STATE OF NEW JERSEY BOARD OF PUBLIC UTILITIES

I/M/O THE PETITION OF ROCKLAND

ELECTRIC COMPANY FOR APPROVAL OF : BPU Docket No. EO20110730

AN ELECTRIC VEHICLE PROGRAM, : ESTABLISHMENT OF AN ELECTRIC :

VEHICLE SURCHARGE, AND FOR OTHER :

RELIEF (RECO EV)

STIPULATION OF SETTLEMENT

APPEARANCES:

James C. Meyer, Esq., Riker Danzig, LLP, and John L. Carley, Esq., Associate General Counsel, for the Petitioner, Rockland Electric Company

Maura Caroselli, Esq., Managing Attorney, Kurt S. Lewandowski, Esq., Assistant Deputy Rate Counsel, and Brian Weeks, Esq., Deputy Rate Counsel, for the Division of Rate Counsel (Brian O. Lipman, Esq., Director)

Meliha Arnautovic, Esq. and Pamela Owen, Deputy Attorneys General, for the Staff of the New Jersey Board of Public Utilities (Matthew Platkin, Esq., Acting Attorney General of New Jersey)

Scott Dunbar, Esq. and David Wooley, Esq., Keyes & Fox, LLP, for the Intervenor Charge Point, Inc.

THIS STIPULATION OF SETTLEMENT ("Stipulation") is made as of August ___, 2022 by and among Rockland Electric Company ("RECO" or the "Company"), the New Jersey Division of Rate Counsel ("Rate Counsel"), Staff of the New Jersey Board of Public Utilities ("Staff"), and Charge Point, Inc. ("ChargePoint") (referred to herein individually as a "Party" and collectively as the "Parties"). The Parties hereby join in recommending that the New Jersey Board of Public Utilities ("Board" or "BPU") issue a Decision and Order approving this Stipulation without modification.

BACKGROUND

RECO is a corporation organized and existing under the laws of the State of New Jersey, subject to the jurisdiction of the Board, with an office at One Lethbridge Plaza, Route 17 North, Mahwah, New Jersey 07430. RECO is a wholly-owned subsidiary of Orange and Rockland Utilities, Inc. ("Orange and Rockland"), and an affiliate of Consolidated Edison Company of New York, Inc. ("Con Edison"). RECO provides electric distribution service to approximately 73,000 customers in an area which extends from eastern Bergen County at the Hudson River to western Passaic County and small communities in Sussex County, New Jersey.

On September 23, 2020, the Board issued its Order Adopting the Minimum Filing Requirements for Light-Duty, Publicly Accessible Electric Vehicle Charging.¹ In the EV Filing Order (p. 26), the Board directed the Company and New Jersey's other three electric distribution companies ("EDCs") to file Electric Vehicle ("EV") proposals with the Board and required that such filings meet the minimum filing requirements for publicly-accessible EV charging outlined in the EV Filing Order.

On November 23, 2020, RECO filed a Verified Petition ("Petition") with the Board seeking approval of a five-year, \$6.7 million electric vehicle program ("EV Program") consisting of six EV subprograms applicable to light-duty vehicles² to support the EV market: the Charger Ready Program, the Direct Current Fast Charging ("DCFC") Incentive Program, the Smart Charge Program, the Evolved Recharge Program, a Voluntary Time-of-Day Rate Option, and an

¹ I/M/O Straw Proposal on Electric Vehicle Infrastructure Build Out, BPU Docket No. QO20050357, Order Adopting the Minimum Filing Requirements for Light-Duty, Publicly Accessible Electric Vehicle Charging (dated September 23, 2020) ("EV Filing Order"). The Board reissued the EV Filing Order on October 20, 2020, to correct a typographical error in the definition of "publicly-available charging."

² Light-duty vehicles are any two-axle, four-wheel vehicles, primarily designed for passenger travel or light-duty commercial use. N.J.S.A. 48:25-2.

Outreach and Education Program. In support, the Company included the pre-filed testimony of an Electric Vehicle Program Panel (consisting of Brian Picariello, Roberta Scerbo, and Raghusimha Sudhakara, and attaching White Papers for each program setting forth details of programs and incentives, implementation and budgets); an Accounting and Revenue Requirements Panel (consisting of Wenqi Wang and Kevin Lyons); and a Rate Panel (consisting of Cheryl Ruggiero and Eric Caban).

By Order Designating Commissioner, Setting Manner of Service and Bar Date, dated January 27, 2021, the Board retained jurisdiction over this matter, and designated Commissioner Robert M. Gordon as the presiding officer in this matter (with authority to rule on all motions that arise during the pendency of the proceeding, and to modify any schedules that may be set as necessary to secure a just and expeditious determination of the proceeding) and directed that any parties seeking to intervene or participate file the appropriate application by March 1, 2021.

On March 1, 2021, ChargePoint, Inc. ("ChargePoint") filed a motion to intervene and Public Service Electric and Gas company ("PSE&G") filed a motion to participate. RECO did not object to either motion.

On April 8, 2021, Commissioner Gordon issued a Prehearing Order with Procedural Schedule and Order on Motions to Intervene or Participate ("Prehearing Order"). The Prehearing Order granted ChargePoint's motion to intervene and PSE&G's motion to participate.

Extensive discovery was conducted by the Parties. In total, the Company responded to 138 formal discovery requests (not including additional subparts or responses to informal information requests), *i.e.*, 69 discovery requests from Staff, and 69 discovery requests from Rate Counsel.

On May 26, 2021, the Parties held the first settlement conference via video (*i.e.*, via TEAMS). By letter dated June 9, 2021, after obtaining the consent of the Parties, the Company requested a suspension of the procedural schedule from Commissioner Gordon so that settlement discussions could continue to proceed. On June 22, 2021, Commissioner Gordon suspended the procedural schedule.

On June 16, June 21, June 30, and July 19, 2021, the Parties held further video settlement conferences (*i.e.*, via TEAMS), where they addressed various settlement proposals and materials. The Parties continued to circulate and review settlement materials by email following those conferences, and held another video settlement conference (*i.e.*, via TEAMS) on January 13, 2022. As a result of the Parties' discussions, the Company's proposed EV Program evolved to include a budget of \$7.6 million, a term of four years, and four subprograms (described below and in Attachment A).

After proper notice to Municipal Clerks and County Executive Directors and public advertisement in a newspaper with circulation in the Company's service territory, two virtual public hearings on the EV Program were held on April 21, 2022, at 4:30 p.m. and 5:30 p.m. at which no members of the public attended. After proper notice to Municipal Clerks and County Executive Directors and public advertisement in a newspaper with circulation in the Company's service territory, two virtual public hearings on the EV Program were held on July 20, 2022, at 4:30 p.m. and 5:30 p.m. at which no members of the public attended. The Board received no letters of support or opposition regarding the EV Program Filing.

The Parties have reviewed the Petition, discovery, detailed pre-filed testimony, and information exchanged during the period of settlement discussions. As a result, the Parties have agreed to enter this Stipulation the terms of which are set forth below. In consideration of the

recitals and mutual promises and covenants set forth herein, the Parties hereby STIPULATE

AND AGREE as follows:

STIPULATED MATTERS

- 1. The Parties agree that RECO may implement an EV Program pursuant to the terms of this Stipulation, the Board's EV Filing Order, and the Electric Vehicle Act of 2020, P.L. 2020, c. 362, N.J.S.A. 48:25-1 et seq. ("EV Act").
- 2. <u>Definitions</u>. All terms used in the Stipulation that are not otherwise expressly defined in the Stipulation, including Attachment C, shall have the meanings as defined in the EV Filing Order.

THE EV PROGRAM

3. Subprograms. The Parties agree that the Company's EV Program will consist of the four individual subprograms set forth in detail in Attachment A hereto, with a total budget of up to \$7.6 million, inclusive of incentives, IT system upgrade costs, administrative costs (*i.e.*, utility incremental labor and third-party support costs), and customer education and outreach/marketing costs incurred in implementing the EV Program, and the cost recovery mechanism set forth in this Stipulation. As set forth in more detail in Attachment A, the subprograms are: (1) Charger Ready program; (2) Voluntary Time-of-Day ("TOD") Rate program; (3) DCFC Incentive program; and (4) Outreach and Education program. Attachment A also includes budgets for the four individual subprograms which may be expended over the EV Program's term that is defined in paragraph 7 below. The Company's EV Program includes significant investments in EV charging infrastructure Make Ready work to facilitate the growth of EV charging sites in New Jersey and the Company intends them to be consistent with the

"shared responsibility" model for EV charging infrastructure deployment set forth in the EV Filing Order (p. 25).

- 4. In order to qualify for an incentive, both residential and non-residential charging station hardware must be networked charging stations and UL certified. The Company will prequalify at least two manufacturers of networked charging equipment and charging network service providers for Charger-Ready eligibility. Site hosts may purchase the qualifying networked charging hardware and network technology of their choice. Site hosts and/or charging station owners and operators may control the price that drivers pay for charging services at their charging stations.
- 5. The Company's estimated EV investments ("Investments") for the subprograms and the associated incremental operations and maintenance ("O&M") expenses are as follows:

Investments	Dollars (in thousands)
Charger Ready: Commercial Incentives	\$ 3,492
Charger Ready: Residential Incentives	\$ 1,878
Charger Ready: shared software setup	\$ 50
DCFC Incentives	\$ 314
Voluntary TOD Rate: System Modifications	\$ 19
Education and Outreach: IT System Upgrades and	\$ 124
Modifications	
Total Investment Costs	\$ 5,877
O&M	
Charger Ready: annual software license & maintenance	\$ 110
Education and Outreach: Marketing, Materials	\$ 303
Administrative Costs	\$ 910
Data Acquisition	\$ 400
Total O&M Expenses	\$ 1,723
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EV Program Total Budget	\$ 7,600

6. The Parties agree that there is uncertainty as to the precise timing and budgets for the EV Program and subprograms, including as a result of the ongoing COVID-19 pandemic.

Accordingly, the Company may make adjustments to subprogram budgets in response to real market and service conditions experienced via the process set forth in this paragraph. The Company may re-allocate the budgets for individual subprograms in Attachment A between and among program years. In addition, the Company may re-allocate its budgets for the subprograms in Attachment A between those subprogram offerings within the same category of spending (*i.e.*, investments or O&M), as follows: up to 5 percent of each subprogram's total budget with notification to Staff and Rate Counsel (which should be provided 30 days in advance of the change), 6 to 24 percent with Staff approval, 25 percent and over with the Board's approval. The Company shall provide all notifications and requests for approval under this paragraph to Board Staff and Rate Counsel and shall include a written description of, and rationale for, the proposed re-allocation. Any objections for matters requiring Staff approval shall be provided within 30 days of the Company's request.

- 7. Term. The Parties agree that the effective date of the EV Program shall be the date of the Board Order approving this Stipulation ("Effective Date"). The launch date of each of the subprograms is set forth in Attachment A. The Company's expenditures for the EV Program shall terminate upon exhaustion of the budgeted program dollars or after four years from the commencement of the individual subprograms, whichever occurs first. Cost recovery shall continue following the conclusion of expenditures on the EV Program in accordance with the cost recovery mechanism set forth in paragraphs 12 through 18.
- 8. <u>ECOS Study</u>. The Company will conduct an embedded cost of service study ("ECOS study") based on EV Charging Data available to the Company for residential and non-residential customers. The Company requires a minimum of one year's worth of data to perform the ECOS study. The Company will provide a copy of the ECOS study and supporting

information in its Next Base Rate Case (as defined in paragraph 14 below), assuming said base rate case is filed more than one year after the effective date of the Board Order approving this Stipulation. The ECOS study will inform the Company's proposal for cost-based EV charging rates for residential and non-residential EV charging sites operating on the Company's distribution system in its next base rate proceeding. If the Company decides not to make such a rate proposal in its Next Base Rate Case, the burden of proof shall remain with the Company to establish an adequate basis for not making such an EV rate proposal. The Parties agree that no Party shall be precluded from presenting alternative methodologies to the ECOS study in the development of EV charging rate(s). The Parties further agree that all Parties have reserved their rights to contest in a future base rate case, the Company's proposals regarding distribution rates, costs, and rate design, including those for EV charging facilities. The Parties acknowledge that the Company requires charging data to perform an ECOS study to identify and allocate accurately the costs of providing electric distribution service for EV charging, inform the possible development of EV rate tariffs, and provide data to evaluate other mechanisms to incent EV owners to use charging services in a manner that has the least impact on the reliability and costs of RECO's distribution system. The Parties agree that all customers – both residential and non-residential – who elect to receive incentives under the Company's EV Charging Program shall be required to provide customer charging data to RECO, upon request by RECO. The Parties agree to comply with any regulations promulgated by the Board regarding access to, and the use of charging data. In accordance with the Board's directive to the EDCs in its November 17, 2021 Order in BPU Docket No. ER21030631 (p.18),³ subject to customer consent the

³ *I/M/O the Provision of Basic Generation Service (BGS) for the Period Beginning June 1, 2022*, BPU Docket No. ER21030631, Decision and Order (dated November 17, 2021).

Company will also collect EV charging data required to support the establishment of EV-specific Basic Generation Service ("BGS") rates in a future BGS proceeding.

- 9. <u>Tariffs</u>. The Company's revised tariff pages implementing this Stipulation, which include the new voluntary TOD residential rate and the initial one-year price guarantee to residential customers who register their EV with the Company and take service under the new TOD rate, are attached hereto as Attachment B. Following the Board's approval of this Stipulation, the revised tariff pages will be filed showing their effective date.
- 10. <u>Mapping</u>. The Company has published on its website an interactive public map⁴ that displays an estimate of the remaining circuit and substation load capacity to help guide EV charging developers to areas where EV chargers can likely interconnect with minimal needs for system reinforcement. The Company made these maps available beginning in December 2020 and updates them on a semi-annual basis. The Company-prepared maps will be posted for informational purposes only and will not be used by the Company in responding to service requests. The Company agrees that it will comply with any regulations promulgated by the Board regarding mapping EV charging sites and capacity. Customers requiring a new service and/or capacity upgrade at a premise must submit a new service request to the Company.
- 11. <u>Medium- and Heavy-Duty EV and Reservation</u>. The Parties recognize that the EV Filing Order reserves issues related to medium- and heavy-duty EVs for further stakeholder proceedings, which are now proceeding in BPU Docket No. QO21060946. The Company states its present intention to propose additional EV charging infrastructure initiatives, upon the

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⁴ https://www.oru.com/en/business-partners/hosting-capacity

completion of Board proceedings to address charging infrastructure for medium- and heavy-duty EVs, consistent with requirements resulting from those proceedings. All parties reserve their rights to respond to that filing once it is made.

COST RECOVERY

- 12. Until they are included in base rates via the process set forth in paragraphs 15 18 below, EV Program-related Investment costs as described in paragraph 5 shall be deferred and placed in a regulatory asset ("EV Investment Regulatory Asset").
- 13. The EV-Program related Investments costs to be deferred and included in the EV Investment Regulatory Asset include an amortization associated with new Investments. In addition, the EV Investment Regulatory Asset will earn a rate of return, which shall be deferred and included in the EV Investment Regulatory Asset, based on the Company's Board-approved Weighted Average Cost of Capital ("WACC") in effect at the time of the deferral. The formula for the Monthly EV Investment Regulatory Asset Deferral component of the EV Regulatory Asset is:

Monthly EV Investment Regulatory Asset Deferral = ((Pre-Tax Cost of Capital /12) * Average Monthly Rate Base) + Monthly Amortization Expense) + (Average Monthly Investment Deferral Balance * (Pre-Tax Cost of Capital /12))

- A) The term "Pre-Tax Cost of Capital" means RECO's pre-tax overall WACC in effect at the time of the deferral. WACC is assessed on the ROE, long-term debt and capital structure approved by the Board in RECO's most recently approved base rate case. Any change in the WACC authorized by the Board in a subsequent base rate case will be applied to investment in subsequent periods. Also, any change to current tax rates will be reflected in the WACC in a subsequent period.
- B) The term "Average Monthly Rate Base" refers to the total of the beginning and ending monthly balances for the following items, divided by 2:
 - EV Investment Regulatory Asset;
 - Less the associated Accumulated Amortization; and
 - Less the associated Accumulated Deferred Income Tax.

- C) The term "Amortization Expense" provides for the recovery of RECO's Investment over ten years.
- 14. The EV Program-related Investments costs, including those recorded in the EV Regulatory Asset, shall be reviewed for prudency and inclusion in base rates in the Company's next base rate case, which shall be filed not later than May 1, 2027 ("Next Base Rate Case").
- 15. The costs associated with the EV Program investment that are determined by the Board to be reasonable and prudent, and that are likely to be in-service by the end of six months after the end of the test year in the Company's Next Base Rate Case shall be reflected in the rates established in that case, consistent with the Board's Elizabethtown Water standards.⁵
- 16. The revenue requirement in the Next Base Rate Case and subsequent base rate cases, if applicable, will include a return of and on the deferred amounts in the EV Regulatory Asset. The return on the deferred investment will be based on the approved WACC in the Next Base Rate Case, or subsequent base rate case adjusted for then-current income tax rates. The return of the deferred Investment will be based on the amortization period approved by the Board in the Next Base Rate Case and subsequent base rate cases if applicable. The Parties reserve their rights to argue the appropriate amortization period.
- 17. For EV Investments placed in service more than six months following the end of the test year in the Next Base Rate Case, the Company has the option to make roll-in filings no more than once per year following the Next Base Rate Case to review such capital investment costs and include them in rates after the associated infrastructure has been placed in service. If the Company elects to file a base rate roll-in filing, it shall (a) include three months of forecast data that will be trued-up with actual data no later than 20 days after the end of the final forecast

11

⁵ *I/M/O Elizabethtown Water Company Rate Case*, BPU Docket No. WR8504330, Decision on Motion for Determination of Test Year and Appropriate Time Period for Adjustments (dated May 23, 1985).

month and (b) request that new rates be implemented three months after the end of the final forecast month. The schedule for the optional annual base roll-in filings shall be determined in the Company's Next Base Rate Case. For EV Investments placed in service more than six months following the end of the test year in the Next Base Rate Case that are not addressed in annual roll-in filings, the Investment costs shall be reviewed for prudency and included in rates in a subsequent base rate case or cases. All roll-ins approved between base rate cases shall be interim and subject to a prudency review at the next applicable base rate case.

18. Until they are included in base rates in accordance with this paragraph, incremental EV Program-related O&M costs as described in paragraph 5 shall be deferred and placed in a regulatory asset ("EV O&M Regulatory Asset") with a monthly carrying charge at the prior month's two-year Treasury rate plus 60 basis points that shall be included in the EV O&M Regulatory Asset. The EV O&M Regulatory Asset shall be recovered in the Company's Next Base Rate Case and subsequent base rate cases if applicable. The costs in the EV O&M Regulatory Asset are subject to prudence review in the Next Base Rate Case and subsequent rate cases if applicable. The amortization period for recovery of the EV O&M Regulatory Asset will be determined in the Next Base Rate Case and subsequent base rate cases if applicable. The Parties reserve their rights to argue the appropriate amortization period.

APPLICABLE PUBLIC FUNDING

19. If funding or credits from any subsequent state or federal action program becomes available to the Company through the federal government, State of New Jersey, a County or Municipality for installation or project reimbursement, the Company agrees that any such funds or credits applicable to work related to any of the EV Subprograms referenced in this Stipulation will be used to benefit customers by offsetting the costs for which recovery will be sought to the

extent permitted by law. The Company will also require program participants to disclose if they are seeking public funding, and in no case shall the combination of 1) any Federal funding, 2) other State, any other Government entity, or New Jersey Clean Energy Program incentive funding, and 3) incentives provided as part of this approved EV Program (excluding program incentive financing) fund more than 90% of the total cost of the project. If the Company determines that an installation or project will receive public funding equal to more than 90% of the total cost of the project, subject to any restrictions set forth in applicable law, incentive funding approved as part of this EV Program shall be reduced to bring the total rebates and incentives to no more than 90% of the total cost of the project. The determination of the funding sources for a project shall be based on a certification by the program customer or Participant. Nothing in this paragraph shall reduce the Company's ability to invest up to the maximum amount authorized in this Stipulation for the EV Charger Ready Program.

REPORTING

- 20. <u>Progress Reports</u>. The Company will provide a semi-annual report on deployment of the EV Program ("EV Semi-Annual Report") to Staff and Rate Counsel, setting forth the following information:
 - The estimated quantity of work and the quantity competed to date, or if the activity cannot be quantified with numbers, the major tasks completed, under each of the Company's offerings (e.g., under Charger Ready Program number of plugs completed/incentivized for Commercial L2, Commercial DCFC, Residential L2);
 - The budgeted and actual EV Investments costs to date for the annual reporting period and for the program to date;

- The budgeted and actual O&M expenses to date for the annual reporting period and for the program to date;
- Aggregated, anonymized (i.e., subject to appropriate privacy standards) Charger Ready program-level AMI data; and
- Hourly energy in kWh (obtained by AMI) for each charger associated with a participating site in the Charger Ready Residential, Charger Ready- Commercial, and DCFC Incentive program data will be anonymized in a manner so that it can be reported to Board Staff and Rate Counsel, who may in turn share these reports publicly.

The program expenditures shall be broken out among labor, material, and other costs. The annual reporting will commence by March 15, 2023 and continue each year thereafter, based on actual results through December 31 of the prior year. The Company will continue to submit annual reports by March 15 of each year through March 15 of the year following the completion of the EV Program investment, through the end of the EV Program.

DATA COLLECTION

21. All customers or stations receiving an incentive must be networked (*i.e.*, charging station capable of sending and receiving communications via wi-fi or cellular network). Site owners and operators may purchase the smart networked charging hardware and network technology of their choice from no less than two hardware vendors and two software vendors prequalified by RECO, as compatible with the technical needs of its electric distribution system for make ready eligibility. Consistent with the EV Filing Order, "site owner and operator" means

site host, property manager, an electric vehicle service equipment ("EVSE") infrastructure company, or an EDC with Board approval that is responsible for installing EVSE. ⁶

- 22. To be eligible for the incentives set forth in Attachment A, EV Program participants must agree to share session-level EV Charging Data with RECO. For purposes of this Stipulation:
 - "EV Charging Data" may include each plug-in/plug-out transaction per vehicle and includes: timestamps showing session duration (between plug-in and plug-out); charging duration; energy delivered (kWh); average power during charging session (kW); and other information as may be determined to be necessary by the Company during EV Program implementation.
- 23. For EV charging that is conducted on a meter that is not an EV charging-only dedicated meter, with the exception of minor ancillary items such as lighting, the data required further includes: timestamps showing when customers plug-in and plug-out; timestamps showing when charging starts and when it ends; peak power delivered during charging session (kW); interval data (15 minutes or shorter) for the charging duration; and unique device and port (where applicable) identifiers. In addition:
 - Data shall be submitted to RECO at least quarterly.
 - RECO will work with Board Staff and Rate Counsel regarding additional detail as to the type, period, and frequency of non-residential customer EV Charging Data delivery, as well as the delivery format and methods; and to refine data reporting requirements for

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⁶ EV Filing Order (p. 17).

- specific technology and use cases during EV Program implementation so that reported data effectively informs program analysis.
- EV Charging Data will be aggregated by RECO for the purposes set forth in this Stipulation.
- RECO agrees to treat EV Charging Data provided as a condition of service or eligibility for the EV Program as confidential and proprietary to the providing party, and agrees to maintain the confidentiality of the information provided to RECO. The Company further agrees that it will comply with any regulations promulgated by the Board regarding access to, and the use of EV Charging Data.
- 24. <u>Charging Data Third Parties.</u> Upon consent, customers may choose to, but are not required to, share their EV Charging Data, including the number of charging events, times, duration, usage and load profile with other third parties including for example, but not limited to, third-party suppliers and energy services market participants. A customer's consent to provide EV Charging Data to the Company as a condition of service or eligibility for the Company's EV programs to facilitate the ECOS study does not constitute consent to provide data to third parties for other, non-Company purposes. The Parties acknowledge that a customer's EV Charging Data may constitute confidential or proprietary data in accordance with New Jersey laws and regulations and agree to treat any such data in accordance with applicable laws and regulations.

ADDITIONAL COMMITMENTS

25. The Company acknowledges that guidance in the EV Filing Order (p. 23) recommends that EV chargers located at multi-family dwellings utilize the same rate as residential customers are charged for EV charging. RECO has developed the following solution to address rate parity between EV charging at single family residences and sites located at multi-

family dwellings. For multi-family dwellings with Level 2 EV chargers, such chargers will be charged for distribution charges at a rate equal to that of an SC No. 1 single family residence. All other charges will be those imposed on an SC No. 2 customer.

- 26. The Company will submit a filing to the Board for a program aimed at developing customer off-peak charging behavior ("Managed Charging Program") with budget by December 31, 2022. This Managed Charging Program will be designed to encourage EV charging at beneficial times and lead to the development of positive charging habits thereby minimizing the need for additional distribution system infrastructure to serve peak demand and improving the use of existing utility assets. Any budget proposed for a Managed Charging Program will be incremental to the budgets defined in this Stipulation. Any charging data collected through a Managed Charging Program can be used to better understand customers' charging behavior and further refine EV program to offer solutions that benefit EV owners, the distribution system, and all ratepayers.
- 27. The Company will not own or operate EV chargers for public use unless and until the Board has authorized RECO to own and operate such facilities as a provider in Areas of Last Resort consistent with the requirements set forth in the EV Filing Order.⁷
- 28. Participation in the Charger Ready program does not change the existing ownership structure of infrastructure.

FURTHER PROVISIONS

29. <u>Schedules.</u> All schedules referenced in and attached to this Stipulation are incorporated by reference herein as if set forth in the body of this Stipulation.

17

⁷ The EV Filing Order (p. 21) defines "Areas of Last Resort" as locations that have not generated private investment interest for the installation of publicly-accessible EV chargers for a minimum of 12 months after the EDC program has begun, for overburdened communities, or 18 months for other areas.

- 30. <u>Voluntariness</u>. The Parties agree that this Stipulation is voluntary, consistent with law, and fully dispositive of the issues addressed herein. The Parties have entered this Stipulation after consideration of the Petition and updates, the pre-filed testimony of the Parties, and discovery in this matter.
- 31. <u>Board Approval</u>. The Parties agree that the Board should issue an Order that adopts this Stipulation and thereby authorizes RECO to implement the EV Program and recover the costs thereof in accordance with this Stipulation. Each Party agrees to use its best efforts to ensure this Stipulation is submitted to the Board in a timely fashion and to urge the Board to issue expeditiously their approvals of this Stipulation at the earliest date practicable and issuing and serving a written Order approving this Stipulation expeditiously thereafter. The Parties hereby request that the Board: (i) address this matter at the next appropriate agenda meeting, and (ii) thereafter expeditiously issue and serve a written Order approving this Stipulation. The Parties' agreements above are consistent with their understanding that the Board's written Order approving this Stipulation will become effective in accordance with N.J.S.A. 48:2-40 upon the service of said Order or upon such date after service as the Board may specify.
- 32. <u>Waiver of Rights of Appeal</u>. Each Party specifically waives any right it may have to seek reconsideration of or to appeal an order by the Board that approves this Stipulation in the manner provided for herein without modification.
- 33. <u>Rights Upon Disapproval or Modification</u>. This Stipulation contains mutually balancing and interdependent provisions and is intended to be accepted and approved in its entirety. This Stipulation is an integral settlement and the various parts hereof are not severable without upsetting the balance of agreements and compromises achieved among the Parties. In the event the Board disapproves this Stipulation as a whole, it shall be null and void. In the

event that any particular aspect of this Stipulation is not accepted and approved by the Board in its entirety, without modification, or is modified by a court of competent jurisdiction: (i) the Parties are not waiving any legal or procedural rights, arguments or claims they may have before the Board or in any forum including rights to appeal the Board decision, and (ii) this Stipulation shall, at the option and discretion of any Party aggrieved thereby, exercised by written notice to the other Parties within ten days after receipt of any such adverse decision, be deemed null and void in which case the Parties shall be placed in the same position that they were in immediately prior to its execution, and the Parties may proceed to litigate issues addressed herein to a conclusion and pursue other available legal remedies as though this Stipulation had not been signed.

34. Party Reservations. This Stipulation represents a negotiated compromise resolution that has been made exclusively for the purpose of resolving the issues addressed in the above-captioned case and docket. Although binding on the Parties with respect to the issues resolved herein in this proceeding, this Stipulation, in total or by specific item, is in no way binding upon the Parties and is not to be considered or cited as precedent in favor of or against their respective positions on any issue in any other proceeding, except to enforce the terms of this Stipulation. The Parties agree that the resolution of the issues herein shall apply only to the above-captioned case and that any similar future cases shall be reviewed by the Board on an individual basis, except as specifically set forth herein. This Stipulation is without prejudice to the positions of the respective Parties with respect to any future proceedings involving the Company, except as specifically set forth herein. Further, by executing this Stipulation, no Party waives any rights it possesses under any prior Stipulation or Board Order, except where the terms of this Stipulation supersede such prior Stipulation.

35. <u>Amendment.</u> This Stipulation represents the full scope of the agreement between the Parties. This Stipulation may only be modified by a further written agreement executed by all of the Parties to this Stipulation.

36. <u>Governing Law.</u> This Stipulation shall be governed and construed in accordance with the laws of the State of New Jersey.

37. <u>Execution.</u> This Stipulation may be executed in one or more counterparts and shall become effective when one or more counterparts have been signed by each of the Parties. Each Party has caused its duly authorized representative to execute below and deliver this Stipulation.

ROCKLAND ELECTRIC COMPANY

By:_____

James C. Meyer, Esq. RIKER DANZIG, LLP

Title: Counsel

BRIAN O. LIPMAN

Director, Division of Rate Counsel

By:__Maura Caroselli

8/29/22

Maura Caroselli

Title: Managing Attorney

EO20110730

ANDREW J. BRUCK ACTING ATTORNEY GENERAL OF

NEW JERSEY

Attorney for the Staff of the Board of Public

Utilities

Ву:____

Matkottic; Esq. MELIHA ARNAUTONIC

Title: Deputy Attorney General

CHARGE POINT, INC.

By: Dunbar
Scott Dunbar, Esq.

Keyes & Fox LLP

Title: Counsel

ATTACHMENT A

EV SUBPROGRAMS

Attachment A

EV Subprogram Budget

RECO Program Summary of Investments and O&M (000s)									
ID Program Detail			2022		2023		2024	2025	Total
	Charger Ready Program: Commercial (Investment)	\$	349	\$	698	\$	1,047	\$ 1,398	\$ 3,492
1	Charger Ready Program: Residential (Investment)	\$	188	\$	376	\$	563	\$ 751	\$ 1,878
1	Charger Ready Program (Investment)	\$	25	\$	25	\$	-	\$ -	\$ 50
	Charger Ready Program (O&M)		10	\$	20	\$	40	\$ 40	\$ 110
2	Voluntary TOD Rate (Investment)	\$	19	\$	-	\$	-	\$ -	\$ 19
3	DCFC Incentives (Investment)	\$	31	\$	63	\$	94	\$ 126	\$ 314
4	Education and Outreach Program (Investment)	\$	31	\$	31	\$	31	\$ 31	\$ 124
4	Education and Outreach Program (O&M)		70	\$	70	\$	80	\$ 83	\$ 303
1,3	Data Acquisition (O&M)	\$	100	\$	100	\$	100	\$ 100	\$ 400
1-4	1-4 Administrative Cost (O&M)		124	\$	217	\$	283	\$ 286	\$ 910
Portfolio Category			2022		2023		2024	2025	Total
Port	folio Investments (Incentives and IT system upgrades)	\$	643	\$	1,193	\$	1,735	\$ 2,306	\$ 5,877
Port	Portfolio O&M (licenses, marketing, and data acquisition)		180	\$	190	\$	220	\$ 223	\$ 813
Port	Portfolio O&M (administrative cost)		124	\$	217	\$	283	\$ 286	\$ 910
Portfolio Total			947	\$	1,600	\$	2,238	\$ 2,815	\$ 7,600

Charger Ready Subprogram

The Charger Ready Subprogram has two components: Charger Ready—Residential and Charger Ready—Commercial. The Charger Ready Subprogram will reduce economic barriers by providing financial incentives to both residential and commercial customers to help offset the costs of EV charging infrastructure. It will thereby increase charger deployment (in homes, multi-family dwellings, workplaces, and publicly accessible locations such as highways and malls) and address EV owner range anxiety. The Charger Ready Subprogram has a budget of \$5,530,000 over the term of the EV Program.

	Charger Ready - Residential
Program Term Budget for Incentives	\$1,878,000
Equipment Eligibility	Limited to utility-sided and customer-sided equipment for Level 2 chargers installed in a residence in the RECO service territory on or after the Effective Date.
Operational Eligibility	Utility-sided costs include the costs for utility-sided equipment, which are in excess of the customer's entitlement and that would typically be borne by a Participant
	Customer-sided costs may include service panels, junction boxes, conduit, and wiring necessary to make a location able to accommodate an EV charger on a "plug and play" basis
	EV charger costs are not eligible for an incentive
	The customer will own the EV charger and be solely responsible for its operation and maintenance
	• To receive Charger Ready incentives, residential customers must agree to permit the Company to share their AMI data, related to the meter associated with their EV charger, with the BPU on a confidential basis, as part of program reporting.
Dollar Incentive Maximums	The incentive paid will be the greater of the eligible costs incurred or the maximum per plug incentive, as follows: • For Utility-sided costs: maximum per plug is \$5,000
	• For Customer-sided costs: maximum incentive per plug is \$1,000
Target	Level 2 plugs: 1,448
Time Frame:	The Charger Ready – Residential program will launch 60 days after the Effective Date. Program Effective Date through exhaustion of the Charger

	Ready - Residential program budget or after four years from the commencement of the Charger Ready – Residential program.			
Charger Ready - Commercial				
Program Term Budget for Incentives	\$3,492,000			
Equipment Eligibility	Limited to utility-sided and customer-sided equipment for EV chargers installed in the RECO service territory on or after the Effective Date.			
Operational Eligibility	Charger Ready costs will be incentivized according to Table A-1 below.			
	 MFDs will qualify for Tier 1 or Tier 2, depending upon whether they are located in an Overburdened Community. To receive incentives, Level 2 plugs in MFDs do not need to be publicly accessible. 			
	• Utility-sided costs include the costs for utility-sided equipment, which are in excess of the customer's entitlement and that would typically be borne by a Participant			
	Customer-sided costs may include service panels, junction boxes, conduit, and wiring necessary to make a location able to accommodate an EV charger on a "plug and play" basis			
	EV charger costs are not eligible for an incentive			
	The customer will own the EV charger and be solely responsible for its operation and maintenance.			
	• DCFC stations with more than ten plugs and/or demand in excess of 2MW will only be allowed to participate in the Charger Ready Program if development of the site does not cause RECO to incur new business costs greater than the cost that would be incurred to develop a site with a maximum demand of 2MW			
	 For DCFC stations, the number of plugs eligible for the incentive will be defined as those plugs capable of simultaneously charging at 50 kW or greater. 			
	 DCFC stations must comply with Federal Americans With Disabilities Act guidelines. 			
	Publicly accessible chargers (including those not located at workplaces or MFDs) must be listed on the U.S. Department of Energy Alternative Fueling Station Locator.			

	 To receive Charger Ready incentives, customers must agree to permit the Company to share their charging data and AMI data, related to the meter associated with their EV charger, with the BPU on a confidential basis, as part of program reporting. Site hosts must guarantee public accessibility and operational
	functionality in a manner consistent with the definitions for publicly accessible plugs and operational requirements as defined in Attachment D.
	• Level 2 chargers located at MFDs that take service under RECO's Service Classification (SC) No. 1 residential rate must be separately metered. The separate meter can be installed at the time of charger installation or at a later date and must be installed prior to receiving service under SC1. This option is not available to DCFCs installed at MFDs.
Maximum Incentive	The incentive paid will be the greater of the eligible costs incurred or the
for Level 2 plugs	maximum per plug incentive, as follows:
	• For Utility-sided costs: maximum per plug is \$4,400
	• For Customer-sided costs: maximum incentive per plug is \$9,200
Maximum Incentive for DCFC plugs	The incentive paid will be the greater of the eligible costs incurred or the maximum per plug incentive, as follows:
	 For Utility-sided costs: maximum per plug is \$2,000
	• For Customer-sided costs: maximum incentive per plug is \$81,000
Targets	Level 2 Plugs: 413DCFC Plugs: 30
Time Frame:	The Charger Ready – Commercial program will launch 60 days after the Effective Date. Program Effective Date through exhaustion of the Charger
	Ready - Commercial program budget or after four years from the
	ready commercial program oddget of diter roal years from the

Table A-1: Incentive Levels and Corresponding Criteria

Incentive Levels	Tier 1	Tier 2	Tier 3
Utility-side Incentive level	100%	100%	50%
Customer-side Incentive level	up to 100%	up to 90%	up to 50%
Incentive Criteria			
Overburdened location	Yes	No	No
Standard plug	Yes	Yes	No
Publicly accessible plug	Yes	Yes	No
Meets all other Eligibility Requirements*	Yes	Yes	Yes

^{*}This includes the requirements defined in Eligibility Requirements section above.

Voluntary Time-of-Day Rate

The Voluntary Time-of-Day Rate encourages EV charging and other home consumption during off-peak times to assist in the management of the electric distribution system peak, which benefits both customers and the distribution system.

The Voluntary Time-of-Day Rate includes:

Term Budget (excluding price guarantee)	\$19,000
Eligibility	 Voluntary participation Residential rate option Customers take service under Service Classification No. 1 for their entire house usage
Peak and Off Peak Hours	 Peak: 12:00 p.m. to 8:00 p.m., Monday through Friday Off Peak: All other times
Price Guarantee	 Available to customers who register their EVs with the Company and take service under this rate Price guarantee for first year
Timeframe	 The Voluntary Time-of-Day Rate will launch on September 1, 2022 and will remain in effect after EV Program ends Price guarantee available from period beginning on September 1, 2022 until four years from the commencement of the EV Program

Direct Current Fast Charging (DCFC) Incentive Subprogram

The DCFC Incentive Subprogram is intended to address cost barriers, and encourage DCFC deployment, by effectively lowering operating costs through demand charge relief in the near-to medium-term while station utilization increases to levels where such support can be lowered or eliminated.

The DCFC Incentive Subprogram includes:

Term Budget	\$314,000
Incentive Amounts	 Annual per-plug incentive of 75 percent of demand charge. Maximum dollar incentive of \$5,400 each year in years 1 and 2 Maximum dollar incentive of \$3,600 each year in years 3 and 4
Eligibility	Available to new and existing DCFC plugs
	 DCFC plugs must be standard (see definition in appendix)
	 Participants must take service under a demand-based tariff
	 Participants must guarantee public accessibility and operational functionality in a manner consistent with the definitions for publicly accessible plug and operational requirement as defined in Attachment D
	The number of plugs eligible for the incentive will be defined as those plugs capable of simultaneously charging at 50 kW or greater
	• DCFC stations with more than ten plugs and/or demand in excess of 2MW will only be allowed to participate in the DCFC Incentive Program if development of the site does not cause RECO to incur new business costs greater than the cost that would be incurred to develop a site with a maximum demand of 2MW
	 Plugs must comply with Federal Americans With Disabilities Act guidelines, and must be listed on the U.S. Department of Energy Alternative Fueling Station Locator
	To receive DCFC incentives, customers must agree to permit the Company to share their charging data and AMI data, related to the meter associated with their DCFC, with the BPU on a confidential basis, as part of

	program reporting
Target	DCFC plugs: 31
Timeframe	The DCFC Incentive Program will launch 60 days after the
	Effective Date. Program Effective Date through exhaustion of
	the DCFC Incentive program budget or after four years from
	the commencement of the DCFC Incentive program.

Outreach and Education Subprogram

The Outreach and Education Subprogram will increase consumer awareness of EVs, incentives, and charging alternatives; reduce range anxiety through charger-related information; and provide opportunities for consumers to interact with knowledgeable individuals, thereby encouraging EV adoption.

The Outreach and Education Subprogram includes:

Program Term Budget	\$427,000	
Program Activities	and Description	
	Ride and Drive Events	Partner with third parties to sponsor Ride and Drive Events throughout the term of the program.
		 Maximum spending of \$100,000 during EV Program term
	EV Advisor Tool	Add and update information on incentives and programs offered by New Jersey and RECO to online EV advisor tool
		Online customer bill impact calculator
	Outreach and Education Materials	Develop and distribute outreach and education materials that provide both current and potential EV owners with information on EVs, types of EV chargers, beneficial EV charging, electric rates offered by the Company, incentives and rebates offered by a variety of sources, the total cost of EV ownership, and the Company's website and online EV Advisor tool
	Community Outreach	Conduct community outreach and education at municipal events, and through media and other marketing avenues
Timeframe	Effective Date. Program Effe	and Outreach program will begin following the ective Date through exhaustion of the Outreach get or after four years from the commencement of program.

ATTACHMENT B

TARIFF PAGES

SERVICE CLASSIFICATION NO. 1 RESIDENTIAL SERVICE

APPLICABLE TO USE OF SERVICE FOR

Sales and delivery of electric power supply provided by the Company or delivery of electric power supply provided by an electric generation supplier under the Company's Retail Access Program to residential customers. All service at each residence shall be taken through one meter. Service will also be furnished hereunder to a church and adjacent buildings (other than school buildings which substitute for public education), owned by the church and operated in connection therewith; provided, however, that if the buildings of any such church group are separated by a highway or highways, then the electricity delivered to each group so separated shall not be combined with the electricity delivered to other buildings of the church group but shall be billed separately under this rate.

CHARACTER OF SERVICE

Continuous, 60 cycle, A.C., from any of the following systems as designated by the Company:

- (1) Single phase at approximately 120,120/208 or 120/240 volts.
- (2) Three phase four wire at approximately 120/208 volts in limited areas.

RATE - MONTHLY

		Summer Months*		Other Months			
(1)	Customer Charge	\$5.75		\$5.75			
(2)	<u>Distribution Charge</u>						
	(a) Distribution Charge Applic) Distribution Charge Applicable to non-Time-of-Day Service					
	First 600 kWhOver 600 kWh	@	6.062 ¢ per kWh 7.633 ¢ per kWh				
	(b) Distribution Charge Applic	cable to V	oluntary Time-of-Da	ay Service			
	Peak All kWh measured betwee 12:00 p.m. and 8:00 p.m., Monday Through Friday		14.032 ¢ per kWh	n 10.794 ¢ per kWh			
	Off Peak All other kWh	@	4.235 ¢ per kWh	4.235 ¢ per kWh			
* Defi	nition of Summer Billing Months	- June th	rough September				
			(Contin	ued)			

ISSUED: EFFECTIVE:

ISSUED BY: Robert Sanchez, President

Mahwah, New Jersey 07430

SERVICE CLASSIFICATION NO. 1 RESIDENTIAL SERVICE (Continued)

RATE - MONTHLY (Continued)

(5) Basic Generation Service

Customers taking Basic Generation Service from the Company will be billed for such service in accordance with General Information Section No. 31.

In accordance with Riders CBT and SUT, the charges in this Rate Schedule include provision for the New Jersey Corporation Business Tax and the New Jersey Sales and Use Tax. When billed to customers exempt from one or more of these taxes, as set forth in Riders CBT and SUT, such charges will be reduced by the relevant amount of such taxes included therein.

MINIMUM CHARGE EACH CONTRACT EACH LOCATION

\$5.75 monthly, not less than \$34.50 per contract.

TERMS OF PAYMENT

Bills are due in accordance with General Information Section No. 10.

TERM

Terminable at any time unless a specified period is required under a line extension agreement.

Customers taking service under Part 2(b) of RATE – MONTHLY hereunder shall not be entitled to service at the same location under Part 2(a) of RATE – MONTHLY or Service Classification No. 3 until one year from the date of service or thereafter on the annual anniversary date upon 5 days' prior written notice. A customer cannot opt back into taking service under Part 2(b) of RATE – MONTHLY for at least one year after opting out of such rate.

EXTENSION OF FACILITIES

Where service is supplied from an extension the charges thereon shall be determined as provided in General Information.

(Continued)

ISSUED: EFFECTIVE:

ISSUED BY: Robert Sanchez, President

SERVICE CLASSIFICATION NO. 1 RESIDENTIAL SERVICE (Continued)

SPECIAL PROVISIONS

(A) Short Term Service

Customers desiring service under this schedule for less than six months, where service is already installed, shall pay in advance the contract minimum as specified under "Minimum Charge Each Contract Each Location" or under an applicable line extension agreement, or, if the estimated bill for two months or such shorter period as service may be desired exceeds the contract minimum, the Company reserves the right to request a deposit equal to this estimated bill. A part of a month shall be considered a full month for computing all charges hereunder.

(B) Budget Billing Plan

Any customer taking service under Part 2(a) of RATE – MONTHLY hereunder may, upon request, be billed monthly in accordance with the budget billing plan as provided for in General Information Section 8 of this tariff.

(C) <u>Metering for Voluntary Time-of-Day Service</u>

Customers who wish to take service under Part 2(b) of RATE – MONTHLY hereunder shall not be permitted to opt out of AMI or AMR metering.

(D) Price Guarantee for Residence with Plug-in Electric Vehicle(s)

A customer taking service under Part 2(b) of RATE – MONTHLY hereunder for a residence that includes a Plug-In Electric Vehicle ("PEV") and registers such PEV with the Company will receive a price guarantee for a period of one year commencing with the first full billing cycle after the customer registers the PEV with the Company. Under the price guarantee, the customer will receive a credit following the initial one-year period for the difference, if any, between what the customer paid and what the customer would have paid under Part 2(a) under Rate-Monthly over that one-year period if the Part 2(a) amount is lower.

(Continued)

ISSUED: EFFECTIVE:

ISSUED BY: Robert Sanchez, President Mahwah, New Jersey 07430

ATTACHMENT C

<u>Definitions</u>

Definitions

Multi-family dwelling (MFDs): apartments, condominiums or mixed residential locations that feature a minimum of five units

Operational requirements: Participants in the Charger Ready program will be required to adhere to the following operational requirements, at a minimum: (a) DCFC plugs must be operational 95 percent of the time annually; (b) DCFC charging stations must be operational 99 percent of the time annually, with a minimum of half of the plugs considered to be "up" at all time; and (c) all charging stations in the EV Program must operate for a minimum of five years.

Overburdened community: Any census block group, as determined in accordance with the most recent United States Census, in which at least one half of the households qualify as low income households and either: (1) at least 40% of the residents of the census block group identify as Black, African American, Hispanic or Latino, Asian, Pacific Islander, or as members of a State recognized tribal community; or (2) at least 40% of the households in the census block group have limited English proficiency

Participant: An entity that applies for and receives incentives through the Charger-Ready or DCFC Incentive programs. A Participant may include a developer, contractor, equipment owner, site host, customer, or other entity.

Publicly accessible plug: A plug located on public land, a community location, or a travel corridor. Such chargers are owned and operated by a site owner, property manager or management company, EVSE Infrastructure Company or, in limited cases, an EDC that is accessible to the public 24 hours a day, seven days a week; however, generic parking restrictions or requirements, such as in a commercial garage, or emergency restrictions, including construction, street cleaning, are not applicable. Such chargers may charge the EV owner a fee for charging; such fees will be clearly displayed to the user.

Standard plug: For DCFC, plugs which are non-proprietary, or stations where a proprietary plug type is collocated at a station with an equal number of non-proprietary plug types of equal or greater charging capacity. For L2, only plugs that are non-proprietary, such as SAE J1772 plugs.