

**STATE OF NORTH CAROLINA  
UTILITIES COMMISSION  
RALEIGH**

**DOCKET NO. M-100, SUB 164  
BEFORE THE NORTH CAROLINA UTILITIES COMMISSION**

<b>IN THE MATTER OF</b>  <b>CONSIDERATION OF THE FEDERAL</b> <b>FUNDING AVAILABLE UNDER THE</b> <b>INFRASTRUCTURE INVESTMENT</b> <b>AND JOBS ACT</b>	) ) ) ) ) )	<b>INITIAL COMMENTS OF</b> <b>EVGO SERVICES LLC</b>
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Pursuant to the North Carolina Utilities Commission’s (“Commission”) *Order Allowing Comments Regarding Federal Funding for Utility Service in North Carolina* (“Order”) issued February 1, 2022, EVgo Services, LLC (“EVgo”) offers the following comments in response. EVgo’s comments focus on the aspects of the Infrastructure Investment and Jobs Act (“IIJA”) that relate to EV charging infrastructure. In summary, EVgo:

1. Proposes that the Commission expeditiously comply with the IIJA amendments<sup>1</sup> to the Public Utility Regulatory Policies Act (“PURPA”) by initiating a proceeding to consider measures that promote transportation electrification, including EV-specific rates.
2. Identifies the North Carolina Department of Transportation (“NC DOT”) and the North Carolina Department of Environmental Quality (“DEQ”) as State entities that

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<sup>1</sup> See IIJA Section 40431.

have established processes to implement IIJA funding, and NC DOT, NC DEQ, and third-party electric vehicle service providers (“EVSPs”) as entities that will lead on IIJA funding implementation, with utilities playing a strong role in providing reliable electric service, energizing developed sites in a timely manner, and implementing complementary programs as the Commission sees fit.

3. Identifies actions the Commission should take to facilitate appropriate receipt and deployment of available federal funding within the State, including following guidance from the Federal Highway Administration (“FHWA”) for states to work with “local utilities, transmission and distribution operators, and public utility commissions to identify and streamline the planning and approval of grid connections for EV charging infrastructure...to support operations within six months of procurement.”<sup>2</sup>

## BACKGROUND

Founded in 2010, EVgo owns and operates America’s largest public electric vehicle fast charging network. EVgo has more than 800 direct current fast charging (“DCFC”) locations nationally, as well as more than 1,000 Level 2 chargers. Altogether, EVgo’s owned and operated charging network serves over 65 metropolitan areas across 35 states and more than 310,000 customer accounts. EVgo currently has more than 2,500 DCFC stalls in its active engineering and construction pipeline nationally and works with automakers such as Nissan<sup>3</sup> and General

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<sup>2</sup> NEVI Formula Program Guidance, dated February 10, 2022, p. 23.  
[https://www.fhwa.dot.gov/environment/alternative\\_fuel\\_corridors/nominations/90d\\_nevi\\_formula\\_program\\_guidance.pdf](https://www.fhwa.dot.gov/environment/alternative_fuel_corridors/nominations/90d_nevi_formula_program_guidance.pdf).

<sup>3</sup> <https://www.evgo.com/press-release/nissan-and-evgo-expand-charging-network-with-200-new-ev-fast-chargers/>.

Motors<sup>4</sup> to expand public charging to important markets. In addition to its public network, EVgo also partners with fleets and rideshare operators to deploy advanced charging solutions technology. EVgo has accelerated the adoption of EVs by providing a reliable and convenient charging experience, close to where drivers live, work, and play, for both daily commuters and commercial fleets. Today, EVgo has 34 DCFC stalls in North Carolina in operation, with active expansion underway.<sup>5</sup> As EVgo prioritizes markets for expansion, public-private partnerships are critical, and grant programs such as funding that will be administered through the IIJA to state departments of transportation like the NC DOT give the State an opportunity to build upon the success of other state EV infrastructure programs, such as those administered by NC DEQ.

In its Order, the Commission identifies programs authorized by the IIJA relating to utility infrastructure, including grants for the acquisition and installation of publicly accessible electric vehicle (“EV”) charging infrastructure<sup>6</sup>, and states its preliminary conclusion that “it is in the public interest for the public utilities of this State to fully and carefully consider taking advantage of [the IIJA’s] grants and loans, in order to promote the adequate, reliable, and economical utility service to the citizens and residents of the State.”<sup>7</sup> The Commission allowed interested parties to file written comments on this preliminary conclusion and regarding the following facts and considerations:

- a. The identification of all federal programs under the IIJA that are available to North Carolina public utilities to assist them in meeting their obligations under the North Carolina General Statutes and the Rules of the Commission;

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<sup>4</sup> Through the EVgo and GM partnership, EVgo will deploy 3,250 new DCFC stalls nationally by the end of 2025. For more information, please see: <https://www.evgo.com/pressrelease/general-motors-evgo-boost-build-plan-high-power-fast-chargers-across-us/>.

<sup>5</sup> In the last few months alone, EVgo has announced new station openings in Jamestown and Charlotte.

<sup>6</sup> Order, p. 1.

<sup>7</sup>*Id.*, p. 2.

- b. The identification of actions that are reasonable and appropriate for North Carolina's public utilities to take to access those funds;
- c. The identification of the entities, public or private, with which North Carolina public utilities should coordinate in order to access available federal funds;
- d. The identification of the processes that have been either established or contemplated by other agencies of the State;
- e. The identification of actions that may be appropriate for this Commission to consider taking in order to facilitate appropriate receipt and deployment of available federal funding within the State.

Herein, EVgo proposes that the Commission first address the IIJA's PURPA amendments, and respond to considerations c., d., and e., with respect to the grants available for the acquisition and installation of publicly accessible electric vehicle charging infrastructure under the IIJA.

## COMMENTS

- 1. The Commission should first address the IIJA's amendments to PURPA by initiating a proceeding to consider measures that promote greater transportation electrification, including EV-specific rates.**

In November 2021, President Biden signed into law amendments to PURPA establishing specific directives to utility regulators to consider measures that promote greater electrification of the transportation sector through third-party investments.<sup>8</sup> Specifically, the PURPA amendments require utility regulators in every state to initiate proceedings before November 2022 to consider establishing measures, including EV-specific rate designs that:

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<sup>8</sup> See IIJA Section 40431, pp. 620-621.

1. Promote affordable and equitable EV charging options for residential, commercial, and public EV charging infrastructure;
2. Improve the customer experience associated with EV charging, including by reducing charging times;
3. Accelerate third-party investment in EV charging; and
4. Appropriately recover the marginal costs of delivering electricity to EVs and EV charging infrastructure.

As noted above, IIJA contemplates the role of the utility to accelerate third-party investments in EV charging through rate design and other mechanisms. Already, a competitive market exists in North Carolina to build, own, and operate DCFC stations, and the Commission can induce greater impact of IIJA funds for EV charging infrastructure through EV rate designs by ensuring that federal investments are economically sustainable and contribute to the long-term growth of the State's EV charging industry. Initiating a proceeding to adopt EV-specific rates and other methods of support for transportation electrification as expeditiously as possible will position the State to fully realize the benefits of EV charging infrastructure investments.

- 2. The identification of the entities, public or private, with which North Carolina public utilities should coordinate in order to access available federal funds; the identification of the processes that have been either established or contemplated by other agencies of the State; and the identification of actions that may be appropriate for this Commission to consider taking in order to facilitate appropriate receipt and deployment of available funding within the State.**

Over the past several years, substantial efforts to develop EV charging infrastructure have been underway in North Carolina through programs administered by NC DEQ, which has

yielded \$2.7M in DCFC investments to date, with another \$4.9M to be allocated by the end of 2022.<sup>9</sup> The success of these programs shows that there is currently robust private sector interest in DCFC deployment in the State, particularly when leveraged through public-private partnerships such as can be expected to continue as IIJA funding is allocated in North Carolina and administered by NC DOT.

Against this backdrop, as the Commission noted in the Order, Section 11401 of the IIJA establishes grants for the acquisition and installation of publicly accessible EV charging infrastructure, with \$5B to be distributed to state departments of transportation (“DOTs”) over the next five years. Designated the National Electric Vehicle Infrastructure (“NEVI”) formula program, the FHWA recently provided initial guidance to state DOTs on February 10, 2022.<sup>10</sup> The program will help states fund a network of third-party owned EV charging stations along alternative fuel corridors, with \$615 million available in fiscal year 2022. North Carolina’s share of this totals approximately \$109 million, with just over \$16 million available in fiscal year 2022.

The FHWA guidance requires state DOTs to submit EV infrastructure deployment plans no later than August 1, 2022. IIJA section 11401 specifically states that NEVI funds “may be used to contract with a private entity for acquisition and installation of publicly accessible electric vehicle charging infrastructure and the private entity may pay the non-Federal share of the cost of a project funded” through the program.<sup>11</sup> FHWA anticipates that States will contract

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<sup>9</sup> Phase 1 DCFC Program (complete), <https://deq.nc.gov/about/divisions/air-quality/motor-vehicles-and-air-quality/volkswagen-settlement/phase-1-volkswagen-settlement>. Phase 2 DCFC Program - Priority Corridors (ongoing), <https://deq.nc.gov/about/divisions/air-quality/motor-vehicles-and-air-quality/volkswagen-settlement/phase-2-volkswagen-settlement/dc-fast-charging-program/dc-fast-charging-infrastructure-program-priority-corridors>.

<sup>10</sup> NEVI Formula Program Guidance, dated February 10, 2022.

[https://www.fhwa.dot.gov/environment/alternative\\_fuel\\_corridors/nominations/90d\\_nevi\\_formula\\_program\\_guidance.pdf](https://www.fhwa.dot.gov/environment/alternative_fuel_corridors/nominations/90d_nevi_formula_program_guidance.pdf).

<sup>11</sup> See IIJA Section 11401, p. 995. <https://www.congress.gov/117/plaws/publ58/PLAW-117publ58.pdf>.

with private entities to install, operate, and maintain NEVI funded EV charging infrastructure, and therefore requires State plans to detail “how the State will ensure that those entities deliver EV charging infrastructure in a manner that leads to efficient and effective deployment.”<sup>12</sup> EVgo is actively participating in NC DOT’s process to develop its State plan, and anticipates that NC DOT will build on NC DEQ’s success by partnering with private entities to install, own, and operate EV charging infrastructure.

Accordingly, EVgo recommends that the Commission ensure the utilities are ready to support private entities receiving NEVI funding by considering complementary measures, in line with the utilities’ expertise and scope that will promote transportation electrification, as discussed above. Those include:

1. Development of EV rate designs
2. Investing in the wiring and backbone infrastructure necessary to make locations ready to energize, (typically referred to as make-ready), and
3. Investing resources and personnel dedicated to supporting EV deployments in order to reduce timelines and soft costs associated with the utilities’ interconnection processes.

EVgo contends that it would be inappropriate for any utility to coordinate available external federal funding. Similar to the Volkswagen (“VW”) Settlement Program Appendix D (Environmental Mitigation Trust), under which funding was administered by NC DEQ, private sector EVSE companies and interested site hosts are expected to work directly with NC DOT, which will be administering this new federal funding, and is expected to work closely with NC DEQ. NC DEQ has several years of experience administering the VW Settlement funding

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<sup>12</sup> See NEVI Formula Program Guidance, dated February 10, 2022, p. 15.

working directly with private sector EVSE providers, site hosts, and other applicants. In fact, EVgo sees the NC DEQ program as a national best practice and has touted their leadership as a model for other states to follow.<sup>13,14</sup>

While the utility plays an important role in energizing sites in a timely manner and providing reliable electric service, additional coordination between the utility and federal funding, to be administered by NC DOT, is unnecessary and may engender further complications and potential confusion and delays in the DOT program. While NC DOT is, by statute, the clear lead on IIJA funding under the NEVI program, the Commission can and should explore if the state's publicly-regulated utilities should introduce complementary programs. For example, the Commission has already directed Duke to explore the development of a robust EV make-ready program, and furthering this effort will ensure a supportive EV charging ecosystem in North Carolina.<sup>15</sup> Leveraging the utility's work to maximize its core competencies can ensure that utility investments do not hinder but rather support the development of the competitive market.

Last, similar to the specific call-out to rate design and the acceleration of third-party investments as included in the aforementioned PURPA section, the FHWA guidance on the NEVI program, released in February, contemplates an important role for the utility in ensuring more expedited development processes. The guidance calls for states to work with "local utilities, transmission and distribution operators, and public utility commissions to identify and streamline the planning and approval of grid connections for EV charging infrastructure...to

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<sup>13</sup> See EVgo response to FHWA Request for Information: Development of Guidance for EV Charging Infrastructure Deployment, dated January 19, 2022. <https://www.regulations.gov/comment/FHWA-2021-0022-0102>.

<sup>14</sup> See EVgo Best Practices for Charging Infrastructure Program Design, NEVI. [https://site-assets.evgo.com/f/78437/x/3af075afc2/021622\\_nevi-best-practices-for-charging-infrastructure.pdf](https://site-assets.evgo.com/f/78437/x/3af075afc2/021622_nevi-best-practices-for-charging-infrastructure.pdf).

<sup>15</sup> See NCUC Docket Nos. E-7 Sub 1195 and E-2 Sub 1197, Application by Duke Energy Carolinas, LLC and Duke Energy Progress, LLC for Approval of Proposed Transportation Pilot, Order Approving Make Ready Credit Programs with Conditions, dated February 18, 2022.



support operations within six months of procurement.”<sup>16</sup> EVgo welcomes this specificity on the role of the utility and public utilities commissions and sees that the North Carolina Utilities Commission can play a clear role in helping to support the implementation of this guidance to ensure charging stations that receive funds are energized in a timely manner, the target being the six months suggested by FHWA.

As part of EVgo’s Connect the Watts initiative,<sup>17</sup> EVgo recommends five areas of focus for process improvement to support more expedited energization of DCFC sites that will help North Carolina meet the NEVI guidance. They include: 1) easement process streamlining, 2) utility equipment inventory maintenance, 3) design and construction staffing, 4) study phase streamlining, and 5) utility design approvals streamlining.<sup>18</sup>

EVgo proposes that the Commission contemplate, and enable the utilities to invest in, the staff and resources that will help speed up their energization process for third parties to meet the timelines noted in the NEVI guidance by, for example, dedicating resources to EV-specific design and construction such as has been done by Pacific Gas and Electric (“PG&E”) and Dominion Energy in Virginia.<sup>19</sup> Other state public utility commissions are already beginning to focus more on process improvements that can be made to help expedite charger deployments<sup>20</sup>, and this would be a welcome role for the Commission to play in North Carolina.

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<sup>16</sup> NEVI Formula Program Guidance, dated February 10, 2022, p. 23.

<sup>17</sup> <https://www.evgo.com/connect-the-watts/>.

<sup>18</sup> [https://site-assets.evgo.com/f/78437/x/597fa39fa0/connect-the-watts\\_utility-best-practices.pdf](https://site-assets.evgo.com/f/78437/x/597fa39fa0/connect-the-watts_utility-best-practices.pdf).

<sup>19</sup> Both PG&E and Dominion provide a dedicated representative who manages EVgo’s project portfolio.

<sup>20</sup> On March 28, 2022, Southern California Edison Company (SCE), Pacific Gas and Electric Company (PG&E), San Diego Gas & Electric Company (SDG&E), Bear Valley Electric Service, Inc. (BVES), Liberty Utilities (Liberty), and PacifiCorp – all of the California investor-owned utilities will be hosting a virtual public workshop to discuss energization timelines, pursuant to the California Public Utility Commission’s Resolutions E-5167 and E-5168. The workshop will address: (1) Utility processes and internal timelines for installing and energizing the electrical distribution infrastructure to support EV charging; (2) Barriers within the utilities’ control that impact the utilities’ ability to meet a timely service energization average; (3) Barriers outside of the utilities’ control that impact the utilities’ ability to meet a timely service energization average; (4) Perspectives from Electric Vehicle Service Providers and other stakeholders; (5) Collaboration and coordination opportunities that may help accelerate service energization timing; and (6) Potential solutions to overcome the identified barriers.

As has been discussed at length in other proceedings,<sup>21</sup> EV adoption in North Carolina stands to provide substantial benefits to electric ratepayers across the state, and it is the Commission's responsibility to ensure this is realized in the most efficient manner.

### CONCLUSION

EVgo appreciates the opportunity to participate in this process and share its input with the Commission and other stakeholders to aid in the efficient utilization of IIJA funds in the State. As discussed herein, EVgo supports the Commission's initiative to ensure that federal funds under the IIJA promote adequate, reliable, and economical utility service to North Carolinians, encourages the utilities to promote NC DOT and DEQ EV charging programs to support a robust EV charging industry, and proposes actions that the Commission can take to facilitate appropriate receipt and deployment of federal funding.

Respectfully submitted this the 15<sup>th</sup> day of March, 2022.

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<sup>21</sup> See Docket Nos. E-7 Sub 1195 and E-2 Sub 1197, Application by Duke Energy Carolinas, LLC and Duke Energy Progress, LLC for Approval of Proposed Transportation Pilot

CERTIFICATE OF SERVICE

I certify that all parties of record have been served with the foregoing Initial Comments of EVgo Services LLC either by electronic mail or by deposit in the U.S. Mail, postage prepaid.

This the 15th day of March, 2022.

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