October 16, 2017

Richard Mroz, President
New Jersey Board of Public Utilities
44 South Clinton Avenue
Trenton, NJ 08625

Dear President Mroz and Staff,

RE: BPU EV Stakeholder Group Task 1 Questions

Greenlots is pleased to submit these comments in response to questions under Task 1 posed during the September 15 Stakeholder Meeting to the EV Group:

Do EVs fall under the definition of demand side management and energy efficiency as set forth at N.J.S.A. 48:3-51 and/or N.J.S.A. 48:3-98.1.d.?

Should owners and operators of EVSE that provide electric vehicle charging service be regulated as electric utilities? Are operators of EVSE reselling electricity or providing a charging service?

Greenlots is a leading provider of grid-focused electric vehicle charging software and services. The Greenlots network supports a significant percentage of the DC fast charging infrastructure in North America, including deployments with a number of partners in New Jersey. 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.

Do EVs fall under the definition of demand side management and energy efficiency as set forth at N.J.S.A. 48:3-51 and/or N.J.S.A. 48:3-98.1.d.?

Greenlots is a member of ChargEVC and is supportive of ChargEVC's stated rationale for classifying EVs under the definition of demand side management and energy efficiency.

Greenlots has been providing load management of EV charging for a number of years. This includes local and distribution level-focused management. Some of this activity has been facilitated by traditional demand side management signals such as OpenADR 2.0b, whereas other load management has been focused at the site level and managed within a relatively closed communication and sensing system. While Greenlots recognizes that much of the industry has less experience with demand side management of EV charging loads, as far as Greenlots is concerned, managed charging clearly is demand side management, and clearly falls under the definition of such in N.J.S.A. 48:3-51.

Likewise, Greenlots believes that managed EV charging clearly fits within the definition of energy efficiency as contained in N.J.S.A 48:3-98.1. While fueling vehicles with electricity is inherently

more efficient from an energy standpoint than with traditional fuels, more importantly, managed EV charging makes the use of electricity more efficient at a system level for New Jersey customers. And potentially, much more efficient by charging (or not charging) based on grid conditions. This can reduce line losses, costs of unnecessary peaking facilities, integration of lower cost renewables, and importantly, managed charging can reduce the capacity of infrastructure required to support the deployment of chargers—especially if the BPU can play an active role in the proliferation of EVs. This latter piece we will wish to further explore with the BPU, utilities, and stakeholders, and help develop an incentive structure for utilities to forego potentially unnecessary upgrades by way of planning for managed charging. In sum, these elements all will result in downward pressure on customer rates due to more efficient use of the distribution system.[1]

Should owners and operators of EVSE that provide electric vehicle charging service be regulated as electric utilities? Are operators of EVSE reselling electricity or providing a charging service?

Greenlots does not believe that owners and operators of EVSEs should be regulated as electric utilities. These operators are providing a charging service and not specifically reselling electricity. This view rests both on strong legal and administrative precedent from other states, the definition of an electric utility under New Jersey law, and also on practical, real world application.

Numerous states have looked at this issue, and have concluded that EVSEs should not be regulated as electric utilities. Among others, these jurisdictions include California, New York, Oregon, Colorado, Florida, Hawaii, Illinois, Maryland, Minnesota, Washington, Virginia, and DC.

From a legal perspective, under N.J.S.A. 48:2-13 a., an electric utility

> *may own, operate, manage or control within this State any railroad, street railway, traction railway, autobus, charter bus operation, special bus operation, canal, express, subway, pipeline, gas, electricity distribution, water, oil, sewer, solid waste collection, solid waste disposal, telephone or telegraph system, plant or equipment for public use...*

EVSE providers and site hosts (say a workplace or a shopping center) neither own, operate, manage, nor control electricity distribution systems in the state, and therefore should not be regulated as a public utility. While having optionality for site hosts to charge by the kwh is important, and sounds like the resale of electricity, this is really just a measurement for the provision of the charging service.

From a practical perspective, there are many examples that like EVSEs provide a service relying upon electricity, but are not regulated as a utility. Our feeling is that if EVSEs were to be

[1] Other firms have looked at this dynamic elsewhere and showed this positive overall impact on system efficiency For example, see E3's report for California https://www.ethree.com/tools/electric-vehicle-grid-impacts-model/.

regulated as a utility, the BPU would need to look at regulating a range of other services as electric utilities as well.

Greenlots looks forward to continuing to engage in this process and support the BPU's investigation into these and other issues related to deploying EV infrastructure and growing EV adoption. Please don't hesitate to reach out with questions.

Sincerely,

Thomas Ashley
Vice President, Policy