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April 1, 2024

# **VIA: ELECTRONIC FILING**

Mr. Adam J. Teitzman Commission Clerk Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850

> Re: **Petition of Tampa Electric Company to Extend Electric Vehicle**

**Charging Pilot Program** 

Dear Mr. Teitzman:

Attached for filing is Tampa Electric Company's Petition to Extend Electric Vehicle Charging Pilot Program.

Thank you for your assistance in connection with this matter.

Sincerely,

Malcolm N. Means

Milylon N. Means

MNM/bml Attachment

cc: TECO Regulatory

#### BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition of Tampa Electric Company	)	DOCKET NO.2024E	I
To Extend Electric Vehicle Charging	)		
Pilot Program	)		
_	)	FILED: April 1, 2024	
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# PETITION OF TAMPA ELECTRIC COMPANY TO EXTEND ELECTRIC VEHICLE CHARGING PILOT PROGRAM

Tampa Electric Company ("Tampa Electric" or "the company"), pursuant to Sections 120.521 and 366.04, Florida Statutes, petitions the Florida Public Service Commission ("FPSC" or "the Commission") to extend the company's existing electric vehicle charging pilot program, and states:

## I. Preliminary Information

1. The Petitioner's name and address are:

Tampa Electric Company 702 North Franklin Street Tampa, Florida 33602

- 2. Tampa Electric is an indirect wholly owned subsidiary of Emera Incorporated. ("Emera"). Tampa Electric became part of Emera in 2016 when Emera purchased all common stock of TECO Energy, Inc. Tampa Electric is an investor-owned public utility regulated by the FPSC and the Federal Energy Regulatory Commission.
- 3. Tampa Electric provides retail electric service to approximately 844,000 customers in a 2,000 square mile service territory in Hillsborough and portions of Polk, Pasco, and Pinellas counties. Tampa Electric and its 2,500 employees are committed to being a trusted energy partner for customers now and in the future.

4. The persons to whom all notices and other documents should be sent in connection with this docket are:

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#### II. Statement on Disputed Issues of Material Fact

5. In compliance with paragraph (2)(d) of Rule 28-106.201, Florida Administrative Code, Tampa Electric states that it is not aware of any disputed issues of material fact at this time, and does not believe any disputed issues of material fact will arise in this docket, but acknowledges the possibility that other parties could assert disputed issues of material fact during this proceeding.

## III. Statement of Ultimate Facts Providing Basis for Relief

#### A. Background

6. On September 25, 2020, Tampa Electric submitted a petition seeking the Commission's approval of an electric vehicle charging pilot program ("Pilot"). Tampa Electric proposed to purchase, install, own, and maintain approximately 200 electric vehicle charging ports within the company's service territory. The company's objectives were to: (1) support utility system planning; (2) ensure grid reliability; (3) develop Tampa Electric's competencies to serve the EV market; (4) meet customer needs in identified key markets, and (5) inform and develop the company's long-term EV strategy.

- 7. On April 21, 2021, the Commission entered Order No. PSC-2021-0144-PAA-EI in docket No. 20200220-EI ("Order"), which approved the Pilot. The general scope of the Pilot was:
  - a. A four-year term beginning on April 1, 2021 and terminating on April 1, 2025.
  - b. The company's capital investment in the Pilot was capped at \$2 million.
  - c. The company could deploy the charging ports at Tampa Electric customer locations in five different market segments: (1) workplaces; (2) public/retail; (3) multi-unit dwellings; (4) income qualified; and (5) government. These customer locations, known as "Site Hosts," would provide a site for the charging ports.
  - d. The Level 2 ports could be deployed across these segments as follows:

Market Segment	Ports
Workplace	70
Public/Retail	70
Multi-unit Dwelling	20
Income Qualified	20
Government	20

- e. Tampa Electric could pay up to \$5,000 per Level 2 port towards the cost of installation for workplaces, public/retail, and multi-unit dwellings, and the full cost for income qualified sites and government locations.
- f. Tampa Electric could deploy four direct current fast charging ports ("DCFC") at customer locations selected to ensure 24/7 accessibility, proximity to local travel corridors frequently used by EV drivers, and the opportunity to serve multiple market segments. The company would cover the full cost for DCFC installations.
- g. Site Hosts would be billed for electricity consumed by the charging ports at the appropriate tariff rate. Site Hosts have the option of providing charging as a free

<sup>&</sup>lt;sup>1</sup> On May 18, 2021, the Commission entered Order No. PSC-2021-0175-CO-EI, which made Order No. PSC-2021-0144-PAA-EI final.

- amenity to visitors or charging a per kWh fee equal to Tampa Electric's General Service rate, plus any applicable network or transaction fees.
- 8. The Order directed the company to submit annual reports on the status of the Pilot containing "[c]omprehensive data for each market segment, including but not limited to the number of charging sessions, time of use, charger utilization by geographic location, costs to EV drivers, installation costs, load profiles, ongoing O&M expense, and Site Host or driver feedback."
- 9. Tampa Electric filed annual reports in Docket No. 202000220-EI as required by the Order on May 18, 2022; May 18, 2023, and April 1, 2024.
- 10. The key data points in the 2024 Annual Report for Level 2 Ports (non-DCFC sites) are:
  - a. Number of Applications Received 199
  - b. Total Number of Ports Applied For 744
  - c. Agreements Provided to Site Host for Review 153
  - d. Executed Agreements Received from Site Host 63
  - e. Contractor Site Visits Completed 48
  - f. Number of Site Installations Completed 13
  - g. Number of Sites Pending Installation 5
  - h. Number of Ports Installed 58
  - i. Number of Ports Pending Installation 20
- 11. The 2024 Report also notes that Tampa Electric has completed the installation of one (1) DCFC site that has two (2) DCFC ports and one (1) Level 2 port.

#### **B.** Requested Relief

12. The Order directed that Tampa Electric's third annual Pilot report should "document the appropriateness to either extend the Pilot, make charging a permanent tariff, or terminate the Pilot." As noted in its 2024 Annual Report, the company believes that it is appropriate to extend the Pilot with modifications to incorporate lessons learned. Doing so will allow the company to accomplish the five objectives of the Pilot identified in the original petition.

#### C. Lessons Learned

- 13. Through the first three years of the Pilot, Tampa Electric learned valuable lessons in the areas of: (1) customer engagement; (2) participant recruitment; (3) Americans with Disabilities Act ("ADA") compliance; (4) technology integration; (5) serving the multi-unit dwelling segment; and (6) addressing the government segment.
- 14. The customer engagement process for the Pilot includes introducing a potential Site Host to the program, completing the competitive bidding process for charging port installation, executing the customer agreement, and ultimately installing the charging ports. One of the key lessons learned over the last three years has been that this process takes longer than the company originally anticipated. These delays are typically related to the potential Site Host's internal review and approval processes, which often move slowly and require support from Tampa Electric (e.g., educating Site Host internal stakeholders).
- 15. In the area of participant recruitment, the company learned that many potential participants abandon the process when they receive the estimate of the charging port installation cost after Tampa Electric's \$5,000 contribution. Like the costs of many products and services, the material and labor costs associated with charging port installation have increased significantly since Tampa Electric filed the initial Pilot Petition in September of 2020. Many potential Site Hosts

are unfamiliar with EV charging and are unwilling to absorb installation costs, even after Tampa Electric's contribution.

- 16. Tampa Electric also experienced installation delays associated with designing ADA-compliant EV charging infrastructure. Since there are no universally recognized standards or requirements for providing ADA accessible EV charging parking spaces, local governments have imposed different requirements. These varying requirements increase the time it takes to develop installation designs that comply with specific jurisdictional requirements and to navigate local permitting processes.
- 17. In the area of technology integration, EV charging technologies have evolved since the Pilot began in 2021. These technologies now include: (1) different options for charging hardware; (2) new software features for managing the chargers; (3) emerging but unstandardized requirements by original equipment manufacturers related to charging protocols and hardware; and (4) managed charging technology<sup>2</sup> that facilitates more sophisticated grid integration of EV charging and more cost-effective and efficient deployment of charging infrastructure. The Pilot allowed Tampa Electric to follow and evaluate these new charging technologies. However, the current Pilot structure limits the company's ability to test managed charging technology to evaluate its potential benefits for customers and for grid operation.
- 18. Tampa Electric learned about obstacles to installation of charging ports for the multi-unit dwelling segment. No multi-unit dwelling customers have committed to install charging ports. Based on customer feedback, the company learned that the largest obstacles to these

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<sup>&</sup>lt;sup>2</sup> Managed charging technology includes both passive and active technology. Passive managed charging systems automatically regulate the flow of electricity to each vehicle charging at a single charging location. This allows multiple vehicles to charge simultaneously without upgrades to the electric utility service at the site. Active managed charging allows the utility or the charging system manager to take action to reduce or stop vehicle charging in certain situations to support grid operations.

installations are cost and the company's commitment in the original Petition to install no more than six ports per customer location. Many multi-unit dwellings are interested in EV charging infrastructure that can not only meet their current needs, but also scale up to provide the charging needs of all of their residents.

- 19. To ensure scalability, several strategies are available for consideration. First, a sufficient number of ports can be initially installed to meet current needs while also providing a small amount of reserve infrastructure for residents who may electrify very soon. This is usually limited based on existing power availability, or the cost to increase available power. This option did not seem to effectively support the customer's anticipated long-term needs. A second option is to build a new utility service that could be dedicated to the EV charging needs. This provides greater flexibility to scale the number of ports to meet future needs, however the construction costs are significantly increased, and in some cases, there may not be adequate space to install additional transformers, switchgear, or other large equipment. In almost any circumstance, managed charging technologies can allow multi-unit dwelling properties to significantly increase accessibility to EV charging by maximizing the available capacity of existing or new electrical infrastructure. In doing so, these technologies not only help to reduce the overall project cost to serve long-term charging needs but also help to minimize impacts on the local grid by managing or limiting electrical demand across all current and future charging ports.
- 20. Finally, Tampa Electric learned that installations at government sites take longer to complete than the other market segments for two main reasons. First, government customers frequently consider multiple potential sites for the charging equipment, and working through these options is time consuming for both the government customer and for Tampa Electric. Second, the government customer review and approval process require input from multiple internal

stakeholders, including approval by the appropriate governing body (e.g., City Council, County Commission). Additionally, aside from the lengthiness of the process, the company learned that government customers, similar to multi-unit dwelling customers, are interested in solutions that can be flexible to meet needs throughout their jurisdiction. The limitation of installing no more than two (2) ports at government locations is inadequate for most locations.

#### **D.** Proposed Pilot Modifications

- 21. Tampa Electric proposes five modifications to the Pilot, including:
  - a. Extension of the Pilot term by three (3) years, or to May 21, 2028, unless the company files a petition to extend, modify, or permanently implement the Pilot through a tariff offering;
  - b. Remove the cap of a \$5,000 Tampa Electric contribution per port for the workplace, public/retail, and multi-unit dwelling segments;
  - c. Remove the cap of six charging ports per workplace, public/retail, and multi-unit dwelling segments, and two ports per government and income qualified segments;
  - d. Remove the cap of up to 200 Level 2 ports
  - e. Increase the total number of direct current fast chargers to ten, which may be spread across multiple locations; and
  - f. Increase the company's overall investment in the Pilot by \$3 million.
- 22. In each of the past two annual reports filed, Tampa Electric has documented lessons learned from the pilot and the variety of challenges faced by the company and our customers seeking to host charging stations. Because of the various challenges, the deployment of charging ports has taken significantly more time than anticipated. The modifications proposed will directly eliminate limitations unexpectedly created by the original program design and make it easier for

customers to participate. Through increased participation and data collection, along with continued development of new lessons learned, the original goals of the pilot can be achieved and improved upon.

- 23. The company's proposed modifications will allow Tampa Electric to build on the foundation of the Pilot work completed to date and achieve the objectives of the Pilot to: (1) support utility system planning; (2) ensure grid reliability; (3) develop Tampa Electric's competencies to serve the EV market; (4) meet customer needs in identified key markets, and (5) inform and develop the company's long-term strategy. The proposed modifications to the Pilot will allow Tampa Electric to continue gathering data and lessons learned regarding design and installation of EV charging infrastructure, customer adoption of EV charging, and EV driver charging habits. This will, in turn, allow the company to improve system planning and capital planning to meet the needs of EV charging. Extending the Pilot will also allow the company to further study managed charging, which is a technology that can provide significant site and grid benefits. Finally, the proposed modifications offer flexibility that will allow the company to better deliver on the stated goals of the pilot and better serve customers willing to participate in the program.
- 24. Efficiencies in the company's internal processes, project management, customer site evaluations, and project design, including permitting considerations, are already in place to help deliver efficiency in future installations. As a result, the company will be able to achieve more with the proposed \$3 million budget increase than with the initial Pilot budget.

#### IV. 2024 House Bill 1645

- 25. In the 2024 legislative session, the Florida Legislature passed House Bill 1645. This Bill, if signed by the Governor, would amend Section 366.94 of the Florida Statutes to add a new subsection (4), which will state:
  - (4) Upon petition of a public utility, the commission may approve voluntary electric vehicle charging programs to become effective on or after January 1, 2025, to include, but not be limited to, residential, fleet, and public electric vehicle charging, upon a determination by the commission that the utility's general body of ratepayers, as a whole, will not pay to support recovery of its electric vehicle charging investment by the end of the useful life of the assets dedicated to the electric vehicle charging service. This provision does not preclude cost recovery for electric vehicle charging programs approved by the commission before January 1, 2024. (emphasis added).
- 26. Commission approval of this Petition would not create a new electric vehicle charging program that would be subject to this new statutory language. Instead, approval of this Petition would modify an existing electric vehicle charging program approved by the Commission prior to January 1, 2024. The Pilot, therefore, would qualify for the "grandfather clause" underlined above.

#### V. Relief Requested

27. Tampa Electric requests authority to implement the above-described modifications to the existing Pilot, and to continue recovering the costs of the Pilot through the company's base rates.

WHEREFORE, Tampa Electric requests that the Commission approve the company's proposed modifications to the Pilot.

# DATED this 1st day of April, 2024.

Respectfully submitted,

Moldon N. Means

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ATTORNEYS FOR TAMPA ELECTRIC COMPANY

#### **CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of the foregoing Petition, filed on behalf of Tampa Electric Company, has been furnished by electronic mail on this 1st day of April, 2024 to the following:

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