McGuireWoods

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June 19, 2023

VIA ELECTRONIC FILING

Ms. A. Shonta Dunston, Chief Clerk North Carolina Utilities Commission Dobbs Building 430 North Salisbury Street Raleigh, North Carolina 27603

RE: Verified Rebuttal Comments of Virginia Electric and Power Company, d/b/a Dominion Energy North Carolina Addressing Electric Vehicle Charging Programs Pursuant to Sections 111(d)(21), 16 U.S.C. §2621(d)(21) Docket No. E-22, Sub 658

Dear Ms. Dunston:

Enclosed for filing in the above-referenced proceeding on behalf of Virginia Electric and Power Company, d/b/a Dominion Energy North Carolina's <u>Verified Rebuttal</u> <u>Comments Addressing Electric Vehicle Charging Programs Pursuant to Sections</u> 111(d)(21), 16 U.S.C. §2621(d)(21).

Thank you for your assistance with this matter. Feel free to contact me with any questions about this filing.

	Sincerely,
	/s/Mary Lynne Grigg
MLG:als	
Enclosure	

STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

DOCKET NO. E-22, SUB 658

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of

Consideration of Certain
Standards for Electric Utilities
Relating to Measures to Promote
Greater Electrification of the
Transportation Sector Pursuant to
the Infrastructure Investment and
Jobs Act

DREBUTTAL COMMENTS OF VIRGINIA
ELECTRIC AND POWER COMPANY, D/B/A
DOMINION ENERGY NORTH CAROLINA
ADDRESSING ELECTRIC VEHICLE
CHARGING PROGRAMS PURSUANT TO
SECTION 111(d)(21), 16 U.S.C. § 2621(d)(21)

Virginia Electric and Power Company, d/b/a Dominion Energy North Carolina ("DENC" or the "Company") respectfully submits these verified Rebuttal Comments pursuant to the North Carolina Utilities Commission ("Commission") April 12, 2023 Order Granting Motion to Amend Order Scheduling Hearings and Cancelling Expert Witness Hearing issued in the above-captioned docket.

INTRODUCTION

The Company's Initial Comments filed on May 5, 2023, described its strategy to promote electrification in its North Carolina and Virginia service territories. The Company explained how its strategy addresses Subsections (A)-(D) of Section 111(d)(21), 16 U.S.C. § 2621(d)(21), "Electric Vehicle Charing Programs," which among others, requires states to establish rates that promote electric vehicle charging options, improve customer experience, foster third-party investment, and allow recovery of marginal costs of delivering electricity to electrical vehicles and charging infrastructure. The Public Staff and ChargePoint, Inc. ("ChargePoint") filed Reply Comments on June 5, 2023. The Company

has carefully considered the Reply Comments and provides the following responses that further support the Company's initial comments and position that its Electric Vehicles ("EV") strategy sufficiently addresses each of Subsections (A)-(D) of Section 111(d)(21), 16 U.S.C. § 2621(d)(21), and therefore, believes that no further Commission action is required.

REBUTTAL COMMENTS

A. Response to the Public Staff's Reply Comments

The Public Staff is generally supportive of the Company's EV offerings and does not recommend further Commission action at this time. The Public Staff noted that "[i]t is apparent . . . that [Dominion Energy Virginia] has been developing and implementing EV-related actions and programs that could provide valuable information and cost-effective opportunities to DENC." The Public Staff also stated that "DENC is in a good position to rely upon its work in Virginia through DEV to advance the successful EV-related programs into North Carolina and recommends that the Commission encourage DENC to pursue those EV-related programs that can be cost-effectively offered in North Carolina." The Company responds to the Public Staff's suggestion below.

The Public Staff suggests that there are opportunities for EV-specific rates and programs that could serve direct customers and third-party EV charging companies. The Public Staff also notes that neither DENC nor Duke Energy currently have EV-specific rate designs available for customers, but Duke Energy Progress agreed to pursue EV rates designs through a settlement agreement in Docket No. E-2, Sub 1300.³ The Public Staff

¹ Public Staff Comments at 5.

² Public Staff Comments at 7.

³ Public Staff Comments at 6.

supports a similar proposal for DENC. As of December 31, 2022, only approximately 400 EVs are registered in the Company's North Carolina territory. Given that the EV adoption in the Company's North Carolina territory is in early development and that the Company's Virginia EV-specific rates, pilots, and initiatives were recently implemented, the Company requires additional time to evaluate whether EV-specific rates and programs can be prudently implemented in North Carolina. The Company will also continue to monitor Duke Energy's recently implemented programs and offerings, including EV rate designs.

B. Response to ChargePoint's Reply Comments

In its Reply Comments, ChargePoint states that: (1) the Company has not taken sufficient action in North Carolina including establishing rates that, among other things, promote affordable and equitable EV charging options for residential, commercial, and public electric vehicle charging infrastructure and accelerate third-party investment in EV charging, as required by PURPA and should be directed to do so;⁴ (2) the Commission should adopt the new PURPA standards as it will address barriers to EV adoption;⁵ (3) the Commission should direct the Company to implement a program like the Smart Charging Infrastructure Pilot Program in North Carolina;⁶ (4) the Commission should direct the Company to implement a demand charge alternative rate similar to its Virginia rate;⁷ and that (5) the Commission should direct each regulated electric utility in the state to submit one or more long-term alternatives to traditional demand-based tariffs for Commission approval within

⁴ ChargePoint Comments at 3-4.

⁵ *Id*. at 2.

⁶ *Id*. at 5.

⁷ *Id*.

six months from the date of an order in this proceeding, taking into account best practice principles available.⁸

The Company respectfully disagrees that it has not taken sufficient action in North Carolina to promote electrification. The Company believes that it has sufficiently met (A)-(D) of Section 111(d)(21), 16 U.S.C. § 2621(d)(21), and no further Commission action is required. The Company is collecting data from its Smart Charging Infrastructure Pilot Program in Virginia and will consider whether a similar program could be cost-effectively offered in North Carolina. Regarding rates and demand charges, the Company has not implemented a "demand charge alternative rate." Designing such a rate would require expending significant resources, and the Company does not believe this should occur outside the context of a rate case proceeding. The Company will evaluate ChargePoint's recommendation and consider whether it is prudent to offer something similar in its next rate case.

The Company is committed to offering new, cost-effective electrification programs options for participation by its North Carolina customers. The Company has historically implemented programs first in Virginia, evaluated the prudency of implementing similar programs in North Carolina, then sought to introduce them in North Carolina. This approach has allowed the Company to benefit from the lessons learned and efficiencies gained.

CONCLUSION

⁸ *Id*. at 6.

The Company has adequately met the directives of Subsections (A)-(D) of Section 111(d)(21), 16 U.S.C. § 2621(d)(21). For the foregoing reasons, the Company contends that no further Commission action is required, and the Company respectfully requests that the Commission take the Company's verified Rebuttal Comments into consideration in reaching its decision in this proceeding.

Respectfully submitted, this the 19th day of June, 2023.

/s/ Mary Lynne Grigg

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Attorneys for Virginia Electric and Power Company, d/b/a Dominion Energy North Carolina

VERIFICATION

E-22, Sub 658

I, Kathleen D. Staples, Director of Electrification, for Virginia Electric and Power Company, do solemnly swear that the facts stated in the foregoing Rebuttal Comments of Virginia Electric and Power Company, d/b/a Dominion North Carolina Power Addressing Electric Vehicle Charging Programs Pursuant To Section 111(D)(21), 16 U.S.C. § 2621(D)(21), are true and correct to the best of my knowledge and belief.

COMMONWEALTH OF VIRGINIA)
(City of Richmond) to wit:

The foregoing instrument was sworn to and acknowledged before me this 14th day of June, 2023.

Notary Public

My registration number is 142312 and my commission expires: 10-31-2024



CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing <u>Verified Rebuttal Comments</u>

<u>Addressing Electric Vehicle Charging Programs Pursuant to Sections 111(d)(21), 16</u>

<u>U.S.C. §2621(d)(21)</u> as filed in Docket No. E-22, Sub 658 were served electronically upon all parties of record.

This, the 19th day of June, 2023.

/s/Mary Lynne Grigg

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