

May 5, 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: Initial 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 is Virginia Electric and Power Company, d/b/a Dominion Energy North Carolina's Initial Comments Addressing Electric Vehicle Charging Programs Pursuant to Sections 111(d)(21), 16 U.S.C. §2621(d)(21)

Thank you for your assistance in this matter. Please do not hesitate to contact me should you have any questions.

Very truly yours,

/s/ Nicholas A. Dantonio

NAD/sc

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)	INITIAL COMMENTS OF VIRGINIA
Standards for Electric Utilities)	ELECTRIC AND POWER COMPANY, D/B/A
Relating to Measures to Promote)	DOMINION ENERGY NORTH CAROLINA
Greater Electrification of the)	ADDRESSING ELECTRIC VEHICLE
Transportation Sector Pursuant to)	CHARGING PROGRAMS PURSUANT TO
the Infrastructure Investment and)	SECTION 111(d)(21), 16 U.S.C. § 2621(d)(21)
Jobs Act)	

Virginia Electric and Power Company, d/b/a Dominion Energy North Carolina (“DENC” or the “Company”) respectfully submits these initial comments in response to the North Carolina Utilities Commission’s (“Commission”) November 15, 2022 *Order Scheduling Hearings* (the “Order”) issued in the above-captioned docket.

PROCEDURAL BACKGROUND

On November 15, 2021, President Biden signed the Infrastructure Investment and Jobs Act, H.R. 3684, 117th Cong. (“IIJA”) into law.¹ Section 40431 of the IIJA amended the Public Utility Regulatory Policies Act of 1978 (“PURPA”)² to include a new federal ratemaking standard related to electric vehicle charging programs (“EVCP”) at PURPA Section 111(d)(21).³ PURPA Section 112 specifically requires state regulatory bodies with ratemaking authority over electric utilities (“Regulatory Authorities”) “to commence consideration under section 111 of PURPA, 16 U.S.C. § 2611, or to set a hearing date for

¹ H.R. 3684, 117th Cong. (2021).

² 16 U.S.C. § 2611, *et seq.*

³ H.R. 3684, 117th Cong. § 40431 (2021); 16 U.S.C. § 1621(d)(21).

consideration with respect to the standard established by the IIJA in section 111(d)(21) of PURPA . . . within one year of the enactment of the IIJA and to complete the consideration and make the determination with respect to the new electric vehicle charging programs within two years of enactment of the IIJA.”⁴

PURPA Section 111 requires Regulatory Authorities to consider and subsequently determine whether it is appropriate to implement the EVCP standard to carry out the purposes of PURPA.⁵ PURPA Section 111 requires that the determination be (A) in writing; (B) based upon findings included in the determination and upon the evidence presented at the hearing; and (C) available to the public.⁶

The Commission issued the Order to consider measures it could take to promote the EVCP standard.⁷ On March 17, 2023, the Company and the Public Staff filed a Joint Motion to Amend Order Scheduling Hearing (the “Motion”), requesting that the Commission allow the Company to file comments in lieu of pre-filing direct expert testimony.⁸ The Commission granted the Motion and directed the Company and any other party that so desires to file verified initial comments on or before May 5, 2023; interested parties to file verified reply comments on or before June 5, 2023; and the Company and any other party that so desires to file verified rebuttal comments on or before June 19, 2023.⁹

⁴ 16 U.S.C. § 2622(b)(8)(A).

⁵ 16 U.S.C. § 2621(a).

⁶ 16 U.S.C. § 2621(b)(1).

⁷ *Order Scheduling Hearings*, Docket No. E-22, Sub 658 (Nov. 15, 2022).

⁸ *Joint Motion to Amend Order Scheduling Hearing*, Docket No. E-22, Sub 658 (November 15, 2022).

⁹ *Order* at 4.

INITIAL COMMENTS

As stated in the Order, the IIJA amends PURPA by adding Section 111(d)(21), 16 U.S.C. § 2621(d)(21), “Electric Vehicle Charging Programs”, which provides that “[e]ach State shall consider measures to promote greater electrification of the transportation sector, including the establishment of rates that –

- (A) promote affordable and equitable electric vehicle charging options for residential, commercial, and public electric vehicle charging infrastructure;
- (B) improve the customer experience associated with electric vehicle charging, including by reducing charging times for light-, medium-, and heavy-duty vehicles;
- (C) accelerate third-party investment in electric vehicle charging for light-, medium-, and heavy-duty vehicles; and
- (D) appropriately recover the marginal costs of delivering electricity to electric vehicles and electric vehicle charging infrastructure.”¹⁰

The Company is fully committed to and supports transportation electrification. As of December 31, 2022, there were approximately 42,000 electric vehicles (“EVs”) registered in the Company’s Virginia and North Carolina service territories, of which approximately 400 are in the North Carolina territory.¹¹ The Company’s long term EV adoption forecast estimates that over two million EVs will be on the road in the Company’s Virginia and North Carolina service territory by 2038. The Company believes that its EV strategy, as further explained below, sufficiently addresses each of Subsections (A)-(D) as required by the IIJA, and therefore, the Company believes no further Commission action is required.

¹⁰ Order, at 1.

¹¹ Source: R. L. Polk & Co.

A. Promotion of affordable and equitable electric vehicle charging options for residential, commercial, and public electric vehicle charging infrastructure

The Company's EV strategy is composed of three main areas: (1) ease of adoption; (2) providing universal access to charging; and (3) supporting demand growth. These priorities will guide the Company's initiatives in its efforts to ensure that all customers have access to EV charging and the benefits of electrification, the electric grid efficiently supports additional demand from EVs, and that EV charging is increasingly powered by a clean electric grid while maintaining high standards of reliability and affordability for all customers. The Company has taken several measures to meet these priorities, which are further discussed below, and notes that as these new measures are implemented in its Virginia service territory, the Company will evaluate the prudence of offering similar programs to its North Carolina customers.

1. Ease of adoption

One of the Company's top priorities is to ensure that it provides customers with solutions to simplify the transition to electric transportation, ranging from education to turn-key solutions for residential, commercial, and public EV charging. Ease of adoption starts with a strong foundation in customer education and awareness. Currently, the Company performs education, outreach, and engagement efforts including providing tools, calculators, webinars, guides, frequently asked questions, social media content, one-on-one phone and email communications, ride-and-drive events, dealership training and resources, and rate comparisons.

a. Residential EV Charging¹²

The Company currently offers residential customers three EV-related programs in its Virginia service territory. The EV Charger Rewards Program provides incentives to residential customers for allowing the Company to leverage their Level 2 EV smart chargers to adjust their charging behavior during periods of high electric demand. The Off-Peak Plan is a time-of-use rate plan to provide customers greater control over their energy bills. The Off-Peak Plan is not solely for customers with EVs, but it has been popular with customers who are EV drivers. The Residential Charging Program is a new, turnkey offering that enables hassle-free installation of a Level 2 EV charger at a customer's home. The Company will install and maintain the EV charger for a monthly fee of \$41 for 5 years on the customer's bill.

b. Businesses/commercial, multi-family communities, and public charging

For businesses, multifamily communities, and public charging, the Company offers a Level 2 Charging Program in its Virginia territory, which enables the Company to install, own, and maintain make-ready and Level 2 EV charging stations for up to 110 customers. The Company is also evaluating curbside charging solutions for those without dedicated parking.

The Company also offers a Fleet Charging Program in its Virginia territory, which allows it to install, own, and maintain make-ready and EV charging stations for up to 175 fleet customers. Customers participating in either the Level 2 Charging Program or the

¹² The Company has also implemented other electrification programs: (1) Schedule 1EV, which offers voluntary time-of-use rate (applicable to the whole house) to residential customers who have an EV; (2) Schedule EV, which is similar to the Schedule 1EV offering except the rate applies to a separate meter for EV charging; and (3) Smart Charging Infrastructure Pilot Program ("SCIP"), which allows the Company to understand and manage future EV charging load.

Fleet Charging Program receive a 50% upfront incentive on EV Supply Equipment make-ready; customers pay a monthly charge for the remaining balance for 10 years on their bill.

c. Virginia school bus electrification program

The Company's Electric School Bus Program supports Virginia school districts as they begin replacing diesel school buses in their fleets with electric models. The Company provides utility coordination, grid upgrades, construction, and charger installation in exchange for the ability to use the buses for vehicle-to-grid when they are not used for pupil transportation. Benefits include improved air quality, reduced carbon emissions, and cost savings for school districts. The Company is currently collecting data on other benefits from this program. The Company will continue to engage with the appropriate state agencies to potentially develop a similar school bus electrification program in North Carolina.

2. Providing universal access to charging

The Company is actively exploring ways to increase access to transportation electrification. For example, the Residential, Level 2, and Fleet Charging Programs discussed above each include incentives for low-income customers, low-income communities, and communities of color to provide EV charging infrastructure at no cost to these customers and communities.

The Company evaluates federal and local grants and other funding opportunities that could potentially defray customer costs on an ongoing basis. The eligibility requirements vary by grant, some of which do not include utilities. Where the utility is not eligible for a grant, the Company provides technical support to eligible entities to maximize

grant opportunities for its customers. Specific examples of the Company's participation in funding opportunities include:

- Providing support to the state Departments of Transportation on National Electric Vehicle Infrastructure Formula Program funding;
- Offering webinars and capacity assessments to transit agencies applying for Low- and No-Emission and Bus and Bus Facilities grants and localities pursuing other funding opportunities;
- Partnering with school districts that receive federal or local grants for electric school buses by providing fast charging infrastructure; and
- Providing letters of support, subject matter expertise, and, where applicable, in-kind contributions or cost share to customers and stakeholders applying for federal and local grants that will support the Company's customers (e.g., Department of Energy's Vehicle Technologies Office grants, Department of Transportation's Charging and Fueling Infrastructure Discretionary Grant Program).

3. Supporting demand growth

Transportation electrification will result in new electric demand and energy usage requirements placed on the Company's electric grid. In order to accommodate these increased load requirements, there will likely be new infrastructure costs incurred by the Company. However, through initiatives such as managed charging, the increased energy requirements may be shifted towards times where overall demand is lower, potentially reducing the need for new or upgraded distribution infrastructure and thus addressing these new requirements in the most cost-effective manner possible while still providing reliable electric service to all customers. Importantly, as utilities plan and invest proactively, they can maximize the benefits and minimize the costs of electrification.

B. Customer experience associated with electric vehicle charging, including by reducing charging times for light-, medium-, and heavy-duty vehicles

The Company has taken several measures to ensure its customers have the best experience associated with EV charging. Particularly, the Company provides education to

customers on the types of charging infrastructure, charging times, and public charging locations.

The Company is also active in the EV industry including as founding members of the National Electric Highway Coalition, which has a mission to ensure a positive EV charging experience especially with long distance travel.

C. Third-party investment in electric vehicle charging for light-, medium-, and heavy-duty vehicles

The Company's EV strategies are suitable for and allows maximum third-party investment. The Company is committed to ensuring third parties have the information and resources they need to support public charging. Private efforts will support the Company's investments and programs in many ways, including but not limited to:

- Providing EV infrastructure hardware and software;
- Providing engineering and construction labor and materials; and
- Providing maintenance and operations support.

The Company has a dedicated team to expedite EV charging installations installed by private developers. The Company also proactively launched a hosting capacity map to help third parties identify which parts of the electric distribution system may be more suitable for EV fast charging station installations. The map had over 180 visits in its first six months.

D. Recovery of marginal costs of delivering electricity to electric vehicles charging infrastructure

Electricity for EV charging is currently recovered through residential and general service rates. The Company continues to explore and evaluate the most appropriate solution for cost recovery.

CONCLUSION

The Company contends that its EV strategy sufficiently addresses each of Subsections (A)-(D) of Section 111(d)(21), 16 U.S.C. § 2621(d)(21). The Company has taken several measures to promote EV, and, as these new measures are implemented in its Virginia service territory, the Company will continue to evaluate the prudence of offering similar programs to its North Carolina customers. Therefore, the Company believes no further Commission action is required, and the Companies respectfully request that the Commission take the Company's Initial Comments into consideration in reaching its decision in this proceeding.

Respectfully submitted, this the 5th day of May, 2023.

/s/ Nicholas A. Dantonio

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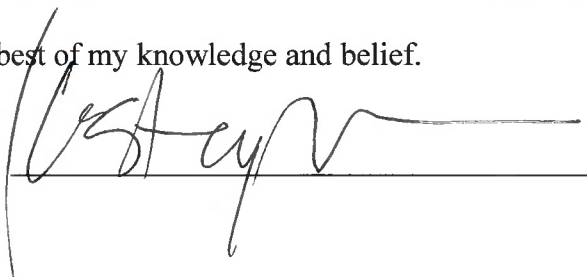
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VERIFICATION

E-22, Sub 658

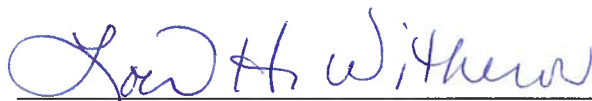
I, Kathleen D. Staples, Director of Electrification, for Virginia Electric and Power Company, do solemnly swear that the facts stated in the foregoing Initial Comments of Virginia Electric and Power Company, d/b/a Dominion North Carolina Power Addressing Electric Vehicle Charging Programs Pursuant To 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 4th day of May, 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 Initial Comments Addressing Electric Vehicle Charging Programs Pursuant to Sections 111(d)(21), 16 U.S.C. §2621(d)(21) as filed in Docket No. E-22, Sub 658 were served electronically upon all parties of record.

This, the 5th day of May 2023.

/s/ Nicholas A. Dantonio
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