

Jacob Veughn

From: Jacob Veughn on behalf of Records Clerk
Sent: Friday, September 17, 2021 8:27 AM
To: 'mattalford@driveelectricflorida.org'
Cc: Consumer Contact
Subject: FW: Drive Electric Florida Comments - Docket No. 20210015-EI – Petition by Florida Power and Light for Base Rate Increase and Rate Unification
Attachments: 21.9.16 Drive Electric Florida Submission, Docket Number 20210015-EI Petition By Florida Power and Light for Base Rate Increase and Rate Unification.pdf

Good afternoon, Matthew Alford

We will be placing your comments below in consumer correspondence in Docket No. 20200015-EI and forwarding your comments to the Office of Consumer Assistance and Outreach.

Jacob Veughn

Commission Deputy Clerk I
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399
Jacob.Veughn@psc.state.fl.us
850.413.6656

From: Matt Alford <mattalford@driveelectricflorida.org>
Sent: Thursday, September 16, 2021 9:04 PM
To: Records Clerk <CLERK@PSC.STATE.FL.US>
Subject: Drive Electric Florida Comments - Docket No. 20210015-EI – Petition by Florida Power and Light for Base Rate Increase and Rate Unification

Good Evening Office of the Clerk:
Please find the attached submission from Drive Electric Florida. Please do not hesitate to reach out to me if you have any additional questions.

Regards,

Matt

Matthew Alford
Executive Director, Drive Electric Florida
(850) 556-6487 | www.driveelectricflorida.org



Drive Electric Florida
1679 Clearlake Road
Cocoa, FL 32922



September 16, 2021
Adam Teitzman
Office of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

- Via Electronic Filing -

RE: Docket No. 20210015-EI – Petition by Florida Power and Light for Base Rate Increase and Rate Unification

Dear Mr. Teitzman:

Drive Electric Florida ("DEFL") hereby submits this letter to the Florida Public Service Commission (PSC) in Docket No. 20210015, Florida Power and Light, ("FPL") Petition for Base Rate Increase and Rate Unification ("Petition"). Specifically, DEFL supports the transportation electrification components of the Joint Motion for Approval of Settlement ("Joint Motion") filed by FPL and other signatory parties on August 10, 2021. DEFL believes the transportation electrification (TE) programs proposed by FPL align with and support state policy objectives to advance and develop the electric vehicle market, and provide benefits to the general body of ratepayers. DEFL takes no position with respect to the other items raised within the Joint Motion.

Drive Electric Florida, a 501(c)(3) nonprofit, is a mission-driven organization composed of a diverse set of stakeholders who work collaboratively in support of programs and policies that accelerate the adoption of electric vehicles in Florida. Our membership includes multinational corporations and small businesses; public, municipal and cooperative utilities; environmental advocacy organizations, local governments, regional planning organizations, and electric vehicle charging infrastructure providers - all working in partnership, together, toward a shared vision in support of EV-friendly policies and programs.

During the 2020 Legislative Session, both chambers passed, and the Governor signed, SB7018, which included legislative findings that the "prompt installation of adequate, reliable charging stations is in the public interest." Accordingly, Drive Electric Florida believes a multi-pronged, portfolio approach is the most credible and assured means to accelerate the growth of the electric vehicle market and the enjoyment of its public benefits. This includes utilizing a range of business models to deploy, own and operate electric vehicle charging infrastructure, as well as a suite of approaches tailored to different customer needs market segments and end use cases. During this nascent stage of market development, especially, public utilities regulated by the Commission have a crucial role to play in seeding the market for the mass adoption of electric vehicles, particularly for market segments in rural and traditionally economically disadvantaged areas that may struggle to attract private capital investments, even as market penetration for electric vehicles increases.



For its part, the Joint Motion would seek cost recovery for assets deployed as a part of its EVolution pilot through the end of 2022, and provide an investment of approximately \$175 million over four years in a suite of transportation electrification programs that are, from the regulated utility standpoint, in alignment with industry best practices, with other programs considered favorably by the Commission previously, and with Drive Electric Florida's mission and vision.

First, FPL has proposed to continue its EVolution Pilot, which will deploy electric vehicle charging stations across a variety of market segments, at a total cost of \$30 million through the end of 2022. Additionally, the Joint Motion would allow FPL to continue installing Direct Current Fast Charging (DCFC) stations that it began with its EVolution pilot program, at a targeted cost of \$100 million. One of the most-cited obstacles to achieving increased market penetration of electric transportation and its associated benefits is the perceived lack of publicly available electric vehicle charging infrastructure. Access to charging is an essential consideration for a driver when deciding whether to purchase electric vehicles for their personal or business use. While expanding access to charging generally, within the context of promoting equitable electrification programs, it is notable that a certain percentage of these deployments will be located along corridors to facilitate evacuations, and expand access to charging for disadvantaged communities in which the business case for private market investments remains challenging. These costs will be included in FPL's rate base, but will be partially offset by revenue received under FPL's UEV tariff approved in Docket 20200170-EI, which established a rate for utility-owned public EV fast charging stations. Drive Electric Florida filed comments in support of that docket, as well.

As the load associated with transportation electrification and mass adoption of electric vehicles increases, utilities can spread out their substantial fixed system costs over a larger amount of electricity sold. This creates the significant potential to apply downward pressure on rates for all utility ratepayers, not just EV drivers. The keys to unlocking that value are to manage how and when vehicles charge to minimize grid load during times of costlier peak demand rather than during periods of plentiful, cheaper electricity. From the standpoint of optimizing the benefits of electric vehicle charging for utility-maintained transmission and distribution systems, as well as the general body of ratepayers, FPL has proposed two new EV Charging Services Pilots for market segments critical to facilitate the mass adoption of electric vehicles. The Residential EV Charging Services Pilot subscription would allow for utility ownership of charging solutions that take full advantage of FPL's Time of Use (TOU) rate, allowing for unlimited off-peak charging and flexibility to charge on-peak, if needed. For commercial customers seeking to electrify their fleet operations, the filing contemplates a voluntary tariff that would allow individual customers to pay a fixed monthly charge, with individual pricing designed to recover all costs and expenses over the lifetime utilization of FPL-owned assets, and be effectively cost-neutral for the general body of ratepayers.

Another extremely important component of the Joint Motion is the proposed investment in new technologies and software. In the near and intermediate term, Florida's energy production is projected to become more variable and distributed. It will therefore be necessary to design complimentary digital infrastructure services that allow for grid optimization and enhanced security at the cyber-physical interface. In recognition of those market-driven trends, Florida Power and Light has elsewhere identified appropriate end use cases to research and test next-



generation technologies to evaluate as potential pilot programs, including: managed charging through utility control of residential electric vehicle chargers, vehicle to grid (V2G) applications, and residential battery deployments – such as the aggregate storage capacity of EVs. Given that adoption of electric vehicles is set to increase exponentially, it will be important for utilities to deploy network and software solutions that enhance grid resiliency, improve reliability of service for utility-owned assets, and provide a streamlined consumer process for ratepayers and EV drivers alike.

When taken together, FPL's EV-related programs would allow the kW/h needed to charge Florida's electric transportation stock to be optimized more efficiently across the same transmission and distribution assets over the course of any given day. As electric vehicle adoption represents a large increase in consumption, this has the significant potential to put downward pressure on rates for all utility customers, as utility revenue increases with will exceed utility service cost increases.

Lastly, the Joint Motion would implement a suite of education and awareness initiatives to complement its transportation electrification assets, at a cost of \$5 million. This is the least expensive component of FPL's filing, but provides, perhaps, the most valuable return for their suite of transportation electrification programs. By engaging with the general body of ratepayers to raise awareness on the benefits of transportation electrification, developing and implementing workforce training programs, as well as partnerships with automakers and dealerships to build EV-awareness and drive sales, FPL has proposed a portfolio of programs that are aligned with industry best practices.

Taken together, the various proposals in the Joint Motion represent the most significant attempt to date by a public utility in the Florida market to apply a range of policy instruments at their disposal to facilitate a robust electric vehicle investment ecosystem.

Private charging companies have made an impressive and sustained effort to meet current market demand. These investments are greater than the sum of their parts: increasing access to charging infrastructure will also encourage more of Florida's residents to purchase electric vehicles, resulting in higher utilization and revenues for all providers operating in this market. Given the scope of Florida's geography, as well as the size and diversity of its population, no single market participant could reasonably hope to invest in an adequate, reliable supply of charging stations themselves and utility investment is a net-positive to TE.

Distilled to its essence: as the number of participants and companies making investments in electric vehicle charging infrastructure increases, so does the relative value of their individual assets. For this reason, Drive Electric Florida is supportive of well-considered investments to deploy electric vehicle charging infrastructure, and looks forward to participating in and informing future proceedings about how best to support and grow Florida's electric vehicle infrastructure market in a manner consistent with competitively neutral deployments.

Beyond the transformational economic possibilities of this moment, the dollars and cents of business and markets and money, is the moral imperative to act in a meaningful and substantive



manner to combat an existential threat to the future of our species: climate change. In Florida, as elsewhere, the transportation sector is the single largest contributor to greenhouse gas emissions. As Florida is particularly vulnerable to the devastating consequences of sea level rise caused by anthropomorphic climate change, the need to begin to adopt policies wherever prudent to curb greenhouse gas emissions – particularly when they provide additional economic benefits to the State – should be given serious consideration.

Quickly.

In light of these considerations, Drive Electric Florida supports the proposed transportation electrification programs in the Joint Motion.

Respectfully Submitted,

Matthew L. Alford

Matthew Alford, Executive Director
mattalford@driveelectricflorida.org
Drive Electric Florida