



For Immediate Release: 01/19/23

Rory M. Christian, Chair

Contact:

James Denn | James.Denn@dps.ny.gov | (518) 474-7080

<http://www.dps.ny.gov>

<http://twitter.com/NYSDPS>

23008 / 22-E-0236

PSC Approves Beneficial Utility Rates for Electric Vehicle Charging Stations

Commission Action Designed to Reduce Climate Pollution and Improve Environment

ALBANY — The New York State Public Service Commission (Commission) today approved a series of incentives, programs and tariffs designed to reduce the utility bills for commercial electric vehicle (EV) charging, which includes fleet charging and public fast charging stations. The solutions are designed to reduce the impacts of demand charges on the operating costs for EV charging stations, particularly in the near-term when EV adoption is still growing.

“It is clear that the electric vehicle charging industry faces challenging economics under today’s market conditions, particularly in areas where electric vehicle adoption does not yet generate a sufficient level of sales to offset the utility costs” **said Commission Chair Rory M. Christian.**

“Electric vehicle deployment will play a key role in meeting the dramatic carbon reduction goals set forth in the Climate Leadership and Community Protection Act, or Climate Act, and our decision today provides the industry with a level of operating cost relief that will accelerate investment.”

The Climate Act established both near-term and long-term nation-leading climate goals for New York State, that are expected to result in as many as three million zero emissions vehicles on the road by 2030. To meet those goals, the Commission established the EV infrastructure ‘make-ready’ program to spur the growth of the EV market in New York by funding over 50,000 EV charging stations by 2025.

The Commission’s action today directs the utilities to develop three different solutions that are alternatives to traditional demand-based rates. First, the utilities will develop a demand charge rebate that provides a 50 percent demand charge credit for all commercial EV charging-use cases at National Grid, Central Hudson Gas & Electric Corp., New York State Electric and Gas Corp., (NYSEG) and Rochester Gas & Electric Corp. (RG&E), and for public direct current fast charging (DCFC) at Consolidated Edison Company of New York, Inc. (Con Edison) and Orange and Rockland Utilities, Inc. (O&R).

Second, Con Edison and O&R will implement a commercial managed charging program that provides use-case specific incentives in lieu of the demand charge rebate, as well as value-based bill credits that provide operating costs relief for EV charging stations that are able to avoid charging during the costliest times for the grid. The remaining upstate utilities will propose commercial managed charging programs within 180 days, allowing more time to develop their programs.

Third, the Commission adopts the EV phase-in rate proposed in the staff whitepaper, which begins as a time-of-use rate, and blends in a demand charge as charging station utilization improves. The EV phase-in rate provides much needed operating cost relief in the near-term when station utilization may be limited, while gradually transitioning the station to more are more sustainable and cost reflective rate design in the long run. The EV phase-in rate is expected to result in driver costs that are at least 30 percent less expensive than the equivalent cost of gasoline, using today's prices.

The overarching goal of the Commission's actions today was to create commercial EV solutions that are alternatives to the traditional demand-based utility rates, and meet certain requirements that include:

- technology-agnostic solutions that do not discourage innovation;
- mechanisms to enable customers with fast EV charging for eligible light duty, heavy duty, and fleet EVs as their largest source of energy demand to opt into solutions without unreasonable delay;
- solutions for both existing and new customers and mechanisms that would provide cost relief for customers during each combination gas and electric corporation monthly billing period; and
- combination gas and electric corporation service territory-specific solutions.

Today's decision may be obtained by going to the Commission Documents section of the Commission's Web site at www.dps.ny.gov and entering Case Number 22-E-0236 in the input box labeled "Search for Case/Matter Number". Many libraries offer free Internet access. Commission documents may also be obtained from the Commission's Files Office, 14th floor, Three Empire State Plaza, Albany, NY 12223 (518-474-2500). If you have difficulty understanding English, please call us at 1-800-342-3377 for free language assistance services regarding this press release.