

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION
DOCKET NO. E-2, SUB 1291
DOCKET NO. E-7, SUB 1266

In the Matter of)
Application by Duke Energy Carolinas,) NCSEA’S REPLY
LLC and Duke Energy Progress, LLC for) COMMENTS
Approval of Proposed Transportation)
Project)

NCSEA’S REPLY COMMENTS

NOW COMES the North Carolina Sustainable Energy Association (“NCSEA”), an intervenor in the above-captioned docket, and, pursuant to the North Carolina Utilities Commission’s (the “Commission”) February 22, 2022 *Order Requesting Comments on Proposed Electric Vehicle Managed Charging Pilot Program* (“Order”) and the subsequent orders extending time for comments, offers the following reply comments to the initial comments filed in this docket made in response to *Duke Energy Carolinas, LLC’s and Duke Energy Progress, LLC’s Application for Approval of Electric Vehicle Managed Charging Pilots* (“Application”).

As stated in *NCSEA’s Initial Comments*, NCSEA is generally supportive of the Electric Vehicle Managed Charging Pilot Program (“Managed Charging Pilot”) proposed by Duke Energy Carolinas, LLC (“DEC”) and Duke Energy Progress, LLC (“DEP”) (DEC and DEP, collectively, “Duke”) with some concerns and ideas. NCSEA has reviewed the initial comments submitted by the other intervenors and offers the following reply comments responsive to those.

I. EV.ENERGY

In its *EV.Energy Corp Initial Comments*, EV.Energy Corp (“ev.energy”) takes several positions that NCSEA would support and amplify here. Specifically, ev.energy

suggests that Duke expand driver participation options by either expanding the eligible list of vehicle manufacturers for the pilot or propose complementary residential manager charging pilots that reflect the diversity of electric vehicles (“EVs”) and also the variety of at-home charging technology options, including the networked Electric Vehicle Supply Equipment.¹ NCSEA supports the idea of expanding the list of eligible vehicle manufacturers at an appropriate time. To that end, NCSEA would also be interested in reviewing a proposed residential managed charging program inclusive of all EVs available in the U.S. and to evaluate it as being cost effective and whether it benefits the grid.

NCSEA agrees with ev.energy that a managed charging pilot or program can deliver certain opportunities, such as low, fixed monthly costs, “set it and forget it” convenience, non-wires alternatives which will benefit the grid and other rate payers, and others.² However, for the Managed Charging Pilot, Duke has not mentioned a “set it and forget it” mechanism, nor is it clear how much customer education and engagement will be done on behalf of the utility. NCSEA encourages Duke to lay out how it could or would allow a set it and forget it approach for charging and otherwise show how Duke will conduct such education and engagement to the customer as mentioned by ev.energy.

II. ALLIANCE FOR TRANSPORTATION ELECTRIFICATION

NCSEA agrees with the Alliance for Transportation Electrification (“ATE”) that

[t]he use of a subscription rate which still encourages off-peak use but does not require a separate meter or the adoption of a ‘whole-house’ TOU rate is an innovative idea and should be allowed to be tested within the Duke Pilot Programs. The cost savings can be significant, and can offer valuable guidance for future programs.³

¹ *EV.Energy Corp Initial Comments*, pp. 1-2.

² *Id.* at 4-5.

³ *Comments of the Alliance for Transportation Electrification*, p. 1.

Utilizing managed charging programs to help encourage off peak use is a challenge and NCSEA agrees that using a subscription rate to avoid having to require a separate meter or the adoption of “whole house” TOU rate, is a good idea to be tested in this pilot program.

NCSEA also agrees with the notation that ATE makes about data collection:

[o]ne problem that is solved by the Duke proposal is access to necessary data. The utility needs to have full access to the charging data in order to integrate incremental EV loads effectively in the grid, and be able to do so cost-effectively [...] Getting accurate load shapes will be critical for Duke in providing benefits to the grid both on individual feeders (in order to avoid congestion on potential load pockets and circuits), as well as system wide benefits.⁴

NCSEA amplifies this point because, as noted in the *Initial Comments of the Public Staff* and more fully below, it is integral that Duke utilize its opportunity with this pilot to gather data and enable the grid benefits provided by managed charging.

III. WEAVE GRID

Weave Grid Inc. (“Weave Grid”) notes that “a new electric vehicle can increase household [electric] consumption by more than 50% (and some customers already have more than one EV), and the load is also very flexible, making EVs an important controllable load.”⁵ NCSEA finds this statistic and argument very persuasive to the policy directive to incorporate smart vehicle charging, especially as EVs proliferate. Weave Grid also notes that the use of vehicle telematics gives Duke an opportunity that other utilities have successfully utilized and Duke should consider “expanding eligibility to help broaden participation in the program.”⁶ NCSEA agrees with the position with the caveat that Duke should expand the program not only in terms of customer numbers but also with varying

⁴ *Id.* at 2.

⁵ *Comments of Weave Grid Inc.*, p. 2.

⁶ *Id.* at 4.

smart charging program designs that will fit various types of customers, vehicles, and grid needs in order to successfully leverage this initial pilot.

IV. SOUTHERN ALLIANCE FOR CLEAN ENERGY, SIERRA CLUB, AND THE NORTH CAROLINA JUSTICE CENTER

NCSEA agrees with the position of the Southern Alliance for Clean Energy (“SACE”), Sierra Club, and the North Carolina Justice Center (“NCJC”) (SACE, Sierra Club, and NCJC, collectively, “SACE et al.”) that the Commission should direct Duke to continue to develop alternative managed charging or off-peak subscription for EVs.⁷ NCSEA, as stated in its Initial Comments, similarly believes there is a disconnect between this proposed Managed Charging Pilot and what most EV customers actually need and use, and SACE et al. skillfully point about the program gulf that needs to be filled.

NCSEA agrees with SACE et al.’s concerns about scaling up this program,⁸ and supports SACE et al.’s request to the Commission for a more specific and, ideally, a robust reporting regimen with relevant data points outlining the upsides of the Managed Charging Pilot to its participants, the grid, and the ratepayers of North Carolina.⁹ NCSEA believes that Duke’s 6-month reporting proposal is properly timed but needs further detail and specificity. Finally, NCSEA supports SACE et al.’s position that Duke should be required to assess each of Duke’s “pilot objectives” set forth in Duke’s Application.¹⁰

V. PUBLIC STAFF

As noted in *NCSEA’s Initial Comments*, there are concerns about costs associated with the Managed Charging Pilot proposal and how Duke will be able to scale this pilot

⁷ *Joint Comments of North Carolina Justice Center, Southern Alliance for Clean Energy, and Sierra Club*, pp. 1-2.

⁸ *Id.* at 4.

⁹ *Id.* at 6.

¹⁰ *Id.* at 7.

program for a larger pool of participants. The North Carolina – Public Staff (“Public Staff”) makes several points related to this and dives even further into some cost questions.

The Public Staff notes that Duke has said in discovery that the Managed Charging Pilot will be a “below-the-line program” and that the “remaining cost of service would be remitted to the regulated utility from the below-the-line entity, making the regulated utility whole.”¹¹ The Public Staff notes that it is unclear “how the general ratepaying body of customers would be impacted by the cost of the [Managed Charging Pilot]” and the Public Staff is also unclear how “sales of EV kilowatt-hour (kWh) from the Pilots will impact the calculations of various riders that rely on kWh sales to determine the individual rider rates.”¹² NCSEA shares these concerns about lack of clarity on these issues. NCSEA ultimately desires a robust portfolio of managed charging programs across the Duke territories but solid ratemaking analysis and transparency are necessary before the Commission can make an educated determination about the potential in this program and related others.

NCSEA agrees with the Public Staff that program participants should be given advanced notice to ensure they understand the impact of exceeding program limits and that such notice should be in form of “proactive usage alert” as proposed by the Public Staff.¹³ NCSEA similarly agrees with the Public Staff suggestion that the Commission require the companies to work with stakeholders to develop an evaluation plan for the Managed Charging Pilot.¹⁴ As stated above, data analysis will be integral to implementing managed charging on a broader level in the future, so NCSEA supports this suggestion as

¹¹ *Initial Comments of the Public Staff*, p. 10.

¹² *Id.*

¹³ *Id.* at 11.

¹⁴ *Id.*

a means to allow different points-of-view on data, including non-utility stakeholders who may have experience with other managed charging programs. NCSEA is comfortable with the Public Staff's proposed timeline on the evaluation plan and the later reporting requirements via periodic progress reports.¹⁵

VI. CONCLUSION

For all the reasons set forth, NCSEA requests the Commission take into consideration its recommendations contemplated herein.

Respectfully submitted this the 12th day of May 2022.

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¹⁵ *Id.* at 11-12.

CERTIFICATE OF SERVICE

I hereby certify that all persons on the docket service list have been served true and accurate copies of the foregoing document by hand delivery, first class mail deposited in the U.S. mail, postage pre-paid, or by email transmission with the party's consent.

This the 12th day of May 2022.

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