

NANCY VANDERMEER

STATE REPRESENTATIVE • 70TH ASSEMBLY DISTRICT

TO: Honorable Members of the Assembly Committee on Energy and Utilities

FROM: State Representative Nancy VanderMeer

DATE: January 9, 2023

SUBJECT: Testimony in Support of Assembly Bills 846 & 847

Thank you Chairman Steffen and members of the Assembly Committee on Energy and Utilities for holding a hearing on Assembly Bills 846 and 847 today. The general topic of electric vehicles can generate, no pun intended, a variety of sentiments from across the spectrum and from a number of individuals, including policymakers such as ourselves. As a former 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, today I'd like to focus on this particular proposal, what it does, and why Senator Marklein and I think it's important.

Primarily, Assembly Bills 846 & 847 allow private entities to make EV charging stations available to the public and allows entities to charge a fee for providing electric vehicle charging services. Current statutes require that any entity that provides electricity to the public be regulated as a public utility. These bills allows private sector businesses to provide electric vehicle charging services to consumers and sell electricity by the kilowatt hour. Additionally, there are provisions in the bills that allow municipalities to provide basic electric vehicle charging services to the public as long as they do not subsidize charging stations with tax dollars and there are provisions in the bills that allow local municipalities to service their own fleets if desired. Furthermore, you'll notice a significant difference between these bills and the previous legislative session's version of the proposal, and that is that under these proposals, a tax of \$0.03 per kilowatt hour has been added to vehicle charging services by private sector entities.

As some of you may remember hearing a similar proposal during the last legislative session, I think it's important to sort of level-set this session's proposals because I believe that even in the roughly two years since I first brought last session's proposal before this body, the electric vehicle landscape has changed in a variety of ways and I believe that landscape does not necessarily indicate that electric vehicles and a substantive or full transition to electric vehicles is imminent without forced government intervention. That said, there is *some* demand for electric vehicles, they're on the road, and I believe that people should generally be able to make that choice. These proposals are important because they take an important first step in providing infrastructure for consumers that have made that choice, and it will allow our state to secure \$78 MM in federal National Electric Vehicle Infrastructure (NEVI) funding. Additionally and probably most importantly for me, this bill allows private sector businesses to provide a product and service to consumers for a fee and meet a demand in the economic marketplace.

Thank you again for the opportunity for a hearing on these proposals, thank you Representative Oldenburg for co-authoring these proposals and Representatives Hurd, Peterson and Tranel for co-sponsoring these proposals. I would respectfully ask committee members for your support to move these bills forward in the legislative process.



HOWARD MARKLEIN

State Senator • 17th Senate District

January 9, 2024 Assembly Committee on Energy and Utilities Testimony on Assembly Bills 846 and 847 Electric Vehicle Charging

Thank you Chairman Steffen and committee members for hearing Assembly Bills (AB) 846 and 847. AB 846 will enable private-sector businesses in Wisconsin to participate in the electric vehicle (EV) charging industry while AB 847 enables the Wisconsin Department of Transportation (DOT) to receive and award \$78 million from the federal government to private-sector businesses who will construct, own and operate EV charging facilities.

Our goal, in writing this bill, is to accomplish the simple – allowing retailers to sell electricity without being regulated as a utility; as well as the complicated – building a structure for the industry, protecting private-sector investments while maintaining public-sector engagement, providing parity with the gas tax and capturing \$78 million from the federal government.

The simple – In Wisconsin, under current law, anyone who sells electricity must be regulated as a utility. It doesn't make any sense for a gas station, convenience store or grocery store to be regulated as a utility when all they want to do is offer EV charging as a product for people who drive electric vehicles. They simply want to re-sell electricity to their customers by the kilowatt hour. In order for private businesses to own and operate a high speed EV charger, we need to change the law.

This change will also enable Wisconsin to capture \$78 million in National Electric Vehicle Infrastructure (NEVI) program funding. These funds must be awarded to private-sector businesses to construct EV charging infrastructure on interstates, alternative fuel corridors and regional routes of significance. A map of the planned corridor is attached. This is an 80/20 match program in which the feds will pick up 80% of the costs and the business will provide 20%. Most experts estimate that a Level 3 charger costs approximately \$1 million to construct and install. But, again, in order for the private businesses to do it – we first need to change the law.

The complicated – Wide-scale, retail EV charging is a relatively new industry for Wisconsin. Therefore, there is no existing structure. We are at the precipice of a new industry and this is where the complicated work comes in.

In order to build the structure for a new industry, we worked with a wide variety of stakeholders including retailers, utilities, co-ops, renewable energy groups, local governments, road builders, the DOT and everyone in between. In all, nearly 40 different stakeholders have contributed to this complicated conversation.

The policy bill does the following:

- Allows private sector businesses to construct and sell electricity by the kilowatt hour.
- The private sector businesses will not be considered a utility for this purpose.
- The private sector businesses must purchase power for this type of re-sale from a utility.
- The private sector can sell all levels of charging Levels 1-3+
- The public sector (cities, counties, towns and villages) may continue to provide free access to Level 1 and Level 2 charging.
- The public sector is prohibited from constructing Level 3+ charging except for their own fleet.
- The public sector cannot sell EV charging, but they can lease property to a private entity to own and operate EV charging on public property.
- Municipal electric utilities will be treated like all other utilities and may construct and sell
- Level 1-3+ charging, as long as no taxpayer funding is used to construct the charging facilities.
- Collects and distributes excise tax of \$.03 per kilowatt hour into the Transportation Fund for parity with the gas tax.

The funding bill simply provides the DOT with an appropriation through which they can receive the federal NEVI funds and then distribute to the private-sector entities who apply for grants.

Again, this legislation was drafted with significant collaboration among stakeholders in both the private and public sectors, including the following:

Kwik Trip	Wisconsin Manufacturers & Commerce
Wisconsin Transportation Builders Association	Wisconsin Towns Association
Wisconsin Conservative Energy Forum	Municipal Electric Utilities
Wisconsin Counties Association	Leagues of Wisconsin Municipalities
WEC Energy Group	Alliance for Automotive Innovation
Renew WI	Energy Action Fund
Customers First! Coalition	Dairyland Power Cooperative
Wisconsin Electric Cooperative Association	American Council of Engineering Companies
Madison Gas & Electric	Wisconsin Fuel & Retailers Association
Wisconsin Grocers Association	Wisconsin Auto & Truck Dealers Association
Tesla	Wisconsin Department of Transportation (DOT)
Wisconsin Department of Revenue (DOR)	

Following the Senate Committee on Utilities and Technology Public Hearing on December 19, 2023, Rep. VanderMeer and I drafted an amendment to address several concerns raised by stakeholders:

1. Provides parity for the state with other public entities. This would mean that the state could own and operate level 1 and 2 chargers for free. They could also have level 3 for their

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- a. The rationale When we originally prohibited the state from owning and operating any charging, it was to prevent them from placing chargers at rest areas and/or in direct competition with the private sector. However, we have now learned that they are prohibited by state and federal laws from conducting any sort of auto services or commerce at rest areas, so our concern is moot. The state wants to offer Level 1 and Level 2 charging at State Parks and this amendment would allow for this. It would also allow the state to continue offering chargers in state operated parking ramps such as the chargers that are located at Hill Farms.
- 2. Require the DOR to notify an incumbent utility when they approve registration of a new EV Charger.
 - a. The rationale this was requested by WECA. They believe this will help prepare local utilities so that a new charging facility doesn't overwhelm the substation.
- 3. Change the word "permit" to "registration" with regard to "registering" with DOR in order to collect and remit the excise tax.
 - a. The rationale this is legislative intent. We are not trying to create a new permitting process. We just want entities to register with DOR in order to collect and remit the excise tax. We do not want to create a new regulatory burden on the private sector or another regulatory process for DOR. Current chargers that collect sales tax already register with DOR to remit sales tax. This would be parity with current practice.
- 4. Only tax Level 3 charging and tax ALL Level 3 charging, including public entities who use it for Fleet vehicle.
 - a. The rationale Level 3 chargers are equipped with meters. Government fleet vehicles affect our roadways just like every other car. Public entities currently pay gas tax on gasoline used for fleet vehicles. This creates parity in several ways.
- 5. Do not tax any Level 1 or Level 2 charging public or private.
 - a. The rationale Most Level 1 and 2 chargers do not have existing meters. The expense to install meters and collect tax on these types of chargers would be an unnecessary burden on the private sector. The excise tax collected on these meters will be minimal. It is a trade-off for collecting excise tax on ALL level 3 chargers.

Again, thank you for scheduling this public hearing today. I appreciate your consideration of this legislation and look forward to the discussion among stakeholders who participate today.



Wisconsin Department of Transportation Office of the Secretary 4822 Madison Yards Way, S903 Madison, WI 53705 Governor Tony Evers Secretary Craig Thompson wisconsindot.gov Telephone: (608) 266-1114 FAX: (608) 266-9912 Email: sec.exec@dot.wi.gov

Testimony of Wisconsin Department of Transportation Deputy Secretary Kristina Boardman DOT Officer Kaleb Vander Wiele Before the Assembly Committee on Energy and Utilities January 9, 2024

Re: Assembly Bill 846, relating to exemptions from public utility regulation regarding electric vehicle charging stations, installation and operation of electric vehicle charging stations by state agencies or local governmental units, and imposing an excise tax on electric vehicle charging.

Chairman Steffen and committee members, thank you for the opportunity to testify on behalf of the Wisconsin Department of Transportation on Assembly Bill 846 and Assembly Bill 847.

In November 2021, the Bipartisan Infrastructure Law (BIL) was signed, designating \$7.5 billion to build electric vehicle charging stations. Under the BIL, Wisconsin will receive \$78.65 million over five years through the National Electric Vehicle Infrastructure (NEVI) Formula Program. The NEVI Program is designed to support the construction of Level 3 DC Fast Electric Vehicle Charging Stations on Wisconsin's Alternative Fuel Corridors. Level 3 charging stations allow passenger electric vehicles to recharge in less than an hour. This is compared to slower level 1 and 2 chargers, which are designed to recharge throughout the day or overnight.

Under the NEVI Program, WisDOT is authorized to fund the construction of level 3 charging stations every fifty miles within one travel mile of Wisconsin's Alternative Fuel Corridors. Since enacted in 2015, Wisconsin has designated, with Federal Highway Administration approval, the state's interstate system, including I-90, I-94, I-43, I-41, and I-535, as well as US 53 and US 151. With the announcement of the NEVI Program in early 2022, Wisconsin requested and received approval for US 51, WIS 29, US 2, US 141, US 8, and US 41 to be included in the program.

With 1,967 miles of Alternative Fuel Corridors, WisDOT intends to support the construction of approximately 65 level 3 charging stations. The graphic attached to my testimony illustrates the roughly 200 general locations WisDOT has estimated where adequate grid capacity may be available. WisDOT will not own and operate charging stations. Under the Wisconsin Electric Vehicle Infrastructure Plan, as approved by the Federal Highway Administration, WisDOT will administer grants allowing private industry to construct charging stations on their property. These industry partners will be responsible for ownership, operation, and maintenance. These locations may be restaurants, big box stores, convenience, and traditional gas stations. Federal and State statutes prohibit electric vehicle charging at our rest areas and waysides. The level 3

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fast charging stations funded by the NEVI Program in Wisconsin will work to greatly increase mobility for longer-distance travel in the state for electric vehicle owners.

The federal rule governing the NEVI Program sets standards for electric vehicle charging stations funded under the BIL. These requirements are intended to ensure that charging stations receiving federal aid have consistent reliability for the consumer. An essential part of reliability is a required method of sale for electricity. The federal rule requires charging stations to sell electricity by a kWh metric by February 28, 2024. This method of sale is comparable to a purchase of gasoline by the gallon. After February 28, 2024, WisDOT cannot fund projects under the NEVI Program until a kWh sale metric is allowable.

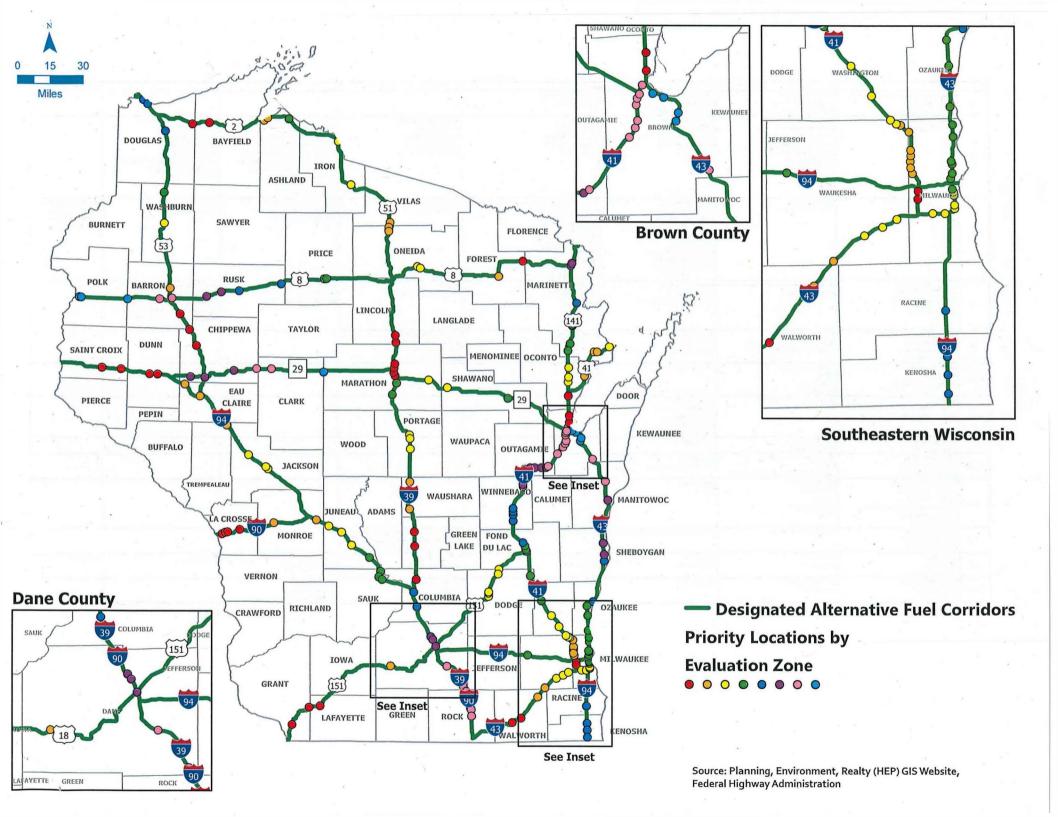
Traditionally, the sale of electricity has been reserved for entities regulated as a public utility. Apart from the sale of electricity through a charging station, most entities interested in owning and operating charging stations fall outside of the regulatory framework that is in place for public utilities. As a result, many charging station owners and operators choose not to sell the electricity delivered to an electric vehicle but instead sell the time the vehicle is connected to the charger. The sale-by-time metric often works for slower charger stations but is not economically feasible for fast charging. With the final NEVI Program rule in place, a sale-by-time metric is no longer allowable for NEVI-funded charging stations.

Almost all states, either through legislation or a determination of their Public Service Commission, have determined that the sale of electricity through a charging station is not an activity that alone triggers an entity to be defined as a public utility. Looking at neighboring states, Iowa and Michigan received clarity through their Public Service Commissions in 2019. With the NEVI Program requiring a kWh method of sale, remaining states, including Texas and Georgia, took legislative action this session. At this point, only Wisconsin and one other state have yet to clarify that the sale of electricity through a charging station does not meet the definition of a utility. Assembly Bill 846 provides the necessary language for electric vehicle charging stations to comply with NEVI Program requirements.

I want to thank the bill's authors for including the Department in conversations regarding the pending amendment to Assembly Bill 846. The amendment being considered appropriately addresses the Department's concerns discussed in testimony provided to the Senate Committee on Utilities and Technology in December.

As WisDOT implements its NEVI Program, I want to note the importance of Assembly Bill 847. This bill provides WisDOT the program authority and the appropriations necessary for the program's successful administration. We appreciate the bill authors for their leadership on this issue and the Department stands ready to continue working collaboratively with them and this committee.

In closing, I would like to thank the committee for the time today to present testimony and to be involved in this critical conversation. I am happy to answer any questions that you may have.



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1425 Corporate Center Drive Sun Prairie, WI 53590-9109 608.834.4500 wppienergy.org

January 9, 2024

Dear Chairman Steffen and Members of the Assembly Committee on Energy and Utilities,

On behalf of our 41 Wisconsin members, WPPI Energy supports both Assembly Bill 846 & 847 and we appreciate the hard work put into this bill by Representative VanderMeer and Senator Marklein. Our top concerns with any legislation related to electric vehicle (EV) policy are as follows:

- Municipal electric utilities must be treated the same as investor-owned and cooperative utilities as it relates to owning and operating EV chargers. While we foresee private entities owning and operating most EV charging stations, AB846 as drafted would allow our members to own and operate EV charging infrastructure provided no taxpayer dollars are used to fund any part of the project (municipal electric utilities never use taxpayer dollars for projects, but the language is necessary to make clear the utility is not competing with private entities) and all necessary approvals from the Public Service Commission of Wisconsin are obtained. This provision will serve as a backstop to ensure our rural communities have access to EV charging stations in the event a private EV charging provider does not choose to locate facilities in a WPPI Energy member city, town or village.
- Any legislation relating to electric vehicle policy cannot conflict with Wisconsin's current utility regulatory structure. AB846 as drafted would exempt an EV charging station operator from regulation as a public utility when selling by the kilowatt-hour provided all electricity sold to drivers by the EV charging station operator is supplied by the incumbent utility provider. We feel that this carefully crafted exemption leaves the current utility regulatory structure in place and is a necessary change for both securing federal EV infrastructure funding and ensuring electric vehicles owners are paying the true cost for the electricity used to charge their battery.

We appreciate the careful consideration the authors gave each of these items and we respectfully request that Assembly Committee on Energy and Utilities members support both AB846 and AB847. WPPI Energy would also support amendatory language ensuring an electric provider receives ample notice regarding proposed EV charging station locations.

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Thank you for your consideration and your service to the State of Wisconsin,

Joseph Chen

. Joseph Owen Director of Government Affairs, WPPI Energy

UMEUW

Municipal Electric Utilities of Wisconsin Testimony in SUPPORT of AB 846 and AB 847: Electric vehicle charging stations and electric vehicle infrastructure program.

Chairman Steffen, Vice-Chair Summerfield and members of the Assembly Energy and Utilities Committee,

Thank you for the opportunity to testify <u>in support</u> of AB 846 and 847. I am Tyler Vorpagel, Director of Legislative and Regulatory Relations for Municipal Electric Utilities of Wisconsin (MEUW). MEUW is a 95-year-old trade association representing Wisconsin's 81 municipally owned — not for profit — utilities, their employees, and customers. MEUW's member utilities are responsible for the safe, reliable, and low-cost delivery of electricity to over 300,000 customers across 43 counties in Wisconsin. MEUW represents utilities that are commonly known as "public power" within the energy industry.

Municipal utilities operate in smaller and generally more rural communities around the state. While owning and operating electric vehicle (EV) charging infrastructure is not a priority for MEUW member utilities, it is seen as a necessary option in meeting customers' needs, especially as EV ownership increases.

AB 846 and 847 addresses three key provisions that matter to us:

- 1. Preserves current electric statutory and regulatory framework requiring that electric vehicle chargers purchase the electricity from the incumbent utility.
- 2. Preserves the ability for MEUW members to own and operate any level of EV chargers and charge a fee for a customer's usage. Municipal utilities are funded exclusively with ratepayer dollars not taxpayer dollars and are regulated as public utilities by the Public Service Commission (PSC) of Wisconsin, and SB 791 sustains the same ability for MEUW member utilities to own and operate EV chargers like investor-owned utilities or electric cooperatives.
- 3. Gives Wisconsin access to federal National Electric Vehicle Infrastructure grant funds.

We appreciate the bill authors being responsive to the concerns raised in the Senate committee hearing and working with the stakeholders to put forward an amendment to address the additional concerns. Specifically, we would like to draw attention to the portions of the amendment that requires the Department of Revenue (DOR) to notify incumbent utilities when they approve registration for a new EV charger and the clarification to "registering" with DOR in order to collect and remit excise tax.

MEUW would like to thank the bill's authors for their work in putting this legislation together and listening to all stakeholders' input. Passage of AB 846 and 847, including the amendment, is important and strongly encouraged by your public power communities.

Thank you for your support!

DATE: January 9, 2024

TO: Assembly Committee on Utilities and Technology

FROM: Allison Carlson, Executive Director, Wisconsin Local Government Climate Coalition

IMATE COAL

WISCONSIN LOCAL GOVERNMENT

RE: Information-Only Testimony Related to AB 846 and AB 847

Thank you for the opportunity to provide testimony for information purposes on AB 846 and AB 847. My name is Allison Carlson, and I am the Executive Director of the Wisconsin Local Government Climate Coalition (<u>www.wlgcc.org</u>). The Coalition provides a coordinated voice for local governments pursuing clean energy goals, and member communities represent over one out of three residents in every geographic region in the state.

Wisconsin Local Government Climate Coalition members understand the significance of the NEVI funding, the barriers within current state statutes related to charging by the kilowatt-hour, and the importance of growing the EV charging network across the state. Indeed, many of our members have been early adopters in the effort to install EV chargers and make them available to the public. In my testimony today I will speak to some of the potential effects of these bills on local communities if they pass as well as if they do not pass.

Economic Impacts

While EVs are only 0.1% of total vehicle registrations in 2023, the Wisconsin Department of Transportation (WisDOT) projects that by 2050, 31% of registrations (representing almost 1.9 million vehicles) in Wisconsin will be electric.¹ The U.S. Department of Transportation (U.S. DOT) reports that EV charging stations offer many benefits to local communities, including businesses and individual residents.² These include the following areas outlined below.

 Impact on economy and jobs: EV charging stations require engagement from several parts of the economy, all of which could bring economic benefits to the state in terms of jobs and revenue. These include manufacturing, supply chains, contractor installations, and maintenance over time. For example, in August, charging station manufacturer, Ingeteam, announced it would expand its production facilities in Milwaukee, with a plan

¹ Wisconsin Electric Vehicle Infrastructure Plan, 2023. Table 3-5, page 3-55.
 [<u>https://wisconsindot.gov/Documents/projects/multimodal/2023weviplanupdatefinal.pdf</u>].
 ² U.S. Department of Transportation, Benefits to Communities.
 [<u>https://www.transportation.gov/rural/ev/toolkit/ev-benefits-and-challenges/community-benefits</u>].

to deploy 500,000 chargers across the nation's highways and add 100 new jobs in Milwaukee.³

- Impact on retail and main street businesses: Refueling stops are often combined with other errands, like visits to neighboring stores and shops. Analysis by ChargePoint shows that by providing charging stations, customer dwell time increased by 50% and resulted in an average spend of \$1 per minute.⁴
- Impact on individual pocketbooks: EVs have lower fuel and maintenance costs compared to gas-fueled vehicles that yield savings over time. The U.S. DOT reports that on average, EV maintenance costs are up to 50% lower than gasoline-powered vehicles, and EV fuel costs can result in savings of over \$700 per year.⁵

Also related to economic impacts, some of our members, including City of Eau Claire, Eau Claire County, and the City of Milwaukee, own legacy charging stations that are available to the public and currently charge a fee to EV drivers for their use. The City of Eau Claire owns a level 2 and a level 3 charging station, both of which charge fees, and Eau Claire County and the City of Milwaukee own level 2 stations which also charge fees to the public. These current economic arrangements allow them to recoup their investments and ongoing costs while directing these fees to EV drivers specifically. AB 846 does not address these legacy systems. If this bill passes as currently drafted, the effect may be that these local governments are not able to recoup their costs.

Clean Energy Impacts

As noted, many of our members have clean energy goals and plans in place, and all members are working to bring the benefits of a clean energy economy to their communities. As you know, local governments are reliant on the state government and legislature to provide the structure and tools to facilitate growth. Bringing clarity to current state statutes, such as who is allowed to own charging stations and charge by the kWh, if enacted through these bills, will have the effect of bringing further clarity to the market. Expanding the ability to charge by the kWh to entities beyond utilities opens up the market and offers access to funding like the NEVI program. If these bills do not pass, there will continue to be confusion in the market and Wisconsin will lose a significant source of funding to support the market.

In summary, these bills have the potential to speed up the adoption of EVs, contributing to the achievement of local clean energy goals. They could also result in additional jobs and revenue

³ Ingeteam announces the manufacture of EV charging stations in Milwaukee to meet the growing demand in the American market, Aug 5, 2023.

[[]https://www.ingeteam.com/Pressroom/Corporate/tabid/1574/articleType/ArticleView/articleId/3513/Ingete am-announces-the-manufacture-of-EV-charging-stations-in-Milwaukee-to-meet-the-growing-demand-inthe-American-market.aspx].

⁴ Leading Retailer Partners with ChargePoint to Attract and Retain Loyal Customers. [https://www.chargepoint.com/files/casestudies/cs-retail.pdf].

⁵ Individual Benefits of Rural Vehicle Electrification, U.S. DOT.

[[]https://www.transportation.gov/rural/ev/toolkit/ev-benefits-and-challenges/individual-benefits]

for Wisconsin businesses and savings over time for individual household budgets. However, additional clarity is needed for how to treat legacy investments in charging infrastructure made by local governments so they can recoup their costs. If these bills do not pass, continued economic growth related to EV investments will likely be limited or slow to develop.

Thank you for your consideration as you make decisions on this critical topic for Wisconsin's future.

Sincerely,

Alleler

Allison Carlson Executive Director Wisconsin Local Government Climate Coalition carlson.allison@wlgcc.org



1111 19th Street, NW Suite 406 Washington, DC 20036 TEL 202-461-2360 FAX 202-461-2379

Public Comment on AB 846 and 847

Chairman Steffen and Members of the Committee,

Thank you for the opportunity to testify this morning. My name is Emma Heins, and I am a policy manager at the Electrification Coalition. The Electrification Coalition is a national, non-partisan, non-profit organization that is focused on transportation electrification through a combination of stakeholder engagement, technical support, direct implementation, and policy support to facilitate the deployment of electric vehicles on a mass scale, to combat the national security, economic, and public health impacts associated with the nation's dependence on oil.

I am here today to express my support for AB 846 and 847, including the amendment proposed by Senator Marklein's office. Passing these bills will enable Wisconsin to utilize the \$78 million awarded through the Federal Highway Administration's National EV Infrastructure (NEVI) program, enabling reliable and fast charging for those traveling long distances across the state and country. Electric transportation provides an opportunity to save drivers money over the vehicle's lifetime¹, especially for rural drivers who drive longer distances and ultimately spend 44 percent more on gasoline and motor oil than urban drivers². This transition will also bring more jobs to the US and Wisconsin, both to manufacture the vehicles and chargers and to install and maintain them.

This is an opportunity unlike any other to revolutionize how Wisconsinites can travel, and to miss this opportunity would leave us at a distinct disadvantage for decades to come. The NEVI program and other federal funding opportunities will de-risk initial investments for charging providers and allow the market to demonstrate that the demand for EV public charging already exists and that companies will make money when they install charging in Wisconsin.

The proposed amendment from Senator Marklein would solve many of our concerns about the bill, including providing parity for the state, clarifying the permitting process, and modifying who would pay the excise tax. We believe these changes are instrumental in promoting a business-friendly environment for charging providers.

I urge the committee to consider grandfathering existing chargers owned and operated by municipalities that charge for their power. The few municipalities that invested in these chargers factored revenue into their cost payback models, and it would significantly impact their budgets to absorb those costs now.

Thank you for your consideration on this important bill, and thank you to the chair for his leadership on this issue.

Sincerely,

Emma Heins, Electrification Coalition

¹ EVs Offer Big Savings Over Traditional Gas-Powered Cars - Consumer Reports

² Individual Benefits of Rural Vehicle Electrification | US Department of Transportation

January 9, 2024



Testimony of the American Lung Association In favor of Assembly Bills 846 & 847 In front of the Assembly Committee on Energy and Utilities

Chair Steffen and members of the committee,

Good morning. My name is Molly Collins, and I am the advocacy director in Wisconsin for the American Lung Association, the oldest voluntary public health organization in the United States. One of our four strategic imperatives is to champion clean air for all. I am speaking in favor of Assembly Bills 846 & 847, which help us create the infrastructure we need to support a transition to electric vehicles, moving us towards that goal.

As you know, transportation sources like cars, buses and trucks are the largest source of smog-forming emissions and climate pollution in the U.S. The rapid shift away from combustion to zero-emission technologies is critical to securing clean air and healthier communities today and for the long-run. This is especially true in lower-income communities and communities of color which too often bear disproportionate health burdens due to increased pollution exposures from high traffic hubs. This is borne out by data – the American Lung Association's 2023 State of Air report revealed that several Wisconsin counties received failing grades for air quality. This is concerning because Wisconsin also ranks high for asthma prevalence. Breathing air pollution can cause asthma attacks, respiratory and cardiovascular harm, including heart attack and stroke, and even early death.

In addition to the air pollution health impacts, we know that climate change makes the job of cleaning our air and defending clean air progress more difficult. We must act with the urgency our situation requires. We are seeing the effects of this crisis unfold in the news every day as poor air quality days and extreme weather events.

To address air pollution challenges and climate change, Wisconsin should lead on zeroemission transportation – which will yield major health benefits along the way. According to the American Lung Association's 2022 <u>Zeroing in on Healthy Air Report</u>, the 2020 passenger vehicle fleet represents approximately 94 percent of the nation's on-road vehicle fleet and generates over 1 million tons of ozone- and particle-forming NOx emissions, and over 33,400 tons of fine particles annually. Heavy-duty vehicles represent approximately six percent of the on-road fleet in 2020 but generate 59 percent of ozone- and particle-forming NOx emissions and 55 percent of the particle pollution (including brake and tire particles). All segments produce harmful pollutants and creating infrastructure to charge all vehicle types must be a priority to help realize health benefits more quickly.

Facilitating publicly-available charging is a critical pathway to the health benefits of zeroemission transportation, and will also help boost public awareness of the accessibility of charging in our communities around the state. We agree that the bill could be made more expansive by applying the same criteria to the state government as are applied to local government units. Not only do we need to transition and charge our state and municipal fleets, but we should also ensure that charging is available to the public in our treasured state parks and other state-owned properties. These types of measures are widely popular, and we have done <u>polling</u> that shows that voters overwhelmingly support policies that will put the country on the path to zero-emission vehicles. Passing AB 846 & 847 with the suggested changes will enable the state to utilize the \$78 million it was awarded through the Federal Highway Administration's National EV Infrastructure (NEVI) program, enabling reliable and fast charging.

Building our state's electric vehicle infrastructure provides opportunities for major benefits in the near term and establishes pathways for generations to breathe healthier air. At every level of government, transportation and energy decisions are essentially public health decisions. Thank you for considering crucial legislation today that will impact our public health for generations.

Molly Collins Advocacy Director for Wisconsin 262-395-1700 | Molly.Collins@Lung.org



Date: January 9, 2024

To: Chairman Steffen and Members of the Assembly Committee on Energy and Utilities

From: Ben Porath, Executive Vice President and Chief Operating Officer at Dairyland Power Cooperative

RE: Support of Assembly Bill 846, Exemptions from public utility regulation regarding electric vehicle charging stations, installation and operation of electric vehicle charging stations by state agencies or local governmental units, and imposing an excise tax on electric vehicle charging and Assembly Bill 847 an electric vehicle infrastructure program and making an appropriation

Good afternoon, Chairman Steffen and Members of the Assembly Committee on Energy and Utilities. Thank you for holding a hearing today on AB 846, regarding exemptions from public utility regulation regarding electric vehicle charging stations, installation and operation of electric vehicle charging stations by state agencies or local governmental units, and imposing an excise tax on electric vehicle charging and AB 847 an electric vehicle infrastructure program and making an appropriation. My name is Ben Porath, Executive Vice President and Chief Operating Officer representing Dairyland Power Cooperative and I'm here in support of AB 846 and AB 847.

Dairyland is a generation and transmission electric cooperative formed in December 1941. Headquartered in La Crosse, Wisconsin, Dairyland provides the wholesale electrical requirements for 24 rural distribution cooperatives and 29 municipal utilities. These cooperatives and municipals, in turn, supply the energy needs of more than a half-million people in our four-state service area of Wisconsin, Minnesota, Iowa and Illinois.

Dairyland provides power, through our member distribution cooperatives, to 25 publicly available Level 3 Direct Current Fast Chargers (DCFC) and dozens of Level 2 destination chargers located in the rural areas of Western Wisconsin. These chargers enable electric vehicles to travel across our service area and promote tourism and commerce. We look forward to working with EV charging providers to build out more numerous and robust charging stations using the \$78 Million allocated to Wisconsin by the Federal Government's National Electric Vehicle Infrastructure (NEVI) Program.

Electric energy is measured in kilowatt-hours and Dairyland understands the need to allow charging station operators to bill electric vehicle owners by the kilowatt-hour for the energy

A Touchstone Energy® Cooperative K

3200 East Ave. S. • PO Box 817 • La Crosse, WI 54602-0817 • 608-788-4000 • 608-787-1420 fax • www.dairylandpower.com Dairyland Power Cooperative is an equal opportunity provider and employer. that they purchase. As long as the energy purchased is sourced from the incumbent electric utility, we agree that allowing vendors to bill by the kilowatt-hour is appropriate.

The excise tax in this bill is needed for out of state vehicles that travel in Wisconsin to collect revenue for road maintenance that be lost from not collecting the fuel tax that internal combustion engine vehicles pay.

Dairyland Power Cooperative appreciates the work of this committee on this important issue and the opportunity to provide input in support of the legislation for your consideration. Thank you for your time.

Dairyland Power Cooperative Contact: Ben Porath Executive Vice President and Chief Operating Officer Dairyland Power Cooperative Email: <u>ben.porath@dairylandpower.com</u> Phone: (608) 787-1400



To: Members, Assembly Committee on Energy and Utilities

From: Kristin Gilkes, Executive Director, Customers First Coalition

- Re: Support for Assembly Bill 846, Relating to: exemptions from public utility regulation regarding electric vehicle charging stations, installation and operation of electric vehicle charging stations by state agencies or local governmental units, and imposing an excise tax on electric vehicle charging; and,
 - **Support for Assembly Bill 847**, Relating to: an electric vehicle infrastructure program and making an appropriation. (FE)

Date: January 8, 2024

The Customers First Coalition (CFC) is an alliance of Wisconsin-based organizations and businesses that include consumer organizations, municipal electric utilities, rural electric cooperatives, wholesale electric suppliers, an investor-owned utility, and utility workers. Our Coalition works to ensure that any changes to Wisconsin's electric utility regulatory structure benefit customers first.

The energy-provider members of our Coalition are responsible for providing power to over 700,000 Wisconsin electric customer households and businesses. Our members and their employees play a vital role in the provision of power to communities across the state, many of which are ready and willing to partner with local businesses to host National Electric Vehicle Infrastructure (NEVI) charging stations.

CFC Support for Positive Electric Vehicle (EV) Policies

CFC has long believed state policies should be designed to support EV adoption and the associated benefits that can come with it, including:

- Downward pressure on electric rates for all customers;
- Lower fuel and maintenance costs for EV drivers, fleets, and transit systems; and,
- Environmental benefits from lower emissions.

Because of their ability to open Wisconsin's EV charging network to receiving federallyfunded NEVI grants, 2023 Assembly Bills 846 and 847 will help usher in the benefits of EVs for Wisconsin electric customers.

(Continued)

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CFC Support for Wisconsin's Utility Regulatory Structure

At the core of our mission, CFC supports Wisconsin's electric utility regulatory structure because it:

- Serves and protects all utility customers,
 - Ensures a reliable power supply and efficient electric grid, and,
 - Stabilizes prices for customers over the long term.

Where EV Charging and Utility Regulation Intersect

CFC could only support legislation relating to electric vehicles which does not conflict with Wisconsin's utility regulatory structure. 2023 Assembly Bill 846 achieves this balance by ensuring that the electricity supplied to drivers by an electric vehicle charging station is supplied by the electric utility or electric cooperative that provides service.

Therefore, we support 2023 Assembly Bills 846 and 847 thanks to the legislation's adherence to Wisconsin's utility regulatory structure while enabling opportunities for EV charging using NEVI funds. We appreciate the careful consideration of these concerns given by the bill's authors during the drafting process.

We support amendment language which ensures electric utilities or electric cooperatives receive sufficient notification when a new EV charging station is proposed in their service territory.

Please contact me with any questions.

Sincerely,

Kristin Gilkes	
Executive Director	
Customers First Coalition	
kristin@customersfirst.org	
(608) 286-0784 (Marked Constant of the constant second second second second second second second second second	



DATE:	January 9, 2024
TO:	Assembly Committee on Energy and Utilities
FROM:	Clean Wisconsin
RE:	Testimony on Assembly Bill 846 and Assembly Bill 847

Clean Wisconsin is a non-profit environmental advocacy organization. We strive to ensure a safe, healthy future for every Wisconsin community by fighting climate change and pollution. We were founded over fifty years ago and have over 20,000 members and supporters around the state. We employ scientists, policy experts and attorneys to protect and improve Wisconsin's environment.

Clean Wisconsin thanks Representative VanderMeer and Senator Marklein for bringing these bills forward. 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. Clean Wisconsin largely supports Assembly Bills 846 and 847, and we have suggestions to ensure there are no gaps in access to charging facilities.

Simply stated, Wisconsin needs to pass the language in Assembly Bill 846 that requires charging sales to be by the kilowatt-hour to comply with National Electric Vehicle Infrastructure (NEVI) requirements. Wisconsin is currently one of only two states that still does not comply. Specifically, Assembly Bill 846 clarifies that non-utilities can sell power by the kilowatt-hour, as required by NEVI. This proposal is necessary to ensure access to \$78 million in federal funding to build electric-vehicle-charging infrastructure. Clean Wisconsin urges the legislature to pass this language. Should the legislature fail to do so, the federal government will not provide that funding, and Wisconsin will fall behind other states.

Besides being required by federal policy, charging sales by the kilowatt-hour is the only fair way to sell electric vehicle charging. It creates parity between electric and gas-powered cars. Gas stations don't charge by the amount of time a car sits at a pump; they charge by the amount of fuel consumed in gallons. Charging by the amount of energy consumed in kilowatt-hours is no different. Currently, electric vehicle charging in Wisconsin is being sold by the amount of time a vehicle is at a charging station. The amount of time needed to charge an electric vehicle battery, however, varies based on the level of a charging station. Some electric chargers work faster than others, making the time spent at a charger irrelevant to the actual amount of electricity

consumed. So, not only is kilowatt-hour charging required by NEVI, but it is the only fair way to sell electric-vehicle charging.

While Clean Wisconsin supports Assembly Bills 846 and 847 as necessary proposals to access critical federal funding, we believe there are two issues Assembly Bill 846 should address.

First, there is no clear rationale as to why the state is treated differently from municipalities under the bill. Assembly Bill 846 allows a private third party to own and operate an electric vehicle charging station on municipal property. There is no similar allowance on State-owned property. There are places like state parks where such an allowance would be beneficial to the State, the private third party, and state park users. It is our understanding that the bill authors have drafted an amendment to address this issue to create parity for the state in this regard. We ask this committee and the legislature to support at least this aspect of a forthcoming amendment.

Second, Assembly Bill 846 is silent on local governments that already provide and seek a fee for charging. Based on dialogue with these local governments that were in the vanguard providing charging for early adopter residents and visitors, it is Clean Wisconsin's understanding that they are operating these stations in ways that allow them merely to recoup their costs—not profit. We are concerned that Assembly Bill 846 could unintentionally disrupt the operation of those existing charging stations. Local government leaders have worked to meet needs in communities lacking charging and would welcome charging provided by private third parties. This is not about competition, but rather collaboration to build out a charging network that serves all Wisconsinites, whether they live in a big city or a smaller community. It is unclear whether the forthcoming amendment addresses this issue, and we urge the bill authors to work with stakeholders to include a fix in an amendment.

Clean Wisconsin recognizes these proposals as necessary for the state to access \$78 million and supports them for that reason. We believe, however, that the aforementioned issues should be addressed by amending Assembly Bill 846 to ensure easy passage through the legislative process and a charging network that benefits all Wisconsinites.





January 9th, 2023

To: Chairman Steffen and Members of the Assembly Committee on Energy and Utilities Re: Support for Assembly Bills 846 and 847 (with requested amendment)

On behalf of the Alliance for Automotive Innovation¹ (Auto Innovators), thank you for the opportunity to provide the auto industry's input as you consider changes to Wisconsin's laws designed to pave the way for necessary electric vehicle (EV) infrastructure. We strongly support the goals of Assembly Bills 846 and 847, but we are particularly interested in the new taxing mechanism on Level 1 and Level 2 EV charging stations.

According to recent data, in the 2nd Quarter of 2023, the number of EVs sold nationwide increased 58 percent from the same period in 2022, accounting for 9.1% of total new vehicle sales across the country.² In Wisconsin, EV sales were only 3.9% of all new vehicle sales in the 2nd Quarter. This includes battery electric, plug-in electric, and fuel cell models. Automakers are investing heavily in EV manufacturing and battery production in the United States; \$110 billion plus by the end of the decade in multiple states. Globally, automakers have committed to investing \$1.2 TRILLION dollars³ on electrification through 2030.

Our members recognize the pressure this transition – along with the continued rise in MPG ratings of traditional gas/diesel powered vehicles and the increased costs of highway construction generally – places upon state road infrastructure budgets that have historically been funded through state and federal gas tax revenues.

To address this concern, policymakers across the country have been forced to consider avenues outside of a gas tax to recoup revenues that otherwise would have been collected. Two potential revenue streams most commonly identified are: a flat annual registration fee on EVs and hybrids; and a tax based on the number of kilowatts of electricity (kWh) used to charge an EV.

While automakers were once among the loudest to protest additional registration fees placed upon EV owners, we have now come to believe that such fees are the most responsible path for states to follow. From a state's perspective increased registration fees on EVs could be accomplished with little added administrative costs. It would also represent the fastest way to begin collecting revenue, and likely prove to be the most stable source of revenue year-to-year. As you are aware, Wisconsin currently imposes an additional EV registration fee which is intended to capture lost gas tax revenue from EVs. In fact, Wisconsin's current EV registration fee of \$175 is one of the highest in the nation. This means EV drivers in Wisconsin are already contributing their "fair share", if not more, than drivers of gas-powered vehicles to the road fund considering the EV registration fee is commonly seen as a replacement for lost gas tax revenue.

1050 K Street, NW | Suite 650 | Washington, DC 20001 | AutosInnovate.org

¹ From the manufacturers producing most vehicles sold in the U.S., to autonomous vehicle innovators, to equipment suppliers, battery producers, and semiconductor makers – the Alliance for Automotive Innovation represents the full auto industry, a sector supporting 10 million American jobs and five percent of the overall economy. Active in Washington, D.C. and all 50 states, the association is committed to a cleaner, safer, and smarter personal transportation future. <u>www.autosinnovate.org</u>.

² <u>https://www.autosinnovate.org/posts/papers-reports/get-connected-q2-2023</u>

³ https://www.autosinnovate.org/posts/communications/The%20Future%20Is%20Electric%20Infographic

Given that registration fees do not capture out of state drivers, we understand the need for the state to pursue other forms of funding to support Wisconsin roads. We specifically support the application of a kWh tax on the high-speed charging infrastructure (known as Level 3 or DC Fast Chargers) being installed along highway corridors to capture out-of-state drivers who are transiting on State roadways. We do, however, want to highlight concerns with the current draft.

We do not support a kilowatt hour tax on all non-residential chargers. Workplace chargers and those installed at grocery stores, schools and shopping malls will still likely be used by local residents as they go about their lives in their communities. We believe the implementation of the tax assessment on existing Level 1 and 2 chargers will create a bureaucratic challenge for both the entities who deploy them as well as the Wisconsin Department of Revenue. Many of these existing Level 1 and Level 2 chargers don't have the metering capabilities necessary to accurately assess how much tax to pay. Our recommendation is to amend the bill to only apply a kWh tax to Level 3 chargers and not Levels 1 and 2. With such an amendment the Auto Innovators would fully support the bill.

Another consideration for the committee given that EV owners are already paying a higher registration fee to make up for lost revenue as the result of not paying a gas tax, a kWh tax could be viewed as a double tax on in-state EV owners, especially those that do not have access to home charging. To be specific, as constructed this bill does not consider EV owners that live in multi-unit dwellings or other living arrangements that do not allow for at-home recharging options. In that scenario, those EV owners would pay an annual EV registration fee along with the kWh tax whenever they refuel. If the committee were to move forward with this bill, we would suggest an amendment that allows for a tax credit or rebate for residents who charge at non-residential locations to avoid double taxation of those individuals.

While we do not suggest EV owners should get a free ride, we are very sensitive to a public perception that EV owners are being punished with new taxes and fees that drivers of traditional vehicles do not pay, and the possibility that such perception could holdback sales of this growing technology.

Thank you for your consideration of our views. If I can provide any further information, please feel free to contact me at <u>jfisher@autosinnovate.org</u>.

Sincerely,

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Josh Fisher Senior Director, State Government Affairs



TO:	Chair Steffen & Members, Assembly Committee on Energy and Utilities
FROM:	Craig Summerfield, Director of Environmental & Energy Policy
DATE:	January 9, 2024
RE:	Support for Assembly Bill 846, exemptions from public utility regulation regarding electric vehicle charging stations

Wisconsin Manufacturers & Commerce (WMC) appreciates the opportunity to testify in support of Assembly Bill 846, which would allow businesses to sell electricity by the kilowatt-hour to consumers with electric vehicles. WMC appreciates the efforts of Rep. VanderMeer and Sen. Marklein in working with a myriad of stakeholders to bring this important legislation forward.

WMC is the largest general business association in Wisconsin, representing approximately 3,800 member companies of all sizes, and from every sector of the economy. Since 1911, our mission has been to make Wisconsin the most competitive state in the nation to do business. That mission includes advocating for legislation that provides regulatory certainty for Wisconsin businesses while ensuring a level playing field for businesses to compete.

According to the Wisconsin DOT, electric vehicles make up an estimated 0.1% (or 13,893) of registered vehicles in Wisconsin. However, the state projects this number could increase to nearly 10% of registered vehicles in Wisconsin by 2035.¹

WMC recently surveyed businesses on the topic of electric vehicle charging. The *Wisconsin Employer Survey* found an overwhelming majority (88%) of employers surveyed support "updating state law to allow private businesses to offer electric vehicle charging services to consumers for a fee." Importantly, the same assessment found that 88% of employers surveyed oppose "allowing local governments to use taxpayer subsidies to compete against private businesses for services like electric vehicle charging."²

In short, Wisconsin's business community is eager for an update to state law to allow them to enter this emerging market. At the same time, however, the investments made by private businesses to meet consumer demand should not be undercut by government-owned EV charging stations.

- ¹ See Wisconsin Electric Vehicle Infrastructure Plan 2023 Plan Update. Page "3-55." https://wisconsindot.gov/Documents/projects/multimodal/2023weviplanupdatefinal.pdf.
- ² See Wisconsin Employer Survey Summer 2023 Public Policy. Pages 4-5. <u>https://media.wmc.org/wp-</u>content/uploads/2023/09/12122231/CEO-Survey-Report Summer-2023 PUBLIC-POLICY.pdf.

Thankfully, Assembly Bill 846 addresses both of these important concerns:

- 1. It updates Wisconsin law to allow private businesses to sell electricity based on usage to electric vehicle consumers.
- 2. It prohibits a government entity from undercutting private businesses by offering taxpayer-subsidized electric vehicle charging to the public for a fee.

WMC appreciates the opportunity to testify and offer its support for Assembly Bill 846. I am happy to answer any questions.

Chair Steffen & members of the Committee, my name is Zach Kahn and I am a Senior Policy Advisor for Tesla. Thank you for the opportunity to provide these comments on AB846. Tesla is both the world's leading manufacturer of electric vehicles as well as the largest owner and operator of public fast charging infrastructure in North America. Tesla has sold more than 11,000 cars to customers in Wisconsin and our supercharging network in Wisconsin (what we call our fast chargers) consists of 295 chargers across 34 locations. Importantly, this network runs the gamut in terms of location. We have set up this network not only so people who live in apartment buildings in urban areas have ways to charge their cars, but so people who live in rural communities have the ability to drive all around the state without experiencing range anxiety. We have made sure that you can not only charge you car in Milwaukee or Madison but if you were heading to Door County for the weekend, for example, or spending time in Minocqua, you will be able to charge your car. We have partnered over the years with Kwiktrip, Culvers, Meijer, and other retailers across the state. Tesla is working to dramatically expand our public charging network in the coming years as we open up our charging network to allow non-Tesla EVs to charge. In the last 6-9 months, virtually every car manufacturer has adopted the North American Charging Standard, or NACS, which is the official name for the charging connector that Tesla has utilized. This is an exciting moment in the industry as more and more EV drivers will be able to enjoy the convenient and user-friendly experience of charging with Tesla's network.

I wanted to start by thanking Senator Marklein and Representative VanderMeer for introducing this important bill. Tesla is supportive of Wisconsin moving from a charge by the minute framework to allowing charging operators in the state to bill drivers based on the number of kilowatt-hours they receive. This will improve the user experience and make for a much more fair and transparent system. Second, while this bill adds a kWh tax to charging, Tesla appreciates that the bill exempts the chargers from the current sales tax, thereby avoiding double taxation while ensuring that that tax monies received are put into the transportation fund where they rightly belong. We were pleased to see the recent amendments to the senate version of this bill and recommend that this committee adopt those amendments in your version. There were two key changes in those amendments that I wanted to highlight as they are very important to the success of this policy. First, the amendments make it clear that level 1 and level 2 chargers are exempt from the per-kWh tax. L1 and L2 chargers are slow chargers that are often found in public locations where cars are expected to be parked for hours not minutes. These are often amenities to unrelated businesses - think restaurants, hotels, resorts, etc. In virtually every instance, these chargers are not separately metered so there would be no way for a say a restaurant that wanted to offer customers charging to know which kwhs on their electricity bill are meant to pay per kWh tax versus sales tax. This would be a huge disincentive for businesses to invest in this infrastructure which is vitally important to the charging network. We applaud the Senate for making this amendment and hope this committee does as well.

Second, the original bill included a provision requiring charging operators to go through a permit application process with DOR. The amendments wisely change that application process to more of a notification rather than creating a new level of bureaucracy. Essentially, charging operators will need to notify DOR when they install new chargers and will not have to go through another permitting process. We encourage this committee to adopt this amendment as well.

Thank you again for allowing me to testify today and I would be happy to answer any questions that the committee may have.



222 West Washington Avenue, Suite 680 Madison, WI 53703-2719 (608) 467-4650 (608) 467-4651 fax www.weca.coop

Assembly Committee on Energy and Utilities January 9, 2024 Written remarks on Assembly Bill 846

Chair Steffen and members of the committee:

My name is Rob Richard and I'm the Vice President of Government Relations and External Affairs for the Wisconsin Electric Cooperative Association. Thank you for giving me the opportunity to submit these remarks into the committee record. WECA supports Assembly Bill 846, relating to exemptions from public utility regulation regarding electric vehicle charging stations, installation and operation of electric vehicle charging stations by state agencies or local governmental units, and imposing an excise tax on electric vehicle charging.

WECA's 24 electric distribution cooperative members serve more than 279,067 farms, residences, and businesses in the state. Dairyland Power Cooperative, also a member, is a generation and transmission cooperative that provides power to 24 electric distribution cooperatives and 17 municipal utilities in Wisconsin, Illinois, Iowa, and Minnesota. Nearly one out of every 10 electric consumers in Wisconsin is an electric cooperative member.

While WECA supports Assembly Bill 846, and we urge the committee to pass this legislation, we also respectfully ask that the committee adopt an amendment that is being proposed by authors Sen. Marklein and Rep. VanderMeer. The provision we are specifically asking for would require incumbent utility providers to be notified when an individual or entity applies for a permit (or registers) with the Department of Revenue to locate EV charging units. Robert Cornell, Manger of Washington Island Electric Cooperative, wanted me to share with you why the notification piece is important. His comments are below.

It is a rare occasion that the utility (no matter whether it is a Cooperative, Municipal or Investor Owned) is notified of additions/changes to residential or commercial locations. After the meter, we essentially have no control. Whether it is an instantaneous water heater or an EV charger, we may never know it was installed until there is an issue. While we are only responsible for the service up to the service mast or meter, notification allows to not only evaluate whether our own equipment and conductors are adequate to handle the load, but also to point the home/business owner in the direction of a qualified electrician who should be evaluating the capacity of the equipment after the meter.

One case in point at a residential location: A homeowner bought himself a new Tesla. The charger for this vehicle is a level 2 charger. It sits behind a 60-amp breaker and draws 48 amps when in use. Whenever the vehicle was charging and the homeowner's dryer or water heater was in use, his lights would dim. This was only discovered when we received a power quality

complaint from his next-door neighbor, whose lights were also dimming because they shared a 10kW transformer. There had never been a problem prior to this until the EV charger was installed. Worse yet, the Tesla owner's home only had a 100-amp service panel (and an old one at that) and was served by #2 triplex which is 100-amp secondary wire.

All of this could have been avoided had the new Tesla owner contacted us. A typical home rarely draws more than 40-50 amps normally. A current clamp showed that during the brownout situation, the Tesla owner's home was drawing 84 amps and the neighbor's home was drawing 20 amps. A 10kW transformer is only rated to deliver around 42 amps and should trip out at 84 amps. Since it was a cold day and the transformer will trip based on heat, it was able to deliver the amperage, however the voltage was affected hence the lights dimming.

Note that this not only affected the EV owner but the neighbor as well.

In addition, as more and more of these chargers become prevalent, especially at a residential level, it will not only be transformer infrastructure that will need to be upgraded. Conductors, regulators, etc. are all affected by the load on the system.

In a commercial setting where a three-phase level 3 charger is operating at 480 volts behind a 70-amp breaker, 30kW load transformer sizing becomes more critical. The charger takes up a fair amount of the capacity of the transformer (s) and if the transformer is not sized adequately or a new larger capacity transformer to accommodate the increased load, dimming lights might not be the only bad effect of voltage drop. Motors can fail, stepdown transformers within a faciality can be stressed and other equipment in an industrial/commercial setting that is sensitive to brownouts could fail.

The availability of single and three phase transformers is not what it was, and advance planning is required.

Our case on Washington Island is unique in that, with full backup generation requiring a relatively balanced load to protect the windings of the generators, it does not take many of these chargers on a phase to make it nearly impossible to keep our engines/generators running during a loss of power from the mainland. There is no EV owner that is going to get up in the middle of the night during a power outage and unplug their vehicle to ensure that backup generation will continue running.

Chair Steffen, thank you for the opportunity to testify on Assembly Bill 846. WECA urges this committee to take positive action on this legislation so we can take advantage of the federal dollars available to us to build out an EV charging network throughout the State of Wisconsin. Thank you!



131 W. Wilson St., Suite 505 Madison, Wisconsin 53703 phone (608) 267-2380; (800) 991-5502 fax: (608) 267-0645 league@lwm-info.org; www.lwm-info.org

To: Senate Utilities and Technology Committee

From: Toni Herkert, Government Affairs Director, League of Wisconsin Municipalities

Date: January 9, 2024

RE: Assembly Bill 846 – Related to EV Charging Infrastructure

Chairman Steffen, Vice Chair Summerfield, and members of the Energy and Utilities Committee,

The League of Wisconsin Municipalities represents nearly 600 municipalities, both large and small, urban, and rural throughout the state. Thank you for the opportunity to provide written testimony today on Assembly Bill 846 related to electric vehicle charging infrastructure.

The League participated in the legislative process last session to provide an opportunity for owners and operators of electric vehicle charging infrastructure to sell by the kilowatt hour and not be considered a public utility under Wisconsin's statutes. That legislation did not pass. This session we are appreciative of the leadership and work Representative VanderMeer, Senator Marklein, and their staff have invested in developing a compromise piece of legislation. AB 846 moves the needle on EV infrastructure and the ability to charge per kilowatt hour as required by the U.S. Department of Transportation and the Federal Highway Administration in the National Electric Vehicle Infrastructure (NEVI) Formula Program rules under 23 Code of Federal Regulations (CFR) 680.116. Assembly Bill 846 also balances the ability for local governments to utilize municipal locations to help with the deployment of EV charging infrastructure.

By allowing local governments to provide charging facilities there will be an entity that can provide EV charging opportunities in areas that are less profitable where the private market may not locate infrastructure. We do not want electric vehicle charging opportunities to mirror the lack of market incentives witnessed for broadband investment in rural areas. It will most likely be those smaller and more rural communities that will be most impacted and under or unserved. The League is thankful that the legislation this session recognizes the important role local government in general, and municipal locations in particular, will play in reliably serving all the residents and tourists in the state. We recognize that there are several varied interested parties that participated in the process to craft this legislation and we appreciate the effort to balance the needs of all the stakeholders involved.

Assembly Bill 846 allows local governments to:

- 1. Own, operate, manage, or lease an electric vehicle charging station containing a Level 1, Level 2, or Level 3 charger if the charger is not available to the public and is used solely to charge municipal fleet vehicles.
- 2. Authorize another person to own and operate an electric vehicle charging station available to the public on municipal property.
- 3. Own, operate, manage, or lease a Level 1 or 2 electric vehicle charging station for public use at no charge as a municipal amenity. An example would be a charger at a city/village hall or public library.

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The League appreciates the consideration of municipalities and municipal properties in the drafting process and supports the effort to capitalize on the nearly \$79 million in federal funding to make the state competitive in this arena. We are also appreciative of the amendment that has been drafted by the authors as it will provide state parity with local governments related to EV charging infrastructure.

There is one remaining issue that the League would like to see addressed in this legislation. We were hopeful that the amendment would entertain our request that the bill be modified to allow for a grandfather of existing municipal chargers that have time or space fees currently associated with EV charging. We have some communities such as Eau Claire (with 12) and Milwaukee (with 4) who currently own and operate EV chargers. These cities do not work with a third party, they actually own and operate the infrastructure. These communities invested financial resources in EV charging for their community, an investment that will not be recovered if they are not allowed to charge for the use of the infrastructure. The intent of the amendment requested is to continue charging to pay off the initial investment related to the infrastructure, so the municipality does not end up with stranded assets. Again, this would be a grandfather situation so only those chargers currently owned and operated by a municipality that are public facing and currently charge a fee based on time or space would be included in the small universe impacted by this amendment request.

The League supports the work that has been accomplished so far this session on EV charging and we appreciate the work to incorporate municipalities and municipal locations into the overall EV equation. The amendment moves the state in a good direction on EV deployment to be competitive with our midwestern neighbors and benefit from the federal resources. We hope to continue the conversation related to our amendment request and support the legislation moving forward. Thank you for your consideration. If you have any questions, please feel free to reach out to me at your convenience at therkert@lwm-info.org.

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Good morning and Thank you Chairman Representative Steffen and members of the Committee for allowing us to speak on our support for Assembly Bill (AB) 846. My name is Jenny Malcore, and I am the Senior Government Relations Analyst for Kwik Trip.

Kwik Trip prides itself on providing a great experience for all guests, including electric vehicle (EV) owners. Currently, we offer electric vehicle charging stations in Iowa, Minnesota, and Wisconsin. Over 40 other states, including those surrounding Wisconsin allow us to provide this service by charging on a per kWh basis. While we want to expand offerings at our stores to meet the needs of our guests in Wisconsin, the inability to charge kWh has reduced our production.

Over the past year, we have worked with numerous legislators and interested stakeholders to introduce a bill to allow charging on a per kWh basis. With the release of the National Electric Vehicle Infrastructure (NEVI) funding this money will be utilized by private industry to increase electric vehicle charging infrastructure in our state, benefiting citizens, growing tax-revenue, and bringing out of state tourists to Wisconsin.

While recent outside economic factors reduced car sales in general, all-electric vehicles have continue to be sold at an increasing rate since their introduction in 2010. The sale of EVs increased 55% in the United States from 2021 to 2022.

As a proud Wisconsin company, we ask the committee to support AB 846 and allow us to serve all of our guests to the best of our ability through the continued improvement and expansion of our stores.

Thank you for your time. We are happy to answer any questions you may have.

OUR MISSION

To serve our customers and community more effectively than anyone else by treating our customers, coworkers and suppliers as we, personally, would like to be treated, and to make a difference in someone's life.



Department of Administration Intergovernmental Relations Division Cavalier Johnson Mayor

Preston D. Cole Director of Administration

James A. Bohl, Jr. Director of Intergovernmental Relations

January 9th, 2023

Good Morning Chairman Steffen and fellow members of the Assembly Committee on Energy and Utilities,

Thank you for taking the time this morning to discuss Assembly Bill 846, relating to exemptions from public utility regulation regarding electric vehicle charging stations. The City of Milwaukee greatly appreciates the bill author's work getting the legislation to this point. The City of Milwaukee is glad to support this piece of legislation.

The central urgency of this legislation is to allow the State of Wisconsin and its municipalities to tap into significant Federal funds to begin the process of building and implementing a statewide electric vehicle charging network. Without the statutory changes in this legislation, the State of Wisconsin would not qualify for those Federal funds. The availability of these Federal funds will allow the State of Wisconsin and the City of Milwaukee to work with the private sector to plan, design and construct EV charging networks throughout our State and City. This legislation will expand customer choice and the market for electric vehicles while also benefiting our local air quality.

The City of Milwaukee currently has a very limited footprint of existing public facing EV charging stations, insufficient to meet the demand of our residents. This legislation would allow the City to partner with the private sector to not only build a network of EV stations throughout the City, but would allow us to partner with the private sector to own and operate EV stations for the public on municipal owned property as well. The City has applied for a federal grant to expand publicly available EV charging using a public-private partnership that is consistent with this legislation. Under this model, the City would select a private sector company through a public and competitive process to design, building install, operate, and maintain a publicly-accessible charging network. The private sector company would provide the matching-funds for the federal grant in exchange for the revenues that people pay to use the new stations. Information on our plan is publicly available at Milwaukee.gov/EV.

While the City of Milwaukee does support this legislation, we do have a couple of suggested amendments we feel could further strengthen this legislation. First, we feel that it would be equitable for the State to "grandfather" any existing publicly owned charging stations throughout the State to allow them to charge the public. This would ensure that local governments are not punished for the previous investments they have made in this infrastructure. Second, we request that local governments be allowed to charge, solely for cost recovery, for any future municipally-owned EV stations. We understand the intention of this

legislation is to enable the free market and our private sector to build the EV charging network and we support that effort. Though, the City can foresee instances where the commercial market might not invest in a particular area, and the municipality might wish to install its own EV charging in an underserved region of our City. In this circumstance, we would simply ask that the City be allowed to charge an amount that would make it cost neutral for our municipal budget (no revenues gained or lost).

Thank you again for your consideration of this important legislation. We appreciate you providing us the opportunity to speak in support of AB847 and considering our suggested amendments. I would be happy to answer any questions the Committee may have.

For any further questions or comments, please reach out to: Jordan Primakow Senior Government Relations Manager City of Milwaukee - Intergovernmental Relations Division Email: jprima@milwaukee.gov Phone: 414-708-6433