

January 24, 2024

Will Seuffert, Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, Minnesota 55101

Re: Docket No. E002/M-23-452. In the Matter of Xcel Energy's 2023 Integrated Distribution Plan / 2023 Transportation Electrification Plan.

Dear Secretary Seuffert,

EVgo Services, LLC (EVgo) and Tesla, Inc (Tesla), (together, "the Joint Charging Providers"), appreciate the opportunity to provide these comments related to the Transportation Electrification Plan ("TEP") filed by Xcel Energy ("Xcel" or "the Company") within its 2023 Integrated Distribution Plan on November 1, 2023.

About EVgo

EVgo is a leader in charging solutions, building and operating the infrastructure and tools needed to expedite the mass adoption of electric vehicles for individual drivers, rideshare and commercial fleets, and businesses. EVgo is one of the nation's largest public fast charging providers, featuring over 950 fast charging locations across more than 35 states, including stations built through EVgo eXtend™, its white label service offering. EVgo is accelerating transportation electrification through partnerships with automakers, fleet and rideshare operators, retail hosts such as grocery stores, shopping centers, and gas stations, policy leaders, and other organizations. With a rapidly growing network, robust software products and unique service offerings for drivers and partners including EVgo Optima™, EVgo Inside™, EVgo Rewards™, and Autocharge+, EVgo enables a world-class charging experience where drivers live, work, travel and play. EVgo is an active participant in the competitive market for DCFC in Minnesota, currently owning and operating six fast-charging stalls with plans for expansion.

About Tesla

Tesla is a manufacturer of electric vehicles, energy storage equipment, EV charging equipment, and is also a charging network owner and operator. Tesla currently owns and operates 34 public DCFC sites in Minnesota with a total of 288 chargers with power levels up to 250 kW per charger. Tesla's mission is to accelerate the transition to sustainable energy through the development of all-electric vehicles and clean energy products, including photovoltaic solar and battery storage. All Tesla vehicles sold in the United States are currently manufactured in Fremont, CA and Austin, TX. Tesla's vehicle line-up includes the Model S sedan, Model X crossover vehicle, Model 3 sedan, Model Y crossover vehicle, and the Cybertruck. The vehicles have an all-electric range of up to 405 miles per charge (Model S), and industry-

leading performance and safety ratings. In 2023, Tesla delivered more than 1.8 million vehicles globally¹ and in December 2022, delivered its all-electric Class 8 Semi trucks to the first customer. Worldwide Tesla owns and operates an extensive Supercharger network of public DCFCs with over 50,000 Supercharger connectors deployed globally.²

Comments

The Joint Charging Providers' comments respond to comments filed by Electrify America related to commercial EV charging rate design, and to the Clean Energy Groups related to Xcel's proposed bridge funding for the Public Charging Pilot.

Commercial EV Charging Rate Design

Electrify America notes that "[t]he Company's proposed TEP did not consider any rate design alternatives for public DCFC stations." Electrify America explains that Xcel's current commercial rate design includes a demand limiter that reduces the billed demand for customers with low load factors. While this is generally a positive feature, there is also a provision within the tariff that effectively limits the applicability of this feature to charging station customers with load factors below 13.9%.³ Electrify America recommends the demand limiter be adjusted so that it applies to stations with up to a 24 percent load factor in order to bring it into alignment with other demand alternative rate offerings across the country. Electrify America recommends accomplishing this by modifying the demand limiter provision within the "Determination of Peak Period Demand" section in Xcel's common commercial tariffs from: "[i]n no month shall the on peak billing demand be greater than the value in kW determined by dividing the kWh sales for the billing month by **100** hours per month," to: "[i]n no month shall the on peak billing demand be greater than the value in kW determined by dividing the kWh sales for the billing month by **175** hours per month."

The Joint Charging Providers support this proposal and recommend the Commission adopt this tariff modification within this TEP proceeding. DCFC infrastructure is critical to reach the increasing population of EV drivers and is especially crucial to enable electrification for drivers without access to charging at their residence or workplace such as multifamily residents and renters. One of the most significant obstacles to the widespread deployment of charging infrastructure is the cost of electricity—by far the largest operating cost⁴ for a DC fast charging station. While a demand limiter is an excellent solution to address the issue of demand charges in standard commercial rates, the details make all the difference. Increasing the number of hours used to divide the monthly usage in the demand limiter provision will expand the benefits of this rate to a greater number of low load factor customers and spur additional public charging development in Xcel's service territory to serve a growing population of EV drivers.

¹ <https://ir.tesla.com/press-release/tesla-vehicle-production-deliveries-and-date-financial-results-webcast-fourth-quarter-2023>

² <https://www.tesla.com/supercharger#:~:text=With%2050%2C000%2B%20Superchargers%2C%20Tesla%20owns,you're%20away%20from%20home.>

³ Electrify America, Comments on Xcel Energy's 2023 Transportation Electrification Plan, E-002/M-23-452, at 3.

⁴ EVgo, The Costs of EV Fast Charging Infrastructure and Economic Benefits to Rapid Scale-Up. Avail: <https://www.evgo.com/white-papers/costs-ev-fast-charging-infrastructure-economic-benefits-rapid-scale-up/>

Ensuring this commercial rate adequately supports EV fast charging is crucial for accelerating widespread charger deployment and driving EV adoption in Xcel's MN service territory.

Public Charging Pilot

In initial comments, the Clean Energy Groups (CEGs) recommended the Commission approve the Public Charging Pilot Programs bridge funding.⁵ The Joint Charging Providers support this recommendation and encourage the Commission to approve this program at the budget level proposed. As Xcel explains, the budget is based on the existing pipeline of projects.⁶ While some projects may fall out of the pipeline, over the course of the two-year bridge program, there is also likely to be a number of projects that come *into* the pipeline. Therefore, it is reasonable to approve the budget as proposed. This will ensure there is consistent support available over the course of the bridge program. This support is vital at this stage of the industry, as it significantly reduces the upfront cost of installing EV chargers and is an effective way for utilities to encourage the deployment of EV charging infrastructure while leveraging private capital. As the CEGs note, the extension of this program will support the development of a robust public charging network that will better meet EV drivers' needs, positively impact EV adoption,⁷ and further the state's climate objectives.⁸

Conclusion

The Joint Charging Providers appreciate the opportunity to provide feedback on Xcel's TEP and look forward to working with the Company, the Commission, and other stakeholders to further transportation electrification in Xcel Energy's Minnesota service territory moving forward.

Respectfully,

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⁵ Clean Energy Groups, Initial Comments of Fresh Energy, Minnesota Center for Environmental Advocacy, Sierra Club, Union of Concerned Scientists, Plug In America, and Environmental Law and Policy Center, at 17.

⁶ Xcel Energy, 2023 Integrated Distribution Plan - Appendix H (2023 Transportation Electrification Plan), MPUC Docket No. E002/M-23-452 (Nov 1, 2023) at 66, Appendix H.

⁷ Clean Energy Groups, Initial Comments of Fresh Energy, Minnesota Center for Environmental Advocacy, Sierra Club, Union of Concerned Scientists, Plug In America, and Environmental Law and Policy Center, at 17.

⁸ *Id.*, at 19.