

Camacho, Aida

From: Appleton, James <japleton@njcar.org>
Sent: Monday, June 15, 2020 2:45 PM
To: Secretary, Board
Subject: [EXTERNAL] DOCKET #QO20050357: IN THE MATTER OF STRAW PROPOSAL ON ELECTRIC VEHICLE CHARGING INFRASTRUCTURE BUILD OUT
Attachments: image006.emz; image007.emz; image010.emz
Importance: High



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June 15, 2020

Ms. Aida Camacho, Secretary
New Jersey Board of Public Utilities
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Via electronic submission to board.secretary@bpu.nj.gov

RE: DOCKET #QO20050357: IN THE MATTER OF STRAW PROPOSAL ON ELECTRIC VEHICLE CHARGING INFRASTRUCTURE BUILD OUT

Dear Ms. Camacho:

Thank you for the opportunity to comment on **Docket # QO20050357: In The Matter Of Straw Proposal On Electric Vehicle Charging Infrastructure Build Out**. NJ CAR is the Statewide trade association that represents New Jersey's franchise new car and truck dealers, who offer 40 models with a plug, right now, and will be offering dozens of additional models from virtually every automaker over the next few years.

New Jersey new car dealers are the retail network that will be tasked with meeting the State's ambitious goal of selling more than 330,000 electric vehicles by 2025 and at least 2 million EVs by 2035. Just to put things in perspective, there are currently fewer than 40,000 plug-in vehicles registered in New Jersey. So, clearly, we have a long way to go and charging infrastructure is a major part of the strategy moving forward.

What is the best way to encourage the development of EV infrastructure and what role should the BPU and regulated public utilities play? The straw proposal seems to offer up a sensible approach, allowing public utilities to recover the cost of making DC Fast Charging sites ready, but leaving the installation and operation of DC Fast Chargers to Electric Vehicle Service Providers (*EVSPs*) and non-public utility entities. The straw proposal further contemplates a Provider of Last Resort role

for public utilities, if EVSPs do not step up to build charging infrastructure in underserved communities.

On its face, this division of labor and responsibilities make sense. But the straw proposal fails to recognize or deal with a serious problem in the EV charging ecosystem, one that has been ignored for too long. The problem: not all DC Fast chargers are available to all EV drivers. Tesla has built and is operating a ***segregated charging network*** available to Tesla drivers, only, even as all other EVSPs have deployed ***universal charging*** infrastructure that accommodates all comers, including Tesla vehicles.

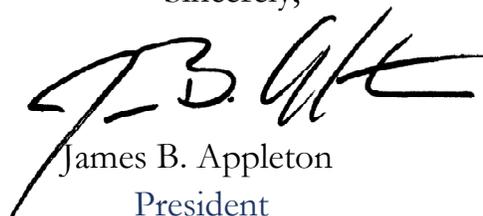
Tesla's plan is to build a vertically integrated monopoly that controls everything from the design and manufacture of EVs to distribution and sales, service, and even refueling. And it is certainly up to Tesla to decide how the company goes to market. But the BPU should not permit EDC ratepayer-funded Charger Ready investment to support a ***segregated Tesla charging network*** on the same basis as all other EVSP universal charging. Public utility support to make ready Tesla DC Fast chargers simply should NOT be part of the equation so long as Tesla chooses to maintain a ***segregated charging network***.

Fewer than half of the 40,000 vehicles with a plug registered in the State of New Jersey, today, wear the Tesla brand. Meanwhile, the sale of competing EV models is growing at 3-4 times the rate of Tesla sales in the Garden State. It is important, therefore, that the BPU straw proposal contemplate some mechanism to ensure that EDCs give priority to Charger Ready investment supporting EVSE infrastructure projects that serve ***all*** EV drivers, and discourage charger ready investment to help build out Tesla's ***segregated charging network***.

There is another obstacle to universal DC public fast charging, which the straw proposal acknowledges: ***demand charges***. We support the solution presented in the straw proposal, which would create a "set point" for demand charges. The immediate need for a demand charge solution is a function of low utilization, now, during the early stages of EV adoption. But, as more EVs are placed in service and utilization increases, the "set point" can be adjusted or eliminated altogether. A "set point" solution to the demand charge problem may be short lived, but, today, there is an urgent need to act quickly to ensure private capital will fall in behind the EDC make ready investments and potential investors will begin the build out of an extensive network of universal DC public fast chargers as soon as possible.

Thank you for your kind attention to our comments on the straw proposal and for the opportunity to participate as a stakeholder **In The Matter Of Straw Proposal On Electric Vehicle Charging Infrastructure Build Out.**

Sincerely,



James B. Appleton
President

JBA:md

