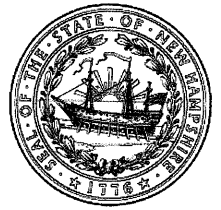




The State of New Hampshire  
**Department of Environmental Services**



**Robert R. Scott, Commissioner**

July 12, 2022

**VIA ELECTRONIC MAIL ONLY**

Daniel Goldner, Chairman  
New Hampshire Public Utilities Commission  
21 South Fruit Street, Suite 10  
Concord, NH 03301-2429

RE: Docket DE 21-078 - Petition for Electric Vehicle Make-Ready and Demand Charge Alternative Proposal – New Hampshire Department of Environmental Services Support for Settlement Agreement

Dear Chairman Goldner:

The New Hampshire Department of Environmental Services (NHDES) supports the Settlement Agreement reached by the intervening parties to Docket DE 21-078 relative to Eversource Energy's Electric Vehicle Make-Ready and Demand Charge Alternative Proposal.

NHDES is the lead agency for implementing projects and programs funded through the New Hampshire Volkswagen Beneficiary Mitigation Trust (VW Trust). The VW Trust was established via a federal settlement for vehicle tampering violations by Volkswagen companies. The purpose of the VW Trust is to reduce emissions from the transportation sector which is a significant source of particulate pollution and the largest source of air pollutants contributing to ground level ozone, a respiratory irritant, in New Hampshire and the region. While the State is currently in attainment with federal ozone and particulate standards, we frequently experience pollution levels very close to or over those standards. Under the VW Trust, New Hampshire was awarded approximately \$31 million to implement projects and programs to reduce emissions from the transportation sector, 15 percent of which may be used to support vehicle electrification. The New Hampshire Beneficiary Mitigation Plan<sup>1</sup> dedicates the maximum allowed, approximately \$4.6 million, for development of EV charging infrastructure to support adoption of EVs in New Hampshire and the region. Electric vehicles have no direct emissions and, even when factoring in production of the vehicles and batteries and the generation of the electricity to charge them, overall emissions are significantly lower than conventional gas and diesel vehicles.

Currently there are relatively few electric vehicles (EVs) registered in New Hampshire<sup>2</sup>. However, all major automobile manufacturers are transitioning their production to either include or predominantly feature EVs, and all neighboring states and provinces, whose residents travel to and within New Hampshire, have programs and policies designed to support and increase adoption of EVs. Sales of EVs are projected to significantly increase in New Hampshire and the region as more makes and models

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<sup>1</sup> [New Hampshire Beneficiary Mitigation Plan 2018 \(nh.gov\)](#)

<sup>2</sup> Approximately 3,500 EVs registered in NH as of 1/1/2021 based on a NHDES analysis of NH vehicle registration data.

become available and battery costs and, therefore, EV costs, continue to decline. Electrification of the transportation sector will have significant air quality and other environmental benefits and NHDES supports actions that will accelerate this transition.

There are only five direct current fast charging (DCFC) facilities that are publicly accessible 24 hours per day and capable of serving non-Tesla EVs in New Hampshire<sup>3</sup>. These stations are in Seabrook, Bedford, Manchester (two stations), and West Lebanon NH. The remainder of the State does not have reliable DCFC capable of serving residents and visitors. None of these stations were publicly funded and, therefore, none are required to, and do not, share or report usage data to any public entity. NHDES has solicited proposals for public access DCFC utilizing our VW Trust. Under this solicitation, funded recipients will be required to install, operate, and maintain publicly accessible DCFC for a period of five years *and report data* relative to number of charging sessions, total amount of energy delivered and the level of demand per session. This data will help inform development of appropriate EV charging rates. However, even with the VW Trust funding there is still hesitancy in the private sector to install EVSE because of high utility make-ready costs, which are not an eligible expense under the grant program. Those costs, as well as potential demand charges which were not designed with EV charging in mind, lead to uncertainty of the profitability of a station for potential investors. The Eversource proposal, which is limited in both scope and duration, will help alleviate some concerns. In addition, by leveraging the VW funds, Eversource's investment in a site is more likely to result in a successful charging station. Coupling with the VW funding lowers the risk of stranded investment and provides a better cost benefit to ratepayers.

While most EV charging currently occurs at home using 110 or 220/240 volt power, not all NH residents have access to power where they park; thus, a significant portion of NH residents cannot own an EV absent public charging. Operation and maintenance costs of an EV are lower than conventional internal combustion passenger vehicles<sup>4</sup>. As used EVs and the next generation of new low cost EVs come onto the market, these vehicles will provide an affordable option for many New Hampshire residents provided public charging is available.

NHDES agrees that it is appropriate for users of the electric grid to be charged according to the cost to serve them. However, the data does not currently exist to truly understand those costs relative to use of DCFC electric vehicle supply equipment (EVSE) in New Hampshire. This Eversource proposal will allow such data to be gathered at multiple locations which will help inform appropriate rate setting decisions.

Recently the Commission issued Order 26,623<sup>5</sup> relative to Unitil Energy's Request for Change in Rates in docket DE 21-030 in which Unitil proposed, among other things, an EVSE "make-ready" program of up to \$572,00 for "up to four third-party owned and operated Direct Current Fast Charging (DCFC) stations in the Unitil service territory". In its order the Commission denied Unitil's proposed program referencing the principle of "unreasonable cross-subsidization of expansionary business by an existing utility" but noted that the Commission has "discretion in balancing the need for fairness in avoiding cross-

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<sup>3</sup> See [Alternative Fuels Data Center: Alternative Fueling Station Locator \(energy.gov\)](https://energy.gov/alternative-fuels-data-center/alternative-fueling-station-locator)

<sup>4</sup> [Cost to Maintain an Electric Car | GreenCars](https://www.greencars.com/cost-to-maintain-an-electric-car)

<sup>5</sup> NH PUC Order 26,623 [26-623.pdf \(nh.gov\)](https://www.nh.gov/puc/orders/26-623.pdf) issued May 3, 2022

*subsidization with ensuring the overall public interest*". NHDES asserts that ensuring reliable, networked EVSE that are available 24/7 is in the public interest.

The proposal by Eversource, which has over 525,000 New Hampshire customers, is very limited in scope and is designed specifically to support only deployment of DCFC funded via New Hampshire's VW Trust. The limited investment proposed in DE 21-078 will provide valuable data that can then be used by the PUC to better understand the actual cost of adding this load to the existing grid and evaluate and design an appropriate rate structure for all regulated utilities. NHDES supports both the proposed make-ready investment and the demand charge alternative for DCFC as proposed by Eversource.

Sincerely,

A handwritten signature in black ink, appearing to read 'Robert R. Scott', with a large, sweeping flourish extending to the right.

Robert R. Scott  
Commissioner