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ROBERT L. COWLES

Wisconsin State Senator
2nd Senate District

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Testimony on 2021 Senate Bill 663

Senator Robert Cowles

Senate Committee on Transportation and Local Government

December 1st, 2021

Thank you, Chairman Petrowski and committee members, for allowing me to testify on 2021 Senate Bill 663. This bill would utilize \$10 million from the Volkswagen settlement agreement funds to enhance electric vehicle (EV) mobility and EV charging station access in Wisconsin.

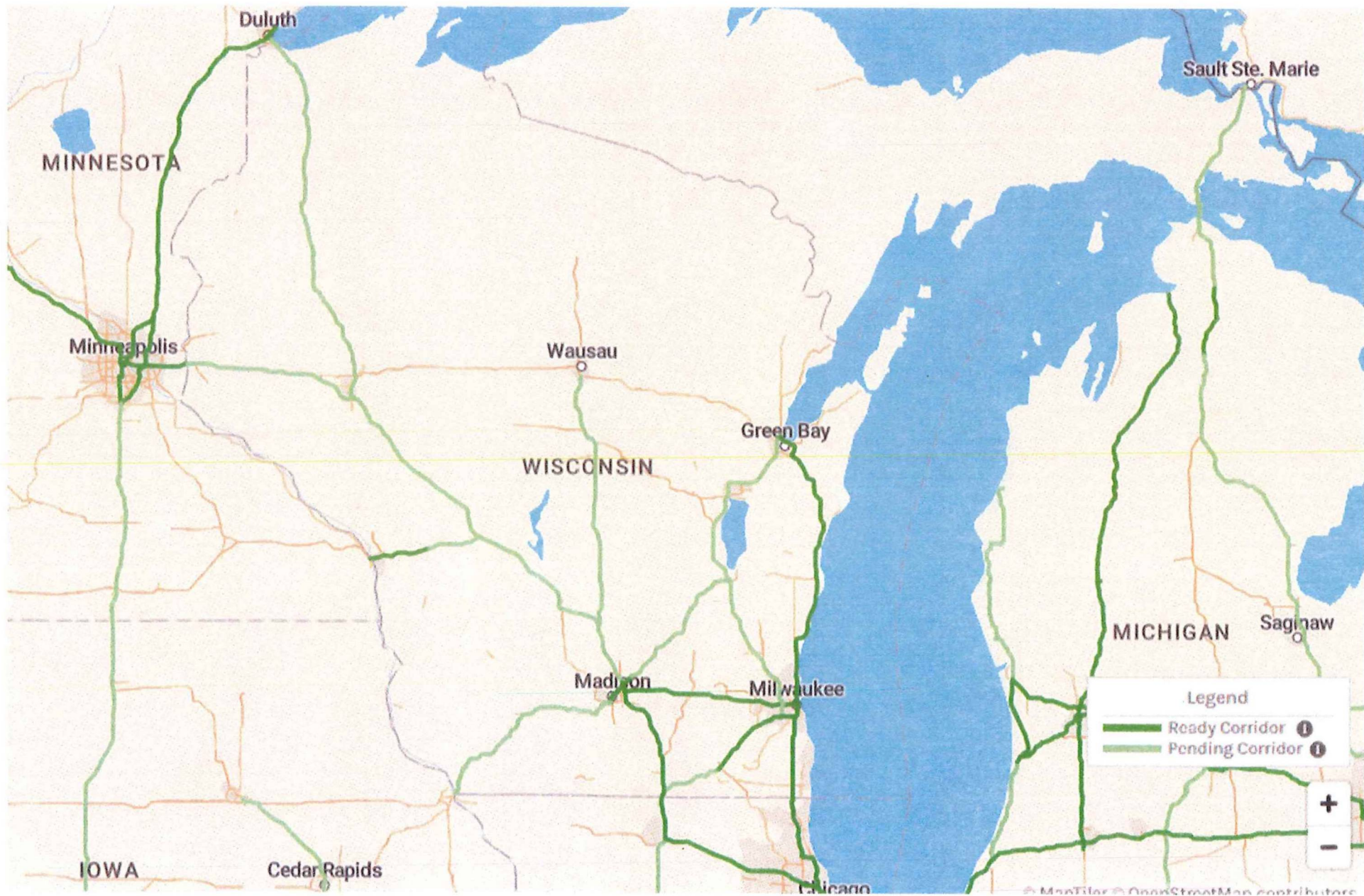
The Volkswagen settlement funds, which resulted from the company routinely cheating on federal Clean Air Act emission testing, were split between states with the stipulation that the funds can only be used to offset nitrogen oxide (NOx) emissions. These are not state funds and it's legally stipulated on how they must be spent. Wisconsin received a total of \$67.1 million in settlement funds. To date, 46 other states have used a portion of their allocated settlement funds to facilitate further expansion of EV charging in their respective states, but not Wisconsin.

Senate Bill 663 would provide grants to businesses for EV infrastructure in two different manners. Of the \$10 million total in this bill, \$5 million will be designated to provide businesses along designated major highways, or 'Corridors', grants to install EV charging stations, and \$3 million is designated to businesses and multi-unit dwellings outside of these 'Corridors'. The remaining \$2 million will be awarded at the discretion of the Public Service Commission (PSC) based on the need shown between these two groups. In keeping with the settlement agreement, grants awarded could cover up to 75% of the expenses for businesses located along corridors and 50% for other businesses and multi-unit dwellings located outside these areas.

The 'Corridors' created in this legislation would be designated by the PSC, in consultation with the Wisconsin Department of Transportation (DOT). As stipulated within the bill, the 'corridors' are expected to be identified along heavily traveled highways which connect Wisconsin with its four neighboring states or connect to any segments or similar designated routes that are EV corridor-ready, meaning drivers can find EV charging stations no more than 50 miles apart from each other, and no more than 5 miles off the freeway. I've attached a map along with my testimony to show where there are already EV Ready Corridors and Pending Corridors in and along Wisconsin. Under this legislation, businesses within or near these similar boundaries would qualify for the special designation grant. Outside of this Corridor area, all other businesses and multi-unit dwellings are able to apply for the general grant to set up EV charging station under the \$3million designated.

Furthermore, Senate Bill 663 includes language to require PSC, in cooperation with DOT and stakeholders, to develop recommendations on potential methods of ensuring an equitable contribution by EV drivers to the state's transportation aids as compared to traditional vehicles. This is not a requirement of the settlement agreement. Although, today there is an excess registration fee as an add-on for electric vehicles. As the growth of EVs are expected to rapidly increase, this surcharge may not be enough long-term. It is my hope that the experts in this field provide with their ideas for future consideration.

In conclusion, I believe that Senate Bill 663 is the best structure before the Legislature to expend some of the remaining funds from the VW settlement agreement and expand Wisconsin's access to EVs and EV charging infrastructure.





NANCY VANDERMEER

STATE REPRESENTATIVE • 70TH ASSEMBLY DISTRICT

TO: Honorable Members of the Senate Committee on Transportation and Local Government

FROM: State Representative Nancy VanderMeer

DATE: December 1, 2021

SUBJECT: Testimony in Support of Senate Bill 663

Thank you Chairman Petrowski and members of the Senate Committee on Transportation and Local Government for holding a hearing on SB 663 today. As I recently shared in my testimony on Senate Bill 573/Assembly Bill 588, related to allowing persons to charge fees for the use of electric vehicle charging stations, the general topic of electric vehicles can generate, no pun intended, a variety of sentiments from across the spectrum from a number of individuals, including policymakers such as ourselves. As an auto-dealer, I certainly have some strong opinions and thoughts based on over 30 years in the automotive industry working with automotive owners, dealers, and others.

However, this particular proposal focuses on doing what 46 other states have done with a portion of their Volkswagen Settlement Funds by designating \$10 million of Wisconsin's total settlement allocation of about \$67 million for grants to install EV charging stations around the state. Of the \$10 million available, \$5 million will be designated to businesses along designated major highways (or corridors) to install EV charging stations, and \$3 million is designated to businesses outside of these corridors and multi-unit dwellings. The remaining \$2 million will be awarded at the discretion of the PSC, based on need, between these two groups. Grants awarded by PSC could cover up to 75% of the expenses for businesses within the corridors and 50% for other businesses and multi-unit dwellings. Locations must be reported to DOT to seek federal alternative fuel corridor designations. These grants will provide businesses with both economic relief for an infrastructure upgrade and should help to drive additional commerce in the future.

This proposal also begins to address what I believe, and I know others do as well, are important considerations and concerns related to EV contributions to the Transportation Fund. SB 663 requires the Public Service Commission to work in consultation with DOT, utilities in the state, and other stakeholders to develop a report on potential methods to ensure an equitable contribution by EV drivers, compared to other drivers of passenger vehicles, to the Transportation Fund. The report shall discuss the growth of EV registrations in years prior and the projected growth in the next decade. The report shall also include recommendations on a potential utility revenue assessment from EV charging stations in place of lost revenues from the gas tax.

Again, thank you for the opportunity for a public hearing on this legislation and I respectfully ask for your support to move this proposal forward in the legislative process.



DATE: December 1, 2021
TO: Senate Committee on Transportation and Local Government
FROM: Clean Wisconsin
RE: Senate Bill 663 – Charging Facility Grant Program

Clean Wisconsin works to preserve and protect our state's clean air, clean water and natural heritage. For over 50 years, legislators on both sides of the aisle, policy makers and the public have turned to Clean Wisconsin for reliable, evidenced-based analysis of legislative and administrative proposals.

Clean Wisconsin supports Senate Bill 663. Powering our cars, trucks, buses and other modes of transportation with electricity is critical to reducing air pollution and carbon emissions and to improving the health of our communities and climate. As such, we support policies to normalize and incentivize increased use of electric vehicles.

Electrified transportation requires new infrastructure to ensure broad access to charging facilities throughout the state. Senate Bill 663 thoughtfully utilizes available Volkswagen Settlement Funds to make an essential investment in this infrastructure in areas both along and outside of major transportation corridors.

By ensuring charging stations are available in various communities, Senate Bill 663 not only aids in addressing Wisconsin's statewide carbon emissions but could also affect local air quality concerns, especially in vulnerable communities near busy roadways.

Vehicles that run on gasoline and diesel produce a variety of pollutants, including nitrogen oxides (NO_x) and fine particulate matter (PM_{2.5}). Pollutants from the tailpipes of internal combustion engine vehicles cause localized air pollution that can result in asthma and chronic bronchitis. These negative health impacts disproportionately affect communities of color and low-income populations.

In Milwaukee, for instance, 79% of low-income populations live within 300 meters of a busy roadway while 68% of non-low-income populations live near these roadways; a statistically significant difference.

Increased electric vehicle use in and around a given community improves local air quality. However, communities will not see an increase in local electric vehicle use without an accompanying increase in access to local charging stations.

Although we support Senate Bill 663, we respectfully recommend clarifying that a grantee can only utilize a time-based fee when a charging station is installed at a parking spot. On principle, Clean Wisconsin believes the fairest way to seek fees is to charge a user based on the amount of energy that



user consumes. It facilitates uniformity between charging an electric vehicle and refueling a gas- or diesel-powered car, where drivers are charged by the amount of fuel they use rather than time spent at the pump or a flat fee. It also creates parity for various EV models that charge at differing speeds.

However, we understand the intent is for a metered, time-based model to be utilized when an electric vehicle is parked and charging in a parking spot. Essentially, this is a way for EV users to pay for parking. We believe the legislation should clarify this intent to ensure a metered, time-based model is not utilized while charging in a setting without parking fees. Electric vehicle users should not be treated differently from owners of gas or diesel-powered cars.

Finally, we also recommend two technical, administrative changes. First, the bill directs the Public Service Commission (PSC) to develop the grant program utilizing Volkswagen Settlement Funds. However, the Department of Administration is currently in charge of administering those funds. As such, we believe it is more efficient and consistent for the Department of Administration to develop and administer the grant program instead of the PSC.

Second, the bill also directs the PSC to determine heavily traveled highways for purposes of awarding grants funds for charging stations along newly designated clean energy corridors. Although the legislation directs the PSC to consult with the Department of Transportation, we believe the Department of Transportation is the appropriate agency to designate clean energy corridors as it has the staff and expertise necessary to make those determinations based on the criteria in the bill.

Again, Clean Wisconsin supports Senate Bill 663. Wisconsin can cut its carbon emissions by creating confidence in statewide electric vehicle travel. It is imperative that the state take a leading role in promoting widespread electric vehicle adoption. We thank Senator Cowles, Representative VanderMeer, and the bill's cosponsors for their leadership on investing in Wisconsin's electric vehicle infrastructure.

If you have any questions, please contact Erik Kanter at (608) 251-7020 x30 and ekanter@cleanwisconsin.org.



Senate Transportation and Local Government Committee
Wednesday, December 1, 2021

Senate Bill 663 - Electric Vehicle Charging Station Grant Program

Testimony by Jim Boullion, Director of Government Affairs

Mr. Chairman and Committee members, thank you for the opportunity to speak today. My name is Jim Boullion, Director of Government Affairs for RENEW Wisconsin. We are a not-for-profit organization that works to advance renewable energy and clean energy technologies like electric vehicles.

SB 663 would allocate \$10 million from the VW Settlement Fund, not the taxpayers, to be used to create a grant program to support the installation of electric vehicle charging stations across Wisconsin. Nearly every other state has used a portion of their funds for similar EV charging station grants.

This proposal will help jump-start our transition to electric vehicles, strengthen Wisconsin's drive to be a national leader in emerging hi-tech industries and enable our citizens and businesses to benefit from the fast changing, and fast growing, electric car market.

RENEW Wisconsin supports this legislation and urges you to support and it as well.

There are two changes that RENEW Wisconsin would recommend to the bill:

- **DOA should be listed as the VW grant fund administrator instead of the PSC:** Under Governor Walker, the DOA was designated as the lead agency to administer the VW Settlement program, and it is already set up to administer not only these EV charging station funds, but the other funds in the Settlement as well. Changing that to the PSC would add potential complications.
- **Designate the DOT instead of the PSC to coordinate the EV corridor planning, develop recommendations on road funding, and provide reports** - The bill calls for the PSC to lead the development of corridors that have EV charging infrastructure no more than 50 miles apart, as well as develop a report on equitable methods for EV drivers to help fund local roads and highways. These duties should be moved to the DOT as that is the agency that already has the authority, staff and expertise to work on specific details like these.

Wisconsin needs a modern electric vehicle charging infrastructure so we are prepared for the massive, transformative growth that is coming in electric vehicles, and allow their owners to go anywhere in Wisconsin with confidence. Without this EV charging infrastructure Wisconsin's businesses, tourists and personal travelers could be left stranded.

Thank you for your support of this legislation and please let me know if you have any questions at jim@renewwisconsin.org or (608) 695-7004.

How many charging stations for electric vehicles are in each US county?

<https://app.developer.here.com/us-ev-charging-infrastructure-desert/>

How many charging stations for electric vehicles are in each US county?

per square mile

per 100k people

