



November 20, 2020

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

Submitted electronically via <https://secure.floridapsc.com/ClerkOffice/EfilingPublic>

Re: Undocketed File, Docket No. 20200000-OT / SB 7018
Post-workshop comments

Dear Clerk,

Please find the attached post-workshop comments submitted on behalf of Sierra Club in the above-referenced docket. Sierra Club previously submitted comments in this docket on October 2, 2020 and participated in the stakeholder workshop on October 21, 2020.

If you have any questions about our comments, please do not hesitate to contact me.

Respectfully submitted,

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SIERRA CLUB POST-WORKSHOP COMMENTS

Undocketed File)
Docket No. 20200000-OT / SB 7018)
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INTRODUCTION

Sierra Club appreciates the opportunity to participate in this process to help address key policy considerations regarding electric vehicles (EVs) and EV charging infrastructure in Florida, particularly along the state highway system. Sierra Club addressed the Commission’s specific questions related to EVs and EV charging infrastructure in comments dated October 2, 2020, and participated in the Commission’s October 21 workshop. Sierra Club presents these post-workshop comments for the Commission’s consideration as it works with the Florida Department of Transportation and other agencies to create an EV Infrastructure Master Plan as called for by SB 7018.

At the outset, we encourage the Commission, as part of the EV Infrastructure Master Plan process, to set out a series of written findings based on the information presented by stakeholders in this proceeding, both in the comments and in the workshop. These findings should note, for example, the many areas where there was broad consensus among stakeholders in docket, which include utilities, EV charging service providers, agency staff, cities, and public interest organizations. Such findings would not only help bolster the Commission’s specific recommendations regarding SB 7018, but could also help inform future EV policy considerations that State will need to address that extend beyond the parameters of the EV Infrastructure Master Plan.

1. The Commission should state that transportation electrification is in the public interest.

Transportation electrification supports a wide range of benefits, including benefits to the grid, economy, public health, ratepayers, and energy security. Sierra Club explained in our earlier comments that a well-managed increase in EV adoption can provide numerous benefits to the electric grid and ratepayers: reducing rates for all ratepayers, including those that do not drive an EV, by spreading costs over greater electricity demand; lowering emissions of greenhouse (GHG) gases and local air pollutants, including in low- and moderate-income communities that are disproportionately burdened by vehicle pollution; lowering the cost of transportation and increasing equitable access to transit mobility; and by helping to integrate renewables onto the grid.¹ In both comments and in the workshop, there was a clear consensus among the various stakeholders around the potential benefits of a well-managed increase in EVs in Florida. In the *Draft EV Infrastructure Master Plan Status Report*, the Florida Department of Transportation notes that one of the primary goals of the Master Plan process is to “[e]ncourage the expansion of electric vehicle use in the state.”² Sierra Club supports this goal, and recommends that the Commission and the Department of Transportation include specific findings that help explain *why* this goal is important and why achieving it would be beneficial. Utility regulators in many states have concluded that transportation electrification is

¹ Sierra Club, Comments at 3 (filed Oct. 2, 2020) (hereafter “Sierra Club Comments”).

² Florida Department of Transportation, *Draft EV Infrastructure Master Plan: Status Report*, at 2 (to be released Dec. 1, 2020) (hereafter “Draft Status Report”).

in the public interest and included a statement to that effect when considering utility proposals.³

Sierra Club recommends that the Commission adopt a finding that summarizes these key benefits. Proposed language for such a finding is set out below:

The Commission finds that electrification of Florida’s transportation sector can further the public interest by: reducing costs for all ratepayers by increasing utility revenues while spreading fixed costs over increased electric load; reducing emissions of GHGs and local air pollutants that often disproportionately impact low- and moderate-income communities; improving system utilization, shaving peaks and filling valleys in load; and better integrating variable generating resources such as wind and solar by improving the flexibility of electricity load and increasing the potential for electricity consumption during hours when variable generation is most prevalent on the system.

2. The Commission should state that utilities are well positioned to address critical barriers to EV adoption and require utilities to submit and/or update transportation electrification proposals.

As Sierra Club explained in our prior comments, electric utilities are well situated to address many of the most critical barriers to EV adoption, including the up-front cost of EVs, driver range-anxiety based on available public charging facilities, and consumer awareness around the environmental, cost, and grid benefits of driving an EV.⁴ In its *Draft Status Report*, the Florida Department of Transportation identified the up-front costs of EVs, driver range

³ See, e.g., *Order Making Findings and Requiring Filings* at 10, Docket E-999/CI-17-879, Minnesota Public Utilities Commission (filed Feb. 1, 2019) (finding that “electrification is in public interest” because “electrification of Minnesota’s transportation sector can further public interest in” affordable, economic electric utility service, renewable energy, and clean energy); *Order Adopting Guiding Principles and Commencing a Second Collaborative Technical Conference* at 12, 34, Case No. U-18368, Michigan Public Service Commission (filed Dec. 20, 2017) (finding that: “(1) transportation electrification is in the public interest, (2) transportation electrification in Michigan is lagging and barriers need to be addressed, and (3) electric companies are uniquely suited to help.”).

⁴ Sierra Club Comments at 21, 24.

anxiety, and lack of consumer awareness as three key barriers to EV adoption; the Department also noted gaps in the current deployment of electric vehicle supply equipment (EVSE) and highlighted various barriers to increased deployment of EV charging stations, including demand charges for Level 3 direct current fast chargers (DCFC), among others.⁵ Sierra Club agrees that these are key barriers that need to be addressed in order for Florida to effectively support growth in EV adoption and realize the full benefits of transportation electrification.

Sierra Club encourages the Commission to (1) include a finding that utilities are well-positioned to address these barriers, and (2) direct utilities to submit and regularly update transportation electrification proposals. Where utilities already have EV pilots approved or submitted, the Commission could direct utilities to update those programs in accordance with its guidance, expand them, or to file programs targeting support for transportation electrification in new infrastructure and vehicle market segments. In our comments and in the workshop, Sierra Club advocated that the Commission define a role for utilities to help address EV charging infrastructure, rate design, and education and outreach barriers related to transportation electrification and to focus utilities' efforts on management of EV charging load through time-of-use rates and managed charging. We also advocated that the Commission facilitate open access to EV charging and allow for flexibility and innovation in utility proposals.⁶ Indeed, there is consensus among stakeholders to this process, including utilities,⁷ EV charging

⁵ Florida Department of Transportation, *Draft Status Report* at 5, 8.

⁶ Sierra Club Comments at 18, 22, 25.

⁷ See, e.g., Duke Energy Florida Comments at 2-3 (Oct. 2, 2020).

service providers,⁸ and the public interest community,⁹ that appropriately structured utility engagement can support rather than stifle competition in the EV charging marketplace. This consensus is reflected in utility dockets throughout the country, as utility commissions have recognized the benefit of utility engagement in this field and approved more than \$2.6 billion in utility investments in EVs and EV charging infrastructure.¹⁰

Sierra Club renews its recommendation that the Commission direct utilities in Florida to submit and/or update transportation electrification proposals to the Commission by a date certain to help address barriers to EV adoption.¹¹ This proposed path would efficiently implement one of the solutions identified in the Department of Transportation’s Draft Status Report, which recommends the state “[e]valuate the process and regulations related to investor-owned utility investments in EVSE” and “[w]ork with utility industry stakeholders to develop proposals for new rate structures that address transportation electrification.”¹²

As one instructive example, in February 2019 the Minnesota Public Utilities Commission issued an order finding that electrification is in the public interest and setting expectations for utilities to “develop and file EV-related proposals intended to encourage the adoption of EVs” by “expanding the availability of charging, both home and public,” “enhancing consumer awareness,” “facilitating the electrification of fleet vehicles” and “encourag[ing] environmentally and economically optimal EV integration” through “time-of-use rates” and

⁸ See, e.g., ChargePoint Comments at 7-8 (Oct. 2, 2020); EVgo Comments at 4 (Oct. 2, 2020).

⁹ See, e.g., Sierra Club Comments at 21-24 (Oct. 2, 2020); Southern Alliance for Clean Energy Comments at 10-12 (Oct. 2, 2020).

¹⁰ https://www.atlasevhub.com/weekly_digest/utility-investment-up-for-the-year-but-quiet-in-first-half/.

¹¹ Sierra Club Comments at 13.

¹² Department of Transportation, *Draft Status Report* at 15.

“smart charging.”¹³ The Commission then directed utilities to develop and regularly file a “transportation electrification plan identifying what EV-related initiatives the utility is contemplating over the next two years” and to develop specific component program proposals for those plans. For each utility program proposal, the Commission specified 14 different topics that should be addressed, including rates, performance goals, ratepayer benefits, budget, public education and outreach, arrangements to ensure interoperability, and program reporting, among others.¹⁴

Sierra Club encourages this Commission to follow that model by inviting comment on a Draft Order, then finalizing it to provide certainty to utilities on what to include and the criteria by which proposals will be judged. As one additional component of any such order, Sierra Club recommends this Commission direct utilities to include information on how its plans would improve access to clean transportation options for low-income customers and reduce transportation air pollution in communities disproportionately burdened by transportation pollution.

3. The Commission should convene a broader stakeholder group—including state agencies, utilities, EV manufacturers, EV charging service providers, and public interest groups—to identify and address additional strategies to promote growth in the EV market in Florida.

Recognizing that the Commission’s specific charge here is to help create a Master Plan for EV charging along state highways, Sierra Club recommends that the Commission open a broader EV investigation docket to explore ways to promote and integrate EVs throughout

¹³ Minnesota Public Utilities Commission, *Order Making Findings and Requiring Filings* at 11, Docket E-999/CI-17-879 (Feb. 1, 2019).

¹⁴ *Id.* at 13-14. The Michigan Public Service Commission issued a similar order in 2017. Michigan Public Service Commission, Case No. U-18368, *Order* at 34 (Dec. 20, 2017).

Florida.¹⁵ This proposed stakeholder group matches one the Department of Transportation’s recommendations, that the State “[c]onvene a Florida EV stakeholder and inter-agency work group that includes Federal, state, local, private, and research organizations.”¹⁶ Although this docket touches on many different aspects of EVs and EV charging infrastructure, the Commission’s narrow charge from the Legislature to implement SB 7018’s call for a highway charging Master Plan necessarily means that many connected and relevant issues, such as the need for solutions that increase available Level 2 chargers at workplaces, in downtowns, near multi-unit dwellings, and in rural communities, could benefit from further exploration.

The proposed stakeholder proceeding has proven to be a common and effective way for states to bring various viewpoints together at one table, identify key concerns and areas of consensus, and propose policy solutions, including those that require attention from the legislature or Governor’s office as opposed to falling under the Commission’s purview. As one such example, the Department of Transportation’s Draft Status Report identifies several potential implementation strategies from other states that were not fully explored in this proceeding, including setting statewide targets for EV adoption and EVSE growth, as North Carolina and Tennessee have done, and public-private funding partnerships aimed at public EV charging in Connecticut and Colorado.¹⁷ Moreover, the opportunities for regional collaboration and for maximizing state efforts in combination with Federal policies may increase dramatically in 2021 with a new administration in Washington D.C. Among other policies, the incoming administration has identified goals of electrifying America’s 500,000 school buses, ensuring

¹⁵ Sierra Club Comments at 2-3, 13.

¹⁶ Florida Department of Transportation, *Draft Status Report* at 15.

¹⁷ Florida Department of Transportation, *Draft Status Report* at 12.

every city with more than 100,000 people has access to zero emission public transit options, and investing in 500,000 new EV charging stations throughout the country during the next four years.¹⁸

4. The Commission should plan now for robust EV adoption.

As Sierra Club explained in our initial comments, the Commission's decisions now will play a key role in ensuring widespread adoption of EVs results in widespread benefits to all Floridians. These benefits will be maximized only where the new load from EVs is well managed.¹⁹ To that end, Sierra Club recommended the State base any policy recommendations on the Bloomberg New Energy Finance (BNEF) national projections for EV growth, which are updated annually. Based on this estimate, Sierra Club anticipates that EVs in Florida will grow from more than 60,000 today,²⁰ to 1.4 million in 2030 and 7.2 million in 2040.²¹ No other stakeholders identified more reliable statewide estimates, either in comments or in the October 21 workshop. Those numbers, which present robust growth in the Florida EV market, would entail annual sales percentages for light-duty vehicles in Florida of 24% in 2030 and 60% in 2040.

Yet there are calls, which Sierra Club supports, from diverse interests to far exceed those sales percentages and on far tighter timeframes. The Zero Emission Transportation Association (ZETA), announced just earlier this week, targets an ambitious goal of 100% of new vehicle sales being electric in the U.S. by 2030 – including light, medium, and heavy-duty

¹⁸ <https://joebiden.com/clean-energy/>.

¹⁹ Sierra Club Comments at 3.

²⁰ Department of Transportation, Draft Status Report at 6.

²¹ Sierra Club Comments at 8-9.

vehicles.²² ZETA's 28 founding organizations include utilities, vehicle manufacturers, EV charging service providers, and others, and includes multiple organizations that are participating in this docket.²³ If those efforts are successful, and Sierra Club hopes that they are, Florida would need to plan not for 7.1 million EVs on its roads in 2030, but for a much higher number as Florida's 16 million light-duty vehicles, as well as all medium- and heavy-duty-vehicles, transition to electric.²⁴

CONCLUSION

Sierra Club appreciates the Commission's approach to engaging stakeholders in the implementation of SB 7018 and the creation of the EV state highway charging Master Plan. As set out above, Sierra Club recommends the Commission take the following specific steps:

- 1. Issue a written finding as part of this docket and the EV highway charging Master Plan process stating that transportation electrification is in the public interest.**
- 2. Direct utilities to submit and/or update transportation electrification proposals designed to help overcome EV adoption barriers, particularly in low- and moderate-income communities.**
- 3. Convene a broader stakeholder group—including state agencies, utilities, EV manufacturers, EV charging service providers, and public interest groups—to identify and address additional strategies to promote well-planned growth in the EV market in Florida.**
- 4. Plan for robust growth in EV adoption and the necessary EV charging infrastructure in Florida.**

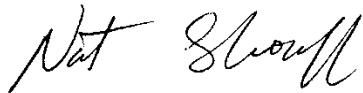
²² <https://www.zeta2030.org/news/clean-transportation-leaders-launch-zero-emission-transportation-association/>.

²³ For a full list of groups in ZETA, see the link in note 22.

²⁴ See Department of Transportation, *Draft Status Report* at 6 (noting 16.5 million registered light-duty vehicles in Florida as of July 28, 2020).

Sierra Club looks forward to working with the Commission and other stakeholders to ensure transportation electrification in Florida occurs swiftly, maximizes environmental and grid benefits, and reaches all ratepayers in an equitable manner.

Respectfully submitted,



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