

To: April 10, 2019

M. Lynn Jarvis

Chief Clerk

North Carolina Utilities Commission

4325 Mail Service Center

Raleigh, NC 27699-4300

<u>Subject: Letter of Support from EVBox for the Electric Transportation Pilots Proposed by Duke Energy Carolinas, LLC and Duke Energy Progress, LLC (together "Duke") in Docket Nos E-2, Sub 1197 and E-7 Sub 1195.</u>

EVBox is headquartered in Netherlands and is a manufacturer of Electric Vehicle ("EV") charging equipment and related cloud-based services with an installed base of over 75,000 Level 2 and DC fast chargers in 45 countries. EVBox was acquired by the European utility ENGIE in 2017. EVBox is actively deploying charging stations all over North America.

EVBox appreciates the opportunity to comment on the Electric Transportation Pilots (or "pilots") proposed by Duke. EVBox supports the scale and the offerings of the program in its entirety for the reasons explained here.

1. The proposed scale of the pilot is a minimum start for projected EV penetration in North Carolina.

A major deterrent for customers to buy EVs is range anxiety. While EV growth is rapid in North Carolina (or "state")¹, EV infrastructure has not kept pace with the needs of the increasing number of EV drivers on the road. Remarkably, the number of EVs increased significantly by 130% in 2018 over a year in the state².

An infrastructure shortage deters several prospective car customers from opting for EVs. Given that the number of EVs on the road continues to increase, North Carolina will have an even wider gap to close if away-from-home infrastructure does not significantly increase its installation pace for both current and future electric vehicle adopters. Current EV owners may not be able to drive their EV to every desired destination. Drivers considering new vehicle options may not choose to purchase an EV because they do not see available charging locations along their frequented routes.

In order to achieve the state's goal to have 80,000 zero-emission vehicles on the roads of North Carolina by 2025 (from a current 4,712 EVs in 2018), the state will require a massive ramp up from the current infrastructure. Unless the state, adopts ambitious investment in EV infrastructure, EV drivers will have few places to charge.

Duke's proposed pilot program is a step in the right direction. While the proposed number of ports may not completely meet the infrastructure need, they will definitely help bridge the gap and lay the foundation for a comprehensive transportation electrification strategy.



¹ Alternative fuels data center indicates around 583 public stations in North Carolina.

² https://evadoption.com/ev-market-share/ev-market-share-state/



2. The proposed pilot should be approved in the requested timeline so that Duke can propose long term programs based on the learnings of the pilot

Duke has requested approval of the pilot 60-days from the date of filing and an effective date of 90 -days after Commission approval. We strongly support this request because these pilots will be instrumental in informing the design of larger programs that will actually help bridge the infrastructure gap detailed in the above paragraph. Duke prudently indicates that it might propose a larger program after testing out several ideas through pilots. The program should incorporate both program design and implementation learnings from pilots and expand it further based on needs for EV growth. Through the pilot, Duke may identify several lessons and barriers related to the installation of EV charging infrastructure and incorporate those into a future EV program.

3. The proposed pilot addresses the unique challenges of various customer segments.

Duke has adopted a portfolio approach in targeting different segments such as residential, fleets, transit buses, multi-family dwellings ("MFDs"), public/parking areas, and fast chargers. This segment focused approach is warranted because each sector has its own opportunities and challenges.

The residential level 2 Electric Vehicle Supply Equipment ("EVSE") component of the proposed pilot addresses 800 participants and recognizes and tests the importance of managed charging and offers rebates and extra incentives for customers to charge at grid friendly times. Also, this gives Duke an opportunity to pro-actively incent charging at more grid friendly times as against reacting to higher charger penetration by significantly investing in distribution upgrades later.

Similarly, the focus on MFDs is noteworthy. The MFD market currently is not well served because there are landlord/tenant issues that make it difficult to deploy charging infrastructure in that segment. Other utility programs have targeted approaches towards MFDs in Maryland and California.

Duke is also proposing to address the current gap in capital intensive DC fast chargers by investing in 125 fast chargers across 60 locations.

The multi-pronged approach of the pilots will result in learnings across various segments and lead to the development of an effective long-term program.

4. The program will benefit all ratepayers

The pilot provides benefits for all customers and communities. Zero-emission vehicles are critical to any state's comprehensive climate and air quality plans. By increasing EV adoption, the pilot improves local air quality and reduces GHG emissions. The pilot will contribute to removing pollution from the gasoline- and diesel-powered buses by aiding in the deployment of 85 electric school buses. The pilot will also facilitate access to charging stations thereby supporting adoption of light-duty electric vehicles in the state.

For the above reasons, we urge the Commission to approve this application and believe that that will lead to increased long-term EV adoption for all customer classes and all EV charging technologies.





Sincerely,

Megha Lakhchaura

Director, Policy and Utility Programs

EVBox, North America

megha.lakhchaura@evbox.com