

New Hampshire Public Utilities Commission

Eversource Docket DE 21-078

Petition for Electric Vehicle Make-Ready and Demand Charge Alternative Proposals

Closing Statement of New Hampshire Department of Environmental Services

The New Hampshire Department of Environmental Services (NHDES) offers the following closing remarks in support of the Settlement Agreement providing for implementation of Eversource's Electric Vehicle Make-Ready and Demand Charge Alternative Rate Proposals.

The transportation sector, which currently utilizes primarily hydrocarbon-based fuels, is the largest source of local air pollutants that contribute to ground level ozone, a respiratory irritant that can negatively affect human health and welfare and our natural environment, as well as a significant source of other harmful pollutants. Electrification of the transportation sector can significantly reduce this pollution and result in a cleaner and healthier environment for New Hampshire residents and visitors.

The electric vehicle (EV) market has developed considerably over the past decade and today new EVs are widely available and affordable, with an even lower cost used EV market developing quickly. Operation costs of EVs are generally lower than conventional vehicles. However, lack of available public charging infrastructure, known as electric vehicle supply equipment (EVSE), puts downward pressure on EV adoption rates. Lack of public infrastructure also limits the opportunity for EV adoption for lower income New Hampshire residents and for residents who live in multi-unit or rental dwellings that cannot install their own home chargers.

New Hampshire regulators and electric utilities currently have very little data on which to develop an appropriate rate structure for public EVSE. Leveraging the New Hampshire Volkswagen Mitigation Trust (NH VW Trust) funding as proposed will provide significantly more data at a lower cost to regulators and utilities than could be generated by a similar, independent utility pilot program. An increase in the number of EVs traveling and recharging within New Hampshire is inevitable. The data that will be generated by this limited scope investment can provide the basis for making informed rate structure decisions in the future. Because the NH VW Trust shares the cost of gathering the data this delivers a good value for rate payers.

New Hampshire has approximately \$4.6 million available through the NH VW Trust to support installation of public EVSE statewide. Through the work of the Electric Vehicle Charging Station Infrastructure Commission,¹ established by Senate Bill 517 (2018), several travel corridors were identified as priority locations for use of the NH VW Trust funds to support the installation of charging infrastructure in New Hampshire. In a Request for Proposals (RFP) released on September 17, 2021, NHDES made the NH VW Trust funds available for *“qualified applicant(s) to install EVSE and provide associated operations, maintenance, and management services for such EVSE along specified corridors in New Hampshire”* to increase availability of Direct Current Fast Charging (DCFC) infrastructure along several of those priority corridors.

Installation of DCFC can be quite expensive in some locations as the electric infrastructure both in front of and behind the customer’s meter may not be adequate for these high-powered chargers. Eversource’s proposed make-ready program would provide up to \$2.1 million to support installation of DCFC in conjunction with the NH VW Trust funding being provided by NHDES.

Section 1.1 of the RFP, Purpose and Funding, states that *“up to 80 percent of eligible costs may be reimbursed from the NH VW Trust for selected proposals, or up to 100 percent of eligible costs for EVSE located on state or local government-owned property.”* Section 2.4 of the RFP lists eligible and non-eligible project costs. Per Section 1.1, non-eligible costs do not qualify for reimbursement under the grant program, nor may any non-eligible costs count toward the required 20 percent match, as that matching requirement applies specifically to *“eligible costs.”* Some non-eligible costs could present a significant barrier to private investment in public charging stations that may, in the nearer term, be under-utilized. However, absent chargers in high priority locations potential EV adopters may continue to hesitate to purchase EVs and current EV drivers may hesitate to visit under-served areas of the state. A combination of NH VW Trust project cost reimbursement and Eversource make-ready infrastructure investment can serve to overcome these barriers.

Eversource’s proposal could provide funding for two aspects of a project selected under the NHDES VW Trust funding solicitation. The funds could be used for in front of the meter infrastructure that are not eligible for NH VW Trust funding and, if not covered by the utility, would

¹ See <https://www.des.nh.gov/organization/divisions/air/tsb/tps/msp/sb517.htm> for meeting materials and minutes for this Commission.

otherwise be the responsibility of the project host. That funding could enable development at some of the more rural sites where initial usage rates may be low. Eversource could also provide funding for some portion of the “behind the meter” costs that are eligible for the NH VW Trust funds. Such investment by Eversource would increase the total number of stations that could be supported by the NH VW Trust. The applicant will remain responsible for providing at least 20 percent of the eligible cost-share portion of a project regardless of the source of the funding for the 80 percent share of eligible costs. No Eversource investment will ever count toward the required 20 percent match. Ensuring the minimum 20 percent applicant investment in a project will be achieved by working collaboratively with Eversource to share information on the value of any Eversource investment in each project throughout the project timeline. NHDES’s program will be implemented on a reimbursement basis, so all sources of funding and the value of Eversource investments will be known before a selected applicant is reimbursed by NHDES. An applicant will only be reimbursed for up to 80 percent of the value of its investment in the project. In no case will an applicant pay less than 20 percent of the eligible costs of its project.

All NH VW Trust funded EVSE must be open to the public 24 hours per day. This helps support EV adoption by a wide swath of NH residents, including low-income residents. It will also support tourism and business travel to and within the state, thus directly supporting the state’s tourism-based economy.

NHDES strongly supports the Settlement Agreement and thanks the Commission for its efforts to issue an Order in this docket by August 15th, which will enable coordination of available funding to maximize deployment of EV charging stations in New Hampshire.