

Agenda Date: 12/15/21

Agenda Item: 8G

STATE OF NEW JERSEY

Board of Public Utilities 44 South Clinton Avenue, 1st Floor Post Office Box 350 Trenton, New Jersey 08625-0350

www.nj.gov/bpu/

		CLEAN ENERGY
IN THE MATTER OF THE FY22 MULTI-UNIT DWELLING EV CHARGING INCENTIVE PROGRAM))))	ORDER ON THE MULTI- UNIT DWELLING ELECTRIC VEHICLE PROGRAM DOCKET NO. QO21101203
Party of Record:		

Brian O. Lipman, Esq., Director, Division of Rate Counsel

BY THE BOARD:

By this Order, the New Jersey Board of Public Utilities ("Board" or "BPU") considers the recommendation of Board Staff ("Staff") to create a Multi-Unit Dwelling ("MUD") Program to encourage electric vehicle ("EV") charging stations at MUDs.

BACKGROUND AND PROCEDURAL HISTORY

On January 17, 2020, Governor Murphy signed S-2252 into law, constituting the EV Act. 1 The EV Act, in relevant part, creates an incentive program for light duty EVs and at-home EV charging infrastructure.² The EV Act established the State's goals for the use of plug-in EVs and the development of supporting EV charging infrastructure. N.J.S.A. 48:25-3. In particular, the EV Act authorized the Board to adopt policies and programs to accomplish the State's goals, which include:

1. At least 1,000 Level-Two ("L2") charging locations shall be available for public use across the State by December 31, 2025.3

¹ N.J.S.A. 48:25-1 et seq.

² The EV Act defines a "light duty vehicle" as one that is a two-axle, four-wheel vehicle, designed primarily for passenger travel or light duty commercial use, approved to travel on public roads, and generally is classified as a car, minivan, sport utility vehicle, cross-over, or pick-up truck. N.J.S.A. 48:25-2.

³ L2 charging stations are a type of electric vehicle supply equipment ("EVSE") utilized to charge an electric vehicle from the grid. See N.J.S.A. 48:25-2, for further detail regarding what constitutes an L2 Charger.

2. At least 400 Direct Current Fast Chargers ("DCFC") shall be available for public use at no fewer than 200 charging locations in the State by December 31, 2025.⁴

3. At least 15 percent of all multi-family residential properties in the State shall be equipped with EVSE available to residents through a combination of Level One, L2, and Make-Ready parking spaces by December 31, 2025.⁵

In June 2021, the Fiscal Year 2022 ("FY22") New Jersey State Budget and Appropriations Act allocated an additional \$14 million to the Board for the purposes of creating programs to encourage EV charging infrastructure. These additional funds are designed to move New Jersey closer to the goals outlined in the EV Act. As further described below, Staff proposes to use \$1 million of the additional \$14 million appropriated by the Legislature in FY22 to create a MUD Program ("Program") to fund EV charging stations at MUDs in New Jersey.

In July 2021, the Governor signed L. 2021, c. 171 into law, which stated that all new MUDs constructed in New Jersey must include Make-Ready infrastructure for at least 15 percent of the required off-street parking. At the time of construction, at least one-third of the 15 percent of Make-Ready spaces shall install EVSE; another third of the 15 percent shall be installed within 3 years of construction; and the final third of the 15 percent must be installed within 6 years of construction.

In addition, L. 2021, c. 171 made EVSE a permitted accessory use in all construction, removing one of the most significant barriers to the construction of EVSE – long permitting and approval times.⁷

STAFF RECOMMENDATION

Of the \$14 million appropriated, Staff proposes to utilize \$1 million for EV infrastructure improvements at MUDs throughout the State. The Program would provide incentives for: 1) L2 chargers; 2) the Make-Ready infrastructure for all eligible EV chargers at MUDs; and 3) bonus incentives for EV chargers and Make-Ready infrastructure at MUDs located in Overburdened Municipalities.⁸

⁴ DCFC are a higher power output type of EVSE utilized to charge an electric vehicle from the grid. See the EV Act, N.J.S.A. 48:25-2, for further detail regarding what constitutes a DCFC.

⁵ "Make-Ready" means the pre-wiring of electrical infrastructure at a parking space, or set of parking spaces, to facilitate easy and cost-efficient future installation of EVSE, including, but not limited to, L2 EVSE and DCFCs. Make-Ready includes expenses related to service panels, junction boxes, conduit, wiring, etc., necessary to make a particular location able to accommodate EVSE on a "plug and play" basis. <a href="https://limited.com/limited-to-service-panels-limited-to-se

⁶ L. 2021, c.133; https://www.njleg.state.nj.us/2020/Bills/S2500/2022 I1.PDF

⁷ At this time, Staff understands "permitted accessory use" to be a permitted use or structure subordinate to the principal use of a building or structure on the same zone lot and serving a purpose customarily incidental to the use of the principal building.

⁸ As defined in <u>I/M/O New Jersey Clean Energy Program Fiscal Year 2022 Community Energy Planning</u>, BPU Docket No. QO21091113, Order dated October 6, 2021.

Staff proposes the following eligibility criteria for the Program:

Eligible Entities

To be eligible for the Program, MUDs must be apartments, condominiums, or mixed residential locations that feature a minimum of five units and have dedicated off-street parking. ⁹

Eligible Electric Vehicle Charging Stations

The Program provides incentives for L2 EV charging stations of any brand selected by the Eligible Entity, provided the equipment chosen is a dual-port charger and has the capacity to capture data, referred to as a "networked charger." ¹⁰ In addition, Eligible Entities are required to share charging data with the Board periodically. The stations must be accessible to all residents and may be available to visitors and the general public.

Proposed Incentives

The Program would provide awards as follows to Eligible Entities accepted for participation:

- \$1,500 incentive for L2 EV charging stations
- 50 percent of the Make-Ready costs per eligible L2 EV charging station, up to \$5,000
- MUDs located in Overburdened Municipalities would be eligible to receive a bonus incentive, which provides a higher-level incentive, as follows:
 - o \$2,000 for L2 EV charging stations; and
 - 75 percent of the Make-Ready costs per eligible L2 EV charging station, up to \$7,500
- Eligible Entities may apply for up to six (6) L2 EV chargers.

DISCUSSION AND FINDINGS

The EV Act authorizes the Board to fund programs that move the State closer to the EV goals outlined within the EV Act. In addition to this Program, the Board has worked to shape existing Board and public utility programs that prioritize private investment in EV infrastructure and encourage EV adoption through utility minimum filing requirements, approval of utility programs, and creation of other EV and EV charging incentive programs.

The Legislature's allocation of funds devoted to EV infrastructure is an indication of the importance of investment in EV infrastructure to achieve New Jersey's transportation electrification goals, as defined in the EV Act. The Legislature's passage of L. 2021, c. 171 also indicates a prioritization of electrification of vehicles at MUDs and the necessity to move such projects forward quickly. In addition, the Board cited MUD charging as an integral part of creating equity in transportation electrification in the minimum filing requirements of publicly accessible

⁹ L. 2021, c. 171; https://www.njleg.state.nj.us/2020/Bills/PL21/171 .PDF

¹⁰ A dual-port charger has two charging ports, each capable of charging an EV.

light duty charging.11 The creation of this Program will provide further encouragement and buildout of MUD charging stations in both existing and new construction.

The Board HEREBY FINDS that the criteria proposed for the MUD Program are reasonable and in the best interest of the State. Based upon the foregoing recommendations of Staff, the Board HEREBY APPROVES the creation of the Program. The Board HEREBY AUTHORIZES Staff to review Program applications and disburse funding from the Program budget in accordance with established Board procedures until the \$1 million budget is expended or through June 30, 2022, whichever comes first.

This Order shall be effective December 22, 2021.

DATED: December 15, 2021

BOARD OF PUBLIC UTILITIES

BY:

FIORDALISO

ay-Ana Holden

COMMISSIONER

COMMISSIONER

COMMISSIONER

ROBERT M. GORDON

COMMISSIONER

ATTEST:

SECRETARY

¹¹ I/M/O Straw Proposal on Electric Vehicle Infrastructure Build Out, BPU Docket No. QO20050357, Order dated September 23, 2020.

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DOCKET NO. QO21101203

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