

Via electronic submission to board.secretary@bpu.nj.gov

September 5th, 2021

TO: Aida Camacho-Welch
Secretary of the Board
44 South Clinton Ave., 9th Floor
PO Box 350
Trenton, NJ 08625-0350

FROM: Pamela Frank, CEO
On behalf of ChargeVC-NJ
417 Denison Street
Highland Park, New Jersey 08648

RE: Request for Comments - The New Jersey Electric Vehicle Infrastructure Ecosystem 2021
Medium and Heavy-Duty Straw Proposal

Secretary Camacho:

Enclosed please find the comments submitted on behalf of ChargeVC-NJ, pursuant to the notice released by the Board of Public Utilities regarding the New Jersey Electric Vehicle Infrastructure Ecosystem 2021 Medium and Heavy-Duty Straw Proposal.

We look forward to discussing this matter with you further,

Pam Frank

CEO, ChargeVC-NJ

INTRODUCTION & BACKGROUND

ChargeVC-NJ is a not-for-profit coalition of automotive retailers, utilities, technology companies, power generators, power retailers, local governments, environmental, community, equity and labor advocates and manufactures. The coalition's work focuses on accelerating the transition to electrically fueled transportation in New Jersey. Based on research and analysis, including input from its members with expertise in the diverse segments relevant to market development, ChargeVC-NJ develops and advocates for program and policies that will accelerate market development at the state level.

The coalition was formed in 2016 in response to technological progress that makes the electric vehicle (EV) market one of the most advanced clean transportation technologies available capable of delivering broad and significant benefits to all the people in New Jersey. We also understand that a focused and coordinated state effort working in partnership with the private sector, can create momentum to achieve significant progress on state goals, leveraging public investment to create the much-needed economic stimulus for New Jersey.

The New Jersey Electric Vehicle Infrastructure Ecosystem 2021 Medium and Heavy-Duty Vehicle (MHDV) Straw Proposal released by the Board of Public Utilities (BPU) in June is likely to influence the development of the Medium and Heavy-Duty Electric Vehicle Charging Ecosystem in New Jersey.

We offer the following comments on the Straw Proposal and as always, look forward to remaining a collaborative partner in the development of this market.

COMMENTS

More precise definition of the MHDV segment

For the sake of goal achievement and program design, there needs to be a more precise definition of, and distinction made between light-duty vehicles (LDV) and MHDVs to be adopted by all state agencies in New Jersey. The New Jersey Department of Environmental Protection (DEP) currently defines the MHDV segment to include all vehicles class 2b and up.

However, in the released Straw Proposal, medium-duty vehicles are defined as classes 4 – 6, and heavy-duty vehicles as class 7 – 9. This means that classes 2b and 3, approximately 60% of what was previously being considered as part of the MDHV segment, would fall within the LDV segment. This also creates a lack of guidance to utilities on make-ready programs for many of the segments that are most viable for electrification today, including local delivery trucks.

ChargeVC-NJ supports adjusting BPU's definition of LDV and MHDV to match the DEP's current definition, which considers class 2b and 3 as MHDVs. Providing a precise and standard definition of MHDV and LDV vehicle segments across state agencies is necessary for meaningful program development.

Lack of emphasis on electrification of LDV fleets

The electrification of both public and private LDV fleets should be a top priority of the BPU. Fleet electrification is key in achieving the state's LDV electrification goals. However, both the LDV and MHDV Straw Proposals have omitted direct programming efforts dedicated to the electrification of LDV fleets. We recommend that infrastructure programs for both public and private LDV fleets, such as electric truck depots, be considered.

Discrepancy in utility incentives for public vs. private fleets

We do not support the distinction in utility support between private vs. public MHDV fleet electrification. The Straw Proposal suggests that utilities provide 100% incentive for the development of make-ready charging infrastructure for public fleets that serve urban and overburdened communities. However, similar incentives have not been proposed for privately-owned fleets. Our research informs us that there is no such distinction for make ready eligibility in programs anywhere in the country for good reason. Both public and private fleets operating in, around, and proximate to the state's ports have the same adverse effects on exposed overburdened communities. The distinction between public and private fleets is harmful in addressing New Jersey's public health, accessibility, and CO₂ emissions concerns.

Omission of electric school bus and NJ Transit segments

The released straw proposal has not directly addressed the electrification of the school bus or NJ Transit fleets. These segments are ready for electrification and investments are necessary to address the first-cost barriers. We recommend the BPU give more attention to the development of an electric school bus program to improve equitable access to overburdened communities. We also suggest that the straw proposal include plans for the development of the charging infrastructure needed to support electrification goals for NJ Transit that were established in New Jersey's January 2020 EV law (P.L. 2019 C.362).

Need for additional federal funding

The BPU must position itself to leverage relevant federal funding once it is made available. For example, the US Environmental Protection Agency (EPA) recently announced that they will fund \$7 million for electric school bus rebates in underserved communities through the American Rescue Plan, which reinforces the prior point on the omission of school buses.

As more money is made available, the BPU must ensure the state is in a position to take full advantage of available federal dollars to push forward the state's transportation electrification goals.

Segment specific utility offerings

As discussed in the stakeholder meetings, the MHDV segment is very diverse and requires specific considerations for each segment regarding charging infrastructure, vehicle use, required maintenance, etc. Therefore, it is inefficient to have a one program fits all approach to the electrification of the entire MHDV segment. For example, school buses and local delivery trucks have completely different operational schedules and needs. We suggest that the BPU not only allows - but encourages - utilities to develop segment specific programs to best suit the needs of specific MHDV segments. Utilities could also have a preferred vendor list whereby the utility facilitates the connection between fleet operators and third party EVSE providers. Approaches are needed that offer a tailored and meaningful path for MHDV electrification within the state.

Highlighting the importance of enabling integrated storage

The proposal does not place emphasis on the importance of integrated storage. There is mention of incorporating storage to reduce grid impact, but it is not explicitly stated how this will be done or what resources will be allocated to ensure this is achieved. Therefore, while the Clean Energy Budget has allocated \$20 million to energy storage, its application to EVs is not clear.

We recommend that direct efforts to support integrated storage be explained, along with a specified portion of the Clean Energy Budget to be dedicated and that this should be explicitly stated in the straw proposal. It is also important to highlight that utilizing stationary and mobile storage solutions can help address utility construction bottlenecks, as has been raised by many stakeholders. The straw should additionally recognize that the co-location of storage with chargers and storage is in its infancy in New Jersey and further work will be needed, such as on interconnection standards, before deployment may be expanded. Storage will not be the optimal solution in every case which is why programs have to ensure optionality for alternative solutions as discussed below.

Addressing barriers for adoption with EV appropriate rate design, technology solutions, and managed charging enabled by smart software and networks

In the Straw Proposal, the undertaking of effective rate design was only mentioned once to the effect of ensuring a robust market response to the implementation of the proposed make-ready infrastructure. We recommend that staff puts more focus on EV appropriate rate design that addresses elements of rates that may be a barrier to EV adoption and provides price signals that encourage beneficial EV-grid integration, while still covering the cost to serve EVs. Further, consistent with our comments regarding the erroneous distinction between public versus private fleets, staff should clarify that any EV appropriate rates put forward by utilities to support EV charging must be available for all fleets, regardless of whether they are public or private.

In addition to EV appropriate rate design, the BPU should encourage all solutions – such as technology, smart software, and networks to ensure rate payers do not bear too much of the burden of the electrification of the MHDV segment, as this may adversely affect customer costs, conservation, and equity.

Enabling utilities to facilitate all aspects of grid Integration

Utilities can play a much larger role in the electrification of the MHDV segment. Allowing utilities more involvement in the development of the grid ensures a safer, more structured and cost-effective charging infrastructure buildout.

We suggest that the BPU encourage utilities to perform the last resort function, rather than withholding that option. This will ensure that there is an equitable distribution of charging infrastructure for the MHDV segment.

Further, the straw should recognize the need for a review and streamlining of the utility interconnection and easement processes. Utilities have a major role to play in facilitating the grid connection.

Last, the straw should also support utilities expanding upon their dedicated fleet teams focused on the many aspects of fleet electrification including the needed new processes that will provide for coordination between internal utility functions to reduce bottlenecks. Utilities are in a unique position to provide such fleet advisory services, which can help fleet operators consider the rate and infrastructure costs associated with electrifying their fleet.

Recommended areas of focus

In finalizing the straw proposal, we recommend that the BPU prioritize the development of electrification programs for classes 2 & 3, fleets, electric school buses, and NJ Transit. These segments make up significant portions of the transportation system in New Jersey and are among the most viable for electrification in the near-term. The electrification of these segments would also provide significant improvement in public health, accessibility, and CO₂ emissions reductions.

Conclusion

All comments and recommendations above are in alignment with the principles in our published [ChargEVC-NJ Full Market Electrification Study](#).

We appreciate the opportunity to participate in this stakeholder process and look forward to discussing this matter with you further.

Pam Frank

CEO, ChargEVC-NJ