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January 24, 2023

## VIA BPU PUBLIC DOCUMENT UPLOAD

Carmen D. Diaz
Acting Secretary of the Board
State of New Jersey
Board of Public Utilities
44 South Clinton Avenue, 1st Floor
P.O. Box 350
Trenton, New Jersey 08625-0350

**RE:** Comments of Atlantic City Electric Company on New Jersey Electric Vehicles Infrastructure Ecosystem – Medium and Heavy Duty Straw Proposal BPU Docket No. QO21060946

## Dear Acting Secretary Diaz::

Atlantic City Electric Company ("ACE" or "the Company") respectfully submits these comments to the New Jersey Board of Public Utilities (the "Board" or "BPU") in response to the New Jersey Electric Vehicles Infrastructure Ecosystem – Medium and Heavy Duty Straw Proposal ("Straw"), published on December 22, 2022 and revised on December 23, 2022. The Company anticipates that comments in this matter will also be filed by the ChargEVC on behalf of many of its member companies. Whenever possible, the recommendations reflected in this correspondence should be read consistent with those comments. To the extent that ChargEVC's comments might be inconsistent with the Company's recommendations, ACE's comments contained herein should control as the expression of the Company's position.

ACE supports the transportation electrification goals of New Jersey and also supports the Board's efforts to accelerate the electrification of medium and heavy duty ("MHD") vehicles and fleets through the programs and initiatives described in the Straw. The Company agrees with the continuation of the "shared responsibility" model, wherein electric distribution utilities ("EDCs") invest in and earn a return on make-ready work, while third parties own and operate Electric Vehicle Service Equipment ("EVSE"). ACE's existing Board approved light-duty programs follow this shared responsibility model. The Company also supports the Board's continued focus

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<sup>&</sup>lt;sup>1</sup> With, as noted in the Straw, EDCs eligible to own and operate EVSE under specific circumstances.

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on equity as it designs future programs and supports the breadth of customers supported in the Straw proposal, including public fleets, private fleets, and publicly accessible MHD charging.

The Company applauds the emphasis within the Straw on EDC planning services to support customers through their electrification journey and to manage the impacts of transportation electrification more effectively. As EVSE infrastructure continues to grow in both size and complexity, creating programs for EDCs to support new EVSE projects early will be critical to creating a smooth glidepath from project conception to interconnection and operation.

Although the Company recognizes the urgency of the State's goals, the Company does not support the Straw's proposed timeline for installation of make-ready work, as it may create a burdensome process and negatively affect EDCs for circumstances beyond their control. The Straw proposes that EDCs have 12 months to install make-ready infrastructure, and that any delay over 12 months would result in reduced earnings.<sup>2</sup> Electric sector supply chain issues, which have been well documented and resulted in federal use of the Defense Production Act,<sup>3</sup> are beyond the control of the EDC. Similarly, permitting or other site-specific issues beyond the EDC's control may create delays, requiring timelines of greater than 12 months. The requirement that EDCs appeal or lose earnings will create unnecessary contention and time-consuming processes for both the Board and EDCs.

ACE also has significant concerns about the potential safety and reliability impacts to changing EDC's well-established load interconnection policies under the Board's proposal to allow interconnection based on demand net of potential behind-the-meter resources. The Company's load interconnection policies, regardless of end use, have been developed to ensure sufficient capacity to serve new customers and protect existing customers. A customer that unintentionally, or intentionally, draws power greater than its interconnection design can create service quality issues for other customers, including low voltage, flicker, outages, equipment damage and other reliability and safety concerns. Behind-the-meter resources would not be owned, maintained, or operated by the EDCs, and, as such, the Company cannot reasonably count on those resources to operate correctly 100% of the time. Thus, the Company cannot use those resources to ensure the safe and reliable operation of the distribution network, which is the regulatory obligation of the EDC.

Finally, the Company encourages the Board to consider reducing the complexity of programs and providing EDC flexibility in implementation, whenever possible. ACE is concerned that the requirements described for private fleets, publicly accessible MHD chargers, and demand charge solutions may result in overly complicated eligibility requirements and pricing signals, ultimately slowing program implementation and hindering the effectiveness of the programs.

<sup>&</sup>lt;sup>2</sup> Straw at IV. B "Process for Approval of Make-Ready Sites."

<sup>&</sup>lt;sup>3</sup> DOE Actions to Unlock Transformer and Grid Component Production | Department of Energy

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ACE appreciates the opportunity to provide comments on the Straw proposal and to continue to work with the Board to accelerate transportation electrification.

Respectfully submitted,

Cynthia L.M. Holland Attorney at Law of the State of New Jersey