Antonia Hover

From: Antonia Hover on behalf of Records Clerk
Sent: Thursday, September 16, 2021 2:29 PM
To: 'jcohen@greenlots.com'
Cc: Consumer Contact
Subject: FW: Docket 20210015-EI: Greenlots public comments
Attachments: 2021.09.16 Greenlots comments in support of FPL Settlement.pdf

Good Afternoon, Mr. Cohen.

We will be placing your comments below in consumer correspondence in Docket No. 20210015, and forwarding them to the Office of Consumer Assistance and Outreach.

Thank you!

Toni Hover
Commission Deputy Clerk I
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399
Phone: (850) 413-6467

From: Joshua Cohen <jcohen@greenlots.com>
Sent: Thursday, September 16, 2021 1:07 PM
To: Records Clerk <CLERK@PSC.STATE.FL.US>
Subject: Docket 20210015-EI: Greenlots public comments

Dear Commission Clerk:

Greenlots respectfully submits the attached public comments in the above-referenced proceeding, Docket No. 20210015-EI (Florida Power & Light Company).

I respectfully have two requests:

1. Please confirm these comments have been received and will be placed into the docket.
2. I would like to offer brief verbal comments during the public comment portion of the Commission Hearing this coming Monday, Sept. 20. Please advise if and how I can do that.

Many thanks,
Josh

Josh Cohen
Director, Policy
Greenlots

410.989.8121
jcohen@greenlots.com
www.greenlots.com

September 16, 2021

Adam Teitzman
Office of the Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Via email: clerk@psc.state.fl.us

Re: SUPPORT for Florida Power & Light Company and other signatories' Joint Motion for Approval of Settlement Agreement
Docket No. 20210015-EI

Dear Mr. Teitzman:

Greenlots is pleased to submit this letter in support of the Joint Motion for Approval of Settlement Agreement ("Joint Motion") submitted by Florida Power & Light Company ("FPL" or the "Company"), Citizens through the Office of Public Counsel, Florida Retail Federation, Florida Industrial Power Users Group and Southern Alliance for Clean Energy (collectively, the "Signatories") in the above-referenced docket. Greenlots' support of the Joint Motion—and these comments—are focused on the electric vehicle ("EV") Programs proposed therein.

I. About Greenlots

Greenlots is a leading provider of EV charging software and services committed to accelerating transportation electrification in Florida, and a wholly owned subsidiary of Shell Renewables & Energy Solutions. Greenlots' software, services and expertise empower industries across the globe to deploy EV charging infrastructure at scale, connecting people in a safer, cleaner, and smarter way. 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, 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.

In Florida, Greenlots' commercial footprint includes serving as the software management platform for more than 750 charging ports. Greenlots' customers comprise a diverse range of entities including both investor-owned and municipal utilities, rural electric cooperatives, local governments, and commercial property owners.

Greenlots has a keen interest in advancing regulatory and policy outcomes that support a strong utility role as needed to deploy EV charging stations and infrastructure at this stage of the market. In Florida, Greenlots has participated in proceedings and stakeholder processes before the Commission and other bodies, including recent Commission proceedings to consider Duke Energy Florida's EV-related settlement and FPL's EV public charging pilot tariffs; the Commission's EV workshop on matters related to Senate Bill 7018; the Department of Transportation's EV Master Plan; and the Office of Energy's EV Roadmap. [1,2,3]

II. EV Programs Summary

The Joint Motion's proposed EV Programs include $30 million in cost recovery for EVolution—the Company's existing EV infrastructure buildout pilot—and a $175 million portfolio of five new Company offerings over the four-year period 2022-2025, summarized as follows.[4]

- Public Fast Charging Program ($100 million): FPL will install, own and operate publicly accessible fast chargers. FPL will seek locations that expand equitable access to charging and fill in gaps in underserved and rural areas and along evacuation or emergency routes. FPL will set pricing for its utility-owned stations according to the Company's approved UEV public charging tariff.
- Residential EV Charging Services Pilot ($25 million): FPL will install, own, operate and maintain residential Level 2 chargers for customers who opt to participate in a subscription-based tariff that leverages time of use ("TOU") rate schedules to encourage off-peak charging. As part of the tariff, FPL will be able to test managed charging via direct load control. At the customer's option, FPL will also install, own, operate and maintain the make-ready infrastructure leading up to the charger. The customer's monthly payments will be designed to cover all costs and expenses associated with the equipment and service and be CPVRR neutral to the general body of ratepayers.
- Commercial EV Charging Services Pilot ($25 million): FPL will install, own, operate and maintain fleet chargers for commercial customers who opt to participate in a subscription-based tariff. As part of the tariff, FPL will be able to test managed charging via direct load control. The customer's monthly payments will be designed to cover all costs and expenses associated with the equipment and service and be CPVRR neutral to the general body of ratepayers.

---

[1] *See* Greenlots' comments in undocketed EV Workshop at https://www.floridapsc.com/library/filings/2020/10405-2020/10405-2020.pdf.
[2] *See* Docket No. 20200170-EI. Greenlots' comments available at https://www.floridapsc.com/library/filings/2020/09096-2020/09096-2020.pdf.
[3] *See* Docket No. 20210016-EI: Greenlots' comments in support of DEF settlement, at http://www.psc.state.fl.us/library/filings/2021/03781-2021/03781-2021.pdf
[4] This EV Programs summary is based on docketed information contained in the Joint Motion at Para. 22, and the Company's responses to Commission Staff's Fifth Data Request (Nos. 19-20) and Seventh Data Request (Nos. 9-13).

- New Technologies and Software ($20 million): FPL will pilot various initiatives to test and gain learnings related to emerging EV technologies, and to support electrification of use cases, applications and vehicle classes such as medium- and heavy-duty vehicles not addressed by the Company's other EV offerings. This offering will also enable FPL to enhance and upgrade its driver mobile app and related software.
- Education and Awareness ($5 million): FPL will pursue initiatives to increase customer awareness, knowledge and adoption of EVs and participation EV programs.

III. Comments

Greenlots strongly supports FPL's proposed new EV Programs and respectfully urges the Commission's approval of the full set of offerings as filed.

Greenlots was a strong advocate for the passage of Senate Bill 7018 and for its recognition of the important role that both electric utilities and the Commission have for the state to achieve SB 7018's goal to "encourage the expansion of electric vehicle use in this state."[5] The Company's EV Programs directly support this statutory goal. Its portfolio approach is well designed to accelerate EV charging deployment and EV adoption across several vital user segments including public charging, residential charging and commercial fleet charging.

Greenlots' perspective on the value of FPL's utility-owned and operated charging subprograms is informed by our views more broadly on the state of the EV charging market, barriers to EV adoption, and the need for electric utility investment in EV charging—including ownership and operation—to overcome those barriers, accelerate EV adoption in an equitable manner, and support competition and growth within the EV charging market.

A. Challenging economics contribute to a lack of charging stations

One of the most significant and challenging barriers to increased EV adoption is the lack of adequate charging stations, particularly in the context of public charging. It is critical to recognize the fundamental link between charging station visibility, availability, and EV adoption, as those factors can both confine and slow EV adoption when scarce, or act as a market and EV adoption accelerator when prominently and readily available.

Many consumers disqualify EVs from their purchasing/leasing considerations due to the lack of charging stations and the resulting concern commonly referred to as "range anxiety." While the market is now seeing more EVs with longer ranges, many currently deployed EVs have relatively smaller batteries that are best situated to support local driving, compounding this issue. Even as EVs with 200+ mile ranges become standard, this will put increased pressure on DCFC stations. While the business models for deployment and operation of both public L2 and public DCFC

[5] *See* Laws of Florida, Ch. 2020-21 at p. 4.

stations are challenging, the latter has particularly high costs to develop and is arguably the most challenging business model.

Unfortunately, a sustainable and competitive market in the deployment of public charging infrastructure remains aspirational and it is unlikely to arise prior to the adoption of a critical mass of electric vehicles. This is primarily due to a lack of a sustainable private market business model for the ownership and operation of public charging stations based on revenues from charging activities. Some property owners who install charging stations may do so as an amenity to attract EV-driving customers whose primary expenditure is not the charging session but rather the purchase of products or services in a convenience store, for example. However, at this point in the market, those corresponding sales receipts remain largely insufficient to cover the costs of installation and operation of the charging infrastructure and stations.

Writ large, this dynamic has thus far resulted in a fundamentally inadequate amount of private investment in such charging infrastructure. With the lens pulled out, this lack of available charging stations, which hinders EV adoption, which in turn perpetuates the challenging economics that contribute to the lack of charging stations, is a classic market failure that warrants public investment and the involvement of regulated utilities.

B. The utility can serve a beneficial role as a market transformer

The electric utility is uniquely positioned to advance the market past early-stage barriers and accelerate it across a number of key customer segments, as FPL's EV Programs are designed to do. In this way, the electric utility supports competition, improves the environment for private investment, and—notably—serves as a market transformer. In this respect, Greenlots agrees with the inclusive and flexible role the Washington Utilities and Transportation Commission ("UTC") has envisioned for utilities, as expressed in its seminal Policy Statement. This view is so salient because it is firmly rooted in a clear understanding of the state of the EV market and EVs, which even today remain an emerging technology. In its Policy Statement, the UTC wrote:

> Market transformation is the process of getting these new products to a wider audience, removing market barriers, and exploiting opportunities to make the new market mainstream. For energy efficiency technologies, this is done through programs promoting the product and voluntary efficiency standards. The ultimate goal of market transformation is for the product to become accepted by the general public and adopted into codes and standards.
>
> The challenge facing the expansion of EVs is similar to the challenge facing energy efficiency technologies before market transformation…there are three main barriers to additional adoption of EVs: price, range and charging availability, and low consumer awareness. *Charging availability and consumer awareness, in*

> *particular, are barriers that electric utilities are naturally positioned to address.* (emphasis added)[6]

Indeed, when considering the right role for the utility in a broader market context, it is necessary to differentiate between a mature, profitable private market and a nascent, largely pre-profit market that is still in the "emerging technology" stage described by the UTC. Regulatory guiderails that may be appropriate and warranted for a mature market may be inappropriate and even detrimental for a nascent market.

Florida's EV charging market cannot realistically be viewed as competitive, if by competitive one means profitable. Despite the enormous value that transportation electrification writ large offers to the grid and ratepayers, as a stand-alone commercial enterprise it remains generally unprofitable to deploy, own and operate EV infrastructure and charging stations today. Electric utilities such as FPL are uniquely positioned to address this market failure and accelerate the market towards a state of profitability and sustainability.

C. Utility ownership supports competition within the EV charging marketplace

The electric utility is uniquely positioned to serve as a motivated buyer that spurs market competition within the EV charging industry. While some market competition exists today between a relatively small but growing field of sellers of EV charging products and services to motivated investors/site hosts, buyers remain relatively few and far between in the market more broadly. Those buyers that are participating in the market are often purchasing at a small scale that lacks the value of wholesale-level procurement. This void persists despite significant private capital being invested in technology companies supporting transportation electrification.

Per basic economic theory, no number of suppliers results in a competitive market in the absence of a sufficiently large number of consumers or motivated buyers, something Florida lacks—especially in the underserved and rural areas to be served by FPL's Public Fast Charging Program. This market void stems largely from the fact that private equity-funded development often requires relatively rapid and high returns on investment that tends to be at odds with capital investments such as public EVSE at this stage of the market. FPL's EV Programs are appropriately designed to address this dynamic, by seeding the market with the foundational infrastructure needed to support driver decisions to purchase EVs. By supporting EV purchase decisions, this in turn grows the market for EV charging infrastructure rather than stifling it.

In some regulatory proceedings, Greenlots has seen stakeholders and even regulators be unsupportive of utility ownership of EV charging stations based upon a well-intended but

---

[6] Policy and Interpretive Statement Concerning Commission Regulation of Electric Vehicle Charging Services, *In re Rules in WAC 480-100 Rulemaking to Consider Policy Issues Related to Electric Vehicle Supply Equipment*, WUTC Docket UE-160799, at 29-30 (Issued June 14, 2017) ("UTC Policy Statement"), *available at* https://www.utc.wa.gov/docs/Pages/ElectricVehicleSupplyEquipment,DocketUT-160799.aspx.

mistaken presumption that such ownership will stifle competition and the growth of the private market. In fact, the opposite is the case. Utility investment in EV charging infrastructure fundamentally enables electric vehicle service providers and grows the market—resulting in a virtuous cycle for drivers and electric vehicle charging equipment and service providers, where more drivers improve the business case for charging such that more charging is deployed, which draws more drivers to adopt electric vehicles.

When considering competitively neutral policies, it is important to note that the EV charging industry encompasses companies with a diversity of business models, products and services. This is not a one-dimensional market. A small number of charging companies have a business model in which they own and operate their own network of charging stations and provide charging to the end-use driver. In contrast, Greenlots' business model is largely one in which Greenlots sells its products and services to a client that procures, owns and operates charging stations and, in turn, provides charging to the end users—the drivers.

Regulatory frameworks that restrict utility ownership and operation of EV charging infrastructure at this stage of the market not only hinder EV adoption and constrain demand for charging services, they distort the market by advantaging certain business models and disadvantaging others. Disallowing utility ownership of charging stations at this stage of the market undermines the very goal of market neutrality that such disallowance is often intended to support.

D. Wholesale utility procurement offers multiple benefits to drivers and ratepayers.

The wholesale-level competition that results from utility procurement introduces a significant motivated buyer into a still nascent marketplace in which naturally-occurring retail opportunities remain limited. In this respect, a utility-led wholesale-level procurement increases the likelihood of driving down costs and offering the utility—and its ratepayers—more value for every dollar spent. Wholesale procurement thus allows different types of EV charging providers to compete.

In addition, competition in utility procurement ensures that products and services are selected based on factors such as features, function, value, and organizational expertise that allows market participants of all shapes and sizes to compete on a level playing field, ultimately benefiting the customers. Furthermore, utility program investment offers opportunity for EV service providers to benefit from a more accurately valued maintenance service that will not only improve reliability of EVSE within the utility program, but will likely extend beyond the bounds of the program to benefit EV charging equipment and service providers in the market as a whole.

Indeed, the efficacy of utility wholesale procurement is illustrated by the fact that private market EVSE owner-operators such as Electrify America and EVgo bulk procure their hardware and software solutions. These companies could choose to give these sorts of choices to the sites that host their chargers, or procure their equipment and solutions via smaller retail transactions rather than in bulk. But for obvious reasons, this is not how they conduct their business. They

want to provide a relatively consistent and unified experience to drivers, and realize the efficiency benefits that bulk procurement provides. FPL should be able to do the same for EVSE it owns and operates, enabling it to provide these same benefits to drivers and its ratepayers.

E. The Company's Public Fast Charging Program supports equitable access to charging and increased economic opportunity

FPL is proposing to build a foundational network of public fast charging stations across its geographically broad and diverse service territory, with an emphasis on underserved and rural areas and emergency and evacuation routes. A key benefit of an electric utility such as FPL building out such a network following regulatory approval—as opposed to any private developer or collection of site hosts—is that it selects site locations to provide equitable coverage across its service territory. A site's projected utilization is only one factor, and often not a primary factor. This is roughly the opposite strategy than that which a private developer or site host looking to make a return on its investment would take. Such a strategy would instead prioritize site locations most likely to get the best utilization, in the process likely leaving many customers and regions underserved and unserved, which indeed has been the case across the country.[7] In fact, some of the most important charging infrastructure to be developed is that which is unlikely to see high utilization in the near term, but instead gives potential buyers the confidence and ability to make EV purchase decisions, knowing they can get a charge or from point A to point B. Providing for equitable access to transportation electrification and supporting rural EV equity is therefore a key value the Company's proposed Public Fast Charging Program seeks to deliver, that the private market left to its own devices likely would not.

Greenlots is convinced that equitable access to charging supports expanded economic opportunities for all. Indeed, history has shown that access to technology is a key enabler of economic growth and development. The unfortunate counterpart to this is that communities that lack access to such technology often struggle to attract new—and even retain existing—jobs and businesses.

One notable recent example of this technology divide is broadband internet. The lack of such high-speed infrastructure has posed an enormous challenge to the economic vitality of communities not just across Florida but across America.[8] In these communities without

---

[7] *See*, e.g., In the Matter of Application by Duke Energy Carolinas, LLC and Duke Energy Progress, LLC for Approval of Proposed Electric Transportation Pilot, NC Utilities Commission Docket Nos. E-2 Sub 1197 and E-7 Sub 1195, Initial Comments of EVgo Services, LLC at 8: "DC fast charging providers, such as owner-operators of DCFC stations like EVgo, have significant experience, sophisticated demand-prediction models, and tools and data that inform network planning activities."

[8] *See*, e.g., "Low levels of broadband adoption in rural areas lead to declines in the number of firms and total employment numbers in the county." in B. Whitacre et. al. Broadband's contribution to economic growth in rural areas: Moving towards a causal relationship. Published in Telecommunications Policy 38 (2014) 1011-1023. Available at https://doi.org/10.1016/j.telpol.2014.05.005.

broadband, small businesses are challenged to meet their customers' expectations for service; students are often unable to access online resources for remote learning; and health care providers are often unable to offer adequate tele-health services to their remote clients.

Just as the broadband infrastructure gap has been emblematic of the technology divide during the first two decades of the 21st century, the EV infrastructure gap—absent intentional intervention by regulators and policymakers—is poised to become a newly impactful technology divide during the next decade. The consequences of the EV infrastructure gap will be similar, at least in broad respects, to the lack of broadband: communities that have the infrastructure will benefit, and communities that lack it—many of which are already underserved in other respects too—will become further disadvantaged. Families and businesses with access to charging may be able to access and operate vehicles with lower total costs of ownership—including fuel and maintenance costs over the life of the vehicle—than their neighbors and competing businesses, respectively; students who ride electric school buses will be subject to far less diesel exhaust and air pollutants than their fellow students who still ride diesel-fueled school buses; and communities with access to EV infrastructure will generally enjoy improved air quality and respiratory health outcomes compared to communities without it.

FPL's proposed Public Fast Charging Program is clearly intended to help forestall such inequitable development of EV infrastructure across the state and thereby avoid widening the gap between urban/rural and wealthy/low-income communities.

In addition, by supporting EV use and adoption in rural and underserved communities, the Public Fast Charging Program will also help grow the market for third party EV charging operators in these currently underserved areas. As noted above, this aspect of utility-owned charging stations is a vital but at times overlooked benefit of such programs. By helping build out a foundational backbone of charging stations across the state, the Company's utility-owned and operated charging stations will help move the market beyond its current stage characterized by low driver demand and limited deployment of stations—especially evident in underserved areas—towards an inflection point at which widespread demand for charging will support more profitable ownership and operation of stations by private operators. This, in turn, will help attract more private investment into the same rural and underserved areas currently seen as having limited appeal for such capital.

F. The Company's EV Charging Services Pilots will accelerate electrification

Greenlots commends the Company for proposing tariff-based pilots to enable its residential and commercial customers to benefit from utility-installed and owned charging equipment and—for residential customers—infrastructure as well.

The costs for private owners to install, operate and maintain charging equipment and infrastructure are commonly a significant financial barrier to adoption. Purely from a financial perspective, these two pilot tariffs will help address this barrier by allowing customers to

operationalize those expenses over time. Moreover, even beyond the financing, these pilots offer additional benefits that will spur adoption. First-time EV owners in particular often lack the knowledge and expertise to understand their equipment and infrastructure needs and to manage the permitting and installation themselves. By unburdening customers from those responsibilities and offering a streamlined turnkey option, these two offerings will help a broader diversity of residential and commercial customers— particularly those without the capacity and resources to manage such projects on their own—to avoid unnecessary expenses and delays and to support more decisions to electrify.

The value of turnkey ownership and installation is magnified when it applies not just to the EV charger but to the make-ready infrastructure as well. Pacific Gas & Electric ("PG&E"), a national leader in utility EV charging programs, has acquired deep insights into the customer experience over many years of administering multiple EV charging programs—including the largest delivered to date in the U.S.—and managing different types of incentives. As PG&E noted in recent comments filed before California's commission, the value and benefits of turnkey-nature utility involvement and ownership is often greater than the value of financial incentives alone:

> [C]ustomers have all expressed gratitude for the turnkey nature of utility ownership of all EV make-ready infrastructure (including [behind-the-meter] make-ready and EVSE), as this greatly simplifies and speeds up the installation process for what is still a very nascent endeavor for most, if not all, entities. Even customers outside of underserved communities have expressed that without a turnkey option, they likely wouldn't have been able to install charging infrastructure.[9]

While Greenlots supports Commission approval of these subprograms and views the provision of such turnkey services to be appropriate and well-suited to electric utilities, Greenlots notes that a growing number of other private entities can offer these turnkey services as well.[10] Indeed, as EV adoption increases and scales across different customer segments and use cases, the need and demand for EV charging *services*—in addition to the more traditional provision of charging hardware and software—is growing. Many utilities are recognizing the need to offer such services, and a number are actively going out to the market to contract with private firms such as Greenlots to manage their utility-led turnkey services. To the extent this trend continues, regulatory approval of utility-provided turnkey service can support the growth of these private market participants in a similar way as utility procurement of charging stations and software grows the market and increases competition for such providers.

---

[9] *In re:* Order Instituting Rulemaking to Continue the Development of Rates and Infrastructure for Vehicle Electrification, Ca. PUC Docket No. R. 18-12-006, Opening Comments of PG&E on Proposed Decisions Setting Near-Term Priorities for Transportation Electrification Investments by the Electrical Corporations (June 21, 2021) at p. 2.
[10] Greenlots, for example, offers its own turnkey service called Greenlots Care.

F. Ratepayer financing of make-ready infrastructure is an appropriate complement to the on-bill financing tariff of the EV Charging Services Pilots, and it offers additional benefits.

In future proceedings, Greenlots encourages the Commission to consider adoption of a mechanism whereby make-ready investments are rate-based as a core utility functionality in a similar manner to other prudent utility investments required to provide service. This would allow consideration of electrification programs to move beyond this necessary make-ready investment and focus instead on features of program design that ensure equitable access to—and benefits from—transportation electrification. Such a mechanism would support the development of a private market for charging products and services in a more rapid manner, providing assurance that basic funding will be provided and will not be subject to implementation delays or limitations due to the economics of the revenue credit. It would also level the playing field between participants in utility infrastructure programs and customers not able or interested in participating in these programs, improve certainty for independent market participants, and provide a foundation upon which other utility or state programs can unlock the build out of transportation electrification infrastructure.

IV. Closing

Greenlots supports the EV Programs proposed in the Joint Motion, and considers them to be a well-designed approach to equitably expand access to EV charging across multiple customer segments and use cases, spur the growth of the still-nascent private EV charging market, be used and useful, be in the public interest, and more broadly support the finding of the Florida Legislature as expressed in 2020's SB 7018 that "ensuring the prompt installation of adequate, reliable charging stations is in the public interest."[11] Greenlots respectfully urges the Commission to approve the EV Programs as filed.

Respectfully submitted,

Josh Cohen
Director, Policy

[11] Laws of Florida Ch.2020-21 §339.287(1)(f)