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November 20, 2020

VIA ELECTRONIC FILING

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

Re: *Duke Energy Florida, LLC's Post-Workshop Comments re. the EV Workshop/SB 7018 held on October 21, 2020; Undocketed*

Dear Mr. Teitzman:

Enclosed to be filed in Undocketed Matters, on behalf of Duke Energy Florida, LLC ("DEF"), is DEF's Post-Workshop Comments re. the EV Workshop/SB 7018 held on October 21, 2020.

Thank you for your assistance in this matter. Please feel free to call me at (850) 521-1428 should you have any questions concerning this filing.

Sincerely,

/s/ Matthew R. Bernier

Matthew R. Bernier

MRB/cmw
Enclosure

cc: Benjamin Crawford
Adria E. Harper
Mireille Fall-Fry

Duke Energy Florida, LLC's
Post-Workshop Comments for EV Workshop/SB 7018

Undocketed

Duke Energy Florida, LLC appreciates the opportunity to further address and elaborate on a couple of key points raised during the workshop on October 21, 2020. One of those points was “Can the rate basing [of EV infrastructure] give utilities a competitive advantage?”

Allowing the opportunity for electric vehicle (“EV”) charging infrastructure to be included in rate base does not create a competitive advantage for utilities. Multiple factors support this view:

1. Allowing the opportunity for EV charging infrastructure to be included by investor-owned utilities in their rate base does not automatically equate with their being able to do so. Any plans, programs or initiatives in this space are subject to Florida Public Service Commission (“FPSC”) approval.
2. Allowing the opportunity for EV charging infrastructure to be included by utilities in their rate base does not exclude other non-utility parties from pursuing the deployment of EV charging infrastructure. Given the need for Florida’s investor-owned utilities to seek FPSC approval for their efforts in this space, which requires time and, if approved, may also involve Commission-required adjustments to those efforts, non-utility parties enjoy advantages of speed to market and the flexibility and freedom to pursue their efforts without being subject to this type of regulatory process. Commission-approved programs may be subject to limits of size and scope, ensuring there will remain robust demand outside of utility programs to be served by other market participants.
3. Allowing the opportunity for EV charging infrastructure to be included by utilities in their rate base can support the overall evolution of the competitive market for EV charging infrastructure deployment in Florida and can do so in several ways:
 - a. In order for EVs and the charging infrastructure to support their use to thrive in Florida, the ability to charge needs to become ubiquitous or near-ubiquitous. For example, interstates and state highways traverse rural, sparsely populated areas of Florida. An investor-owned utility, with an eye to the broad needs of its customer base, may be willing and able to pursue deployment of EV charging infrastructure into areas such as these, where the marketplace on its own would not normally pursue EVSE because of the perceived lack of return on an individual charging installation. This scenario may be particularly pertinent for DC fast charging, due to the high capital outlay and complexity of installations required.
 - b. Allowing the opportunity for investor-owned utilities to include EV charging infrastructure in their rate base can create the potential for competitive market bidding of EVSE providers and permit new market entrants with capital to develop or test EVSE business models that will self-sustain in the future.

- c. Investor-owned utilities' participation in EV charging infrastructure deployment provides customers with an additional *option* for pursuing desired infrastructure that they can *choose* or *not choose* as they consider how to move forward.
4. Allowing the opportunity for EV charging infrastructure to be included by utilities in their rate base provides an additional path to infrastructure deployment which benefits EVSE installers, electricians, engineers and network service providers who participate in utility-funded programs. This more robust EV charging infrastructure ecosystem will help to support and sustain a more competitive environment, not work to its detriment.
5. Allowing the opportunity for EV charging infrastructure to be included by utilities in their rate base will bring participants into the marketplace who engage in long-term planning and investment, rather than a short-term/quick returns view. As such, utilities can provide a steadying presence to the marketplace, in turn, helping the marketplace's competitive operations grow and evolve.
6. Allowing the opportunity for EV charging infrastructure to be included by utilities in their rate base creates the ability for them to directly capture key utilization data in a uniform manner that can inform the Commission and stakeholders on charging behaviors across different vehicle and hardware segments, the grid impacts of EV charging, and other data important for future bulk power system design (the Electrical Grid) EV program design. Well-designed programs are important and will become only increasingly so in order to promote and sustain the use of EVs and the deployment of charging infrastructure.

Make-Ready was also the subject of discussion at the October 21st workshop.

Make-Ready can take on various forms limited to providing space in an electrical panel for EVSE breaker to complete stub up to potential charger location. Make-Ready programs provided by other utilities in the US span a variety of structures from simply providing a rebate for the costs associated with Make-Ready infrastructure to the utility actually performing the Make-Ready installation work and retaining ownership of the infrastructure installed behind the meter. As described above, allowing opportunities for utility to own and invest in charging infrastructure supports the competitive marketplace as it grows and evolves. On the other hand, programs limited to Make-Ready can have drawbacks compared to utility-owned and operated programs as providing the Make-Ready infrastructure does not ensure that site hosts will operate and maintain the infrastructure for the long term, and may not facilitate broad geographic coverage or deployment in underserved communities. Thus, the investor-owned utility's role should not be arbitrarily and artificially limited to Make-Ready.

Finally, DEF would like to offer these thoughts with regards to state policy:

DEF notes some states have adopted policies to increase the supply of ZEVs and promote sales across a spectrum of vehicle classes. Given the significant potential economic benefits of increased EV sales growth, such as lower fuel costs and downward pressure on electric rates, we feel Florida should explore similar policies to advance broader EV adoption.