



DEMEC

Delaware Municipal Electric Corporation

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December 15, 2022

Mr. Kyle Krall, Engineer
DNREC Division of Air Quality
100 W. Water Street, Suite 6A
Dover, DE 19904

RE: EV Infrastructure, Clean Transportation Initiatives

Dear Mr. Krall,

DEMEC is a not-for-profit, public power, Joint Action Agency representing eight municipal electric utilities in the state of Delaware on both the state and federal levels. As a political subdivision of the state of Delaware, DEMEC is also dedicated to protecting and restoring local control to provide for the public health, safety, and welfare of residents and enhancing the quality of life for all Delawareans. The good news is that DEMEC's members have a proven track record of having done so since they were established; some, for almost 400 years! Pertaining specifically to providing the essential service of electricity, they have successfully done so for over 100 years and will continue to do so while balancing system reliable and emerging technologies.

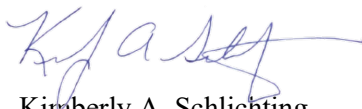
Whereas DEMEC and our eight member communities are also members of the Delaware League of Local Governments (DLLG), DEMEC is in support of the comments the league filed with you. In addition to the DLLG comments, DEMEC has the following comments regarding the state's initiative of 100% new EVs sales by 2035:

1. Municipal utilities are development ready and have procedures in place to expand their distribution systems as developers submit applications.
2. Supply chain issues may make the state's target hard to reach if the utilities are not able to timely, and affordably, acquire the infrastructure equipment needed.
3. Supply chain issues are causing price increases which may make an expensive initiative even more costly to our Delaware customers.
4. This EV initiative will cause the utilities' electric load to increase, requiring utilities to invest in more renewables and solar to meet RPS mandates. However, in the case of solar performance, it's not complimentary as there will be a mismatch/disconnect in that solar facilities peaks in early afternoon (around 1:00 p.m.) while EVs will shift the load to peak later in the day (around 8:00 p.m. based on California performance which the state references as the initiative to follow).
 - To counter the peak shift, storage, such as batteries, could help to some extent. However, batteries are currently costly, and those higher costs would also be passed on to customers to pay.

- The stated goal of 100% new EVs is to have zero emissions but that's currently not achievable. While DEMEC's power supply is 90% no to low-emissions, EVs relying on the power grid will not be totally emissions free.
5. At the December 1, 2022 EV meeting, it was stated that a policy would have to be created to limit when charging can take place. There is real concern that this will limit the ability for people to travel freely to meet their individual and unique personal and/or family needs, which most importantly could have an adverse impact on the health, welfare and the resulting quality of life for our customers. For example, my own personal experience was that my mother needed an organ transplant and I had to be ready at a moment's notice for a 2+ hour drive. I had many days when I wasn't home long enough for a vehicle to fully charge and that's not taking into consideration policies that could have further limited my ability to charge when I needed to.
 6. Rules will have to take into consideration certain uniqueness of the municipalities:
 - a. Installation of chargers for all will prove challenging, especially for those without garages and/or no designated street parking. As California only announced their 100% EV initiative in August, we do not have the benefit of learning from best practices. Municipals, by design, are densely populated to prevent sprawl. This is an issue that needs to be addressed while considering zoning, limited access to streets, and aesthetics.
 - b. Rules should exempt certain emergency vehicles & first line responders including law enforcement and EMTs.
 - c. Municipalities should be afforded the flexibility and time needed to meet any other unique needs identified.
 - d. As we look to California as an example, it should be noted that the California Air Resource Board's staff has agreed to meet in winter of 2023 to develop more workable rules for California cities and towns to provide greater flexibility for public agencies.
 7. While DelDOT will assist developers with grants to advance the state's initiative, assistance will not be provided to the utilities which will be the entities responsible to implement the infrastructure required to meet the fast-paced initiative. Not all utilities have the resources needed to take on the extra responsibilities required to advance increasing state initiatives.

DEMEC looks forward to working with the EV Working Group to find a balanced approach to meet this and other similar state initiatives for clean energy. It'll be important to ensure that all policies and regulations work together and do not conflict or impact another policy or law already in place. Our initiatives and targets must be achievable and realistic goals while protecting Delawareans and businesses that depend on us for highly reliable electric service at *reasonable* costs.

Sincerely,



Kimberly A. Schlichting
President & CEO

Cc: Joe Hofstee, DelDOT Senior Project Manager, Transportation