compliance. The value of the make-ready incentive derives not from an alternative compliance payment but rather from the extent to which the incentive improves a utility customer or site host’s economic calculus sufficiently to move forward with electrification.

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## Closing

Greenlots thanks the Board and Board staff for this opportunity to offer comments, and looks forward to continuing to inform and participate in this and other proceedings in the future.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Josh Cohen", with a long horizontal flourish extending to the right.

Josh Cohen

Director, Policy