

FACT SHEET: An Act establishing off-peak charging rebates

Senator John Keenan (S.2140) and Representative Steve Owens (H.3204)

What It Does

- Directs the Department of Public Utilities (DPU) to open a proceeding within three months of bill passing;
- That proceeding shall direct electric utilities to propose off-peak charging rebates that include values for ALL of the benefits of off-peak charging (see table);
- Within six months of opening that proceeding, DPU to determine the value and direct electric utilities to offer rebates;
- Encourages coordination to minimize differences between utilities.

Benefits of Off-Peak Charging

- Avoided energy & capacity costs
- Avoided transmission costs
- Avoided distribution costs
- Improved grid reliability
- Capacity benefits in the form of demand induced price reduction effects
- Avoided greenhouse gas emissions
- Public health benefits

Why We Need It

1. Off-peak charging rebates are a good idea that's implementable NOW.

Off-peak charging rebates offer EV drivers a lower price per kilowatt-hour (kWh) when they charge off-peak, i.e. when demand on the electric grid is low. Shifting EV charging to off-peak periods has benefits for EV drivers (by lowering their fueling costs) AND non-EV drivers (by making better use of grid assets and preventing the need for costly upgrades). Unlike time-of-use rates, which require a separate meter, off-peak charging rebates can be implemented *now* via vehicle telematics and/or commercially prevalent smart charging stations.

2. The utilities are not moving fast enough on their own.

National Grid currently offers an off-peak charging rebate of \$0.05/kWh in the summer and \$0.03/kWh in the winter. These rebate amounts only include the avoided supply costs; they do NOT consider avoided transmission and distribution costs, avoided greenhouse gas emissions, or any of the other benefits listed above. As a result, they do not provide as strong a price signal as they could. Eversource, meanwhile, does not have an off-peak charging rebate at all.

3. The DPU has failed to properly account for the benefits of off-peak charging.

It is the responsibility of the DPU to regulate electric utilities. However, the DPU has accepted National Grid's very small off-peak charging rebate and failed to direct Eversource to offer a similar program.

The electric utilities recently proposed new EV programs to the DPU and Green Energy Consumers acted as an official "intervenor" in those dockets.¹ We submitted expert testimony from the Applied Economics Clinic, demonstrating that a proper accounting of all the benefits of off-peak charging would result in a rebate closer to \$0.14/kWh.² The DPU received this information but neglected to act on it. This legislation would require them to approve off-peak charging rebates that calculate values for each of the delineated benefits.

To Learn More

Read the full bill text at:

- Senate version: <https://malegislature.gov/Bills/193/S2140>
- House version: <https://malegislature.gov/Bills/193/H3204>

If you have any questions, please reach out to Anna Vanderspek at anna@greenenergyconsumers.org.

¹ For more on this process, please see this webinar recording (<https://www.youtube.com/watch?v=vvoftKrlHg&t>) or this summary blogpost (<https://blog.greenenergyconsumers.org/blog/400-million-for-electric-car-charging-in-massachusetts>)

² To read AEC's testimony, please visit: <https://aeclinic.org/publicationpages/2022/1/6/testimony-on-off-peak-charging-rebates-in-massachusetts>