

October 5, 2020

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

- Via Electronic Filing -

RE: <u>Docket No. 20200170-EI – Florida Power & Light Company's Petition for Approval of</u> <u>Optional Electric Vehicle Public Charging Pilot Tariffs</u>

Dear Mr. Teitzman:

Drive Electric Florida is pleased to submit this letter in support of the Petition for Optional Electric Vehicle Public Charging Tariffs proposed by Florida Power and Light Company in the above referenced docket.

Drive Electric Florida is a mission-driven organization composed of a diverse set of stakeholders who work collaboratively in support of programs and policies that would accelerate the adoption of electric vehicles in Florida. In order to accomplish that objective, and thereby advance the energy, economic and environmental security of all Floridians, we seek to empower our members by engaging the public, state and local governments, regulators, businesses, and policymakers on the benefits, challenges and implications of a reimagined transportation sector.

An important component of Drive Electric Florida's work is to identify and remove barriers to mass market adoption of electric vehicles. Among the most intractable of those problems is the economics of operating electric vehicle charging infrastructure for nonresidential direct current fast charge site owners. While agnostic on the details of the proposed tariffs, Drive Electric Florida recognizes and is supportive of Florida Power and Light's intention to improve the sometimes-daunting economic challenges certain site hosts face when operating infrastructure with low utilization and high power capacity demand with a "demand limiter." This mechanism is particularly important for site hosts facing demand charges during times of peak demand. We also strongly support Florida Power and Light's stated objective to "support the growth of EVs in Florida and enable learnings ahead of mass EV adoption," and their intention to "examine EV use…potential new rate structures, power quality and customer experience ahead of mass adoption to ensure future electric vehicles investments enhance service for electric vehicle customers who select EVs."¹

 ¹ Florida Power & Light Company's Petition for Approval of Optional Electric Vehicle Public Charging Pilot Tariffs, Docket 20200170-El. And Florida Power & Light Company's responses to Staff's Second Data Request, Request No.
3.



As the providers of electricity to electric vehicles, it is appropriate for public utilities to begin to investigate these issues across a variety of market segments and end use cases. As electric vehicles constitute an increase in load, these learnings will be essential to avoid unnecessary impacts to ratepayers due to costly, unplanned upgrades to transmission and distribution systems, necessitated by uncontrolled charging that will make consumption during times of peak demand more expensive for everyone, not just the owners of electric vehicles.

The alternative is a regulatory framework that allows public utilities to innovate with rate design as contemplated in this docket, as well as managed charging, and vehicle to grid applications that would smooth load during times of peak demand, spread the increased sale of kWh flexibly over the same fixed capital system, and ultimately put downward pressure on rates for all rate payers.

Another of the most-cited obstacles to develop electric transportation as an industry is the perceived lack of publicly available electric vehicle charging infrastructure. Access to charging is an essential consideration for a driver or fleet operator when deciding whether to purchase electric vehicles for their personal or business use. As the needs and decision-making process vary from customer to customer, and the end use cases for electric vehicles continue to diversify, no single solution will work for everyone.

Accordingly, Drive Electric Florida believes a multi-pronged approach that leverages a range of business models to deploy, own and operate electric vehicle charging infrastructure is the most credible and assured means to foster the anticipated growth of the electric vehicle market and the enjoyment of its public benefits. Private charging companies such as ChargePoint, Tesla, EVgo, NovaCharge, and many, many others have made an impressive and sustained effort to meet current market demand. Indeed, when paired with innovative rate design, 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.² 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 generally supportive of well-considered investments to deploy electric vehicle charging infrastructure.

Drive Electric Florida, perhaps more than anyone, appreciates that this industry is still in its nascent stage. The variety of approaches and business models oriented toward deploying, owning, and operating infrastructure, and the spirited, sometimes litigious debates amongst market participants, is a sure sign of entrepreneurial innovation and good health. The ultimate success of this effort will

² Laws of Florida, Ch. 2020-21. <u>http://laws.flrules.org/2020/21</u>



require the time, talent, and expertise of each of them to accomplish the state of Florida's goal to "encourage the expansion of electric vehicle use in this state." The Florida Legislature recognized this reality in SB7018, of which Drive Electric Florida was an unabashed champion. But beyond the transformational economic possibilities of this moment, the transition to an electric transportation sector will take place against the backdrop of the existential crisis of a warming world: another salient feature of SB7018 was recognition by the Legislature that the transportation sector is the single largest contributor to greenhouse gas emissions in the state. 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 should be given serious consideration.

In the letter and the spirit of that act, Drive Electric Florida supports Florida Power and Light's efforts to begin to study the implications of transportation electrification from its unique market position.

Respectfully Submitted,

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