



September 23, 2020

Adam Teitzman
Office of the Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

- Via Electronic Filing -

Re: SUPPORT for Docket No. 20200170-EI – Florida Power & Light Company’s Petition for Approval of Optional Electric Vehicle Public Charging Pilot Tariffs

Dear Mr. Teitzman:

Greenlots is pleased to submit this letter of support for the Petition for Optional Electric Vehicle Public Charging Pilot Tariffs (the “Petition”) proposed by Florida Power & Light Company (“FPL” or the “Company”) in the above-referenced docket.

About Greenlots

Greenlots is a leading provider of electric vehicle (“EV”) charging software and services committed to accelerating transportation electrification (“TE”) in Florida, and a wholly owned subsidiary of Shell New Energies. Founded in 2008 and headquartered in Los Angeles, California, Greenlots’ footprint spans across three continents with deployments in 13 different countries.

Greenlots’ software, services and expertise empower industries across the globe to deploy EV charging infrastructure at scale, connecting people in a safer, cleaner, and smarter way. The Greenlots network supports a significant percentage of the direct current fast charging (“DCFC”) infrastructure in North America, and an increasing amount of Level 2 infrastructure. Greenlots’ smart charging solutions are built around an open standards-based focus on future-proofing while helping site hosts, utilities, and grid operators manage dynamic EV charging loads and improve system efficiency.

In Florida, Greenlots provides the software management platform for a number of EV charging stations including those operated by Duke Energy Florida for its Commission-approved “Park and Plug” EV Charging Station Pilot as well as the Electrify America DCFC stations deployed across the state.¹

¹ See Florida Public Service Commission, Docket No. 20170183-EI.

Support for Proposed per-kWh Pricing

FPL's Petition seeks Commission approval for the new proposed Rate Schedule UEV. FPL notes that it "currently has no tariff mechanism for collecting revenue directly from users of FPL-owned public charging stations,"² and proposes to set a rate for "EV drivers to purchase charging services directly from FPL at certain utility-owned public fast charge stations, at a rate of \$0.30 per kilowatt-hour ("kWh")."³

Greenlots supports the ability of utilities such as FPL to set driver pricing for utility owned/operated charging stations. Indeed, this pricing control as an important part of a broader vision that Greenlots sees as critical to ensuring a positive driver experience for utility-provided service, namely the uniform expectation of pricing, reliability and customer service. Effectively, a driver should be able to pull up to any individual utility-owned charging location and have the same experience there as anywhere else within that network. This is not to exclude a utility from offering a range of pricing options, for instance, to offer incentives to participate in managed charging or other strategies to manage load. Put simply, a consistent user experience is a critical element for driving EV adoption.

Pricing has proven to be key to behavior – especially in regard to adopting electric vehicles. On the one hand, if a site host sets pricing too high and reduces or even eliminates the relative savings of driving an EV, that reduces the single largest incentive drivers have for choosing an electric vehicle, namely cost savings. On the other hand, pricing that is discounted to the extent that it fails to reflect the cost of electricity can create an expectation that such discounted pricing is the norm and if perpetuated, potentially create a ratepayer burden rather than benefit and skew charging station economics. This is particularly the case in the context of public fast charging which is among the costliest charging infrastructure contexts to deploy and operate on a per-vehicle basis.

Taking this example even further, Greenlots believes that technology-based managed charging will become more and more essential to manage the impact of EVs on the grid and manage locational charging costs as EV penetration increases. Clear price signals that reflect the cost of electricity in real time are essential to the efficacy of managed charging. Free or deeply discounted pricing will therefore undermine the effectiveness of managed charging as a tool to manage load, avoid costly peak demand, and help apply downward pressure on rates to benefit all ratepayers.

FPL's Petition includes an analysis that FPL's proposed \$0.30/kWh rate is slightly below the equivalent price of gasoline and is also reasonably comparable to the public rate charged by leading charging providers in Florida.⁴ Greenlots therefore supports FPL's proposed Rate

² FPL Petition at p. 5.

³ FPL Petition at p. 1.

⁴ FPL Petition at p. 10.

Schedule UEV because it addresses FPL's need for an approved tariff to collect charging revenue from its utility-owned stations; it offers drivers modest savings relative to the price of driving a non-EV; and it is priced within a reasonable range of rates charged by public charging network operators in Florida.

Support for Proposed EV Charging Infrastructure Riders

FPL's Petition seeks Commission approval for two new riders (GSD-1EV and GSLD-1EV) that feature a "demand limiter" mechanism. Greenlots concurs with FPL's observation that "the challenges that utility demand rates present to public EV charging stations are well recognized within the industry" because public fast charging "is often characterized by high-power capacity demand and low-energy utilization."⁵

The business case to deploy, own and operate non-residential EV charging stations remains challenging at best, and will continue to be until EV adoption increases substantially. Demand charges often constitute the single biggest operating expense for public charging providers and site hosts. To the extent that demand charges can be mitigated or offset, it will help mitigate operating losses in the near term. This is necessary and beneficial to accelerate EV adoption, and it is consistent with the state's goal to "encourage the expansion of electric vehicle use in this state," as stated in SB 7018 enacted by the legislature earlier this year.⁶

While Greenlots supports FPL's proposed Riders as appropriate and valuable to address the economic challenges posed by demand charges during this early stage of EV adoption, Greenlots believes a greater emphasis on managed charging is warranted going forward. As noted earlier, Greenlots believes active, technology-based managed charging best maximizes benefits to ratepayers. Indeed, when combined with rate design, technology has the potential to significantly amplify the benefits of those rates for drivers and ratepayers alike. Greenlots views an EV rate as a passive instrument from the utility's standpoint – but one that requires customer awareness and active customer behavior change. On the other hand, technology-based managed charging allows the utility or site operator/host to more actively manage load while enabling a more user-friendly, "set it and forget it" driver experience, even in the context of public DC fast charging.

Conclusion

Greenlots supports the Petition as filed and respectfully encourages the Commission's approval. Greenlots further encourages the Company and the Commission to explore the benefits of technology-based managed charging strategies in future programs and filings.

⁵ FPL Petition at p. 12 and 11.

⁶ See Laws of Florida, Ch. 2020-21 at p. 4.

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Greenlots commends FPL for its leadership in moving forward with deploying, owning and operating EV charging stations to accelerate EV adoption across its service territory. Greenlots appreciates the Commission's ongoing interest in transportation electrification and looks forward to continuing to participate in this docket and others.

Sincerely,



Josh Cohen
Director, Policy