

HOWARD MARKLEIN

STATE SENATOR • 17TH SENATE DISTRICT

December 19, 2023 Senate Committee on Utilities and Technology Testimony on Senate Bills 791 and 792 Electric Vehicle Charging

Thank you Chairman Bradley and committee members for hearing Senate Bills (SB) 791 and 792. SB 791 will enable private-sector businesses in Wisconsin to participate in the electric vehicle (EV) charging industry while SB 792 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 Transportation Builders Association
Wisconsin Conservative Energy Forum
Wisconsin Counties Association
WEC Energy Group
Renew WI
Customers First! Coalition
Wisconsin Electric Cooperative Association
Madison Gas & Electric
Wisconsin Grocers Association
Tesla
Wisconsin Department of Revenue (DOR)

Wisconsin Manufacturers & Commerce
Wisconsin Towns Association
Municipal Electric Utilities
Leagues of Wisconsin Municipalities
Alliance for Automotive Innovation
Energy Action Fund
Dairyland Power Cooperative
American Council of Engineering Companies
Wisconsin Fuel & Retailers Association
Wisconsin Auto & Truck Dealers Association
Wisconsin Department of Transportation (DOT)

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.



NANCY VANDERMEER

STATE REPRESENTATIVE • 70TH ASSEMBLY DISTRICT

TO: Honorable Members of the Senate Committee on Utilities and Technology

FROM: State Representative Nancy VanderMeer

DATE: December 19, 2023

SUBJECT: Testimony in Support of Senate Bills 791 & 792

Thank you Chairman Bradley and members of the Assembly Committee on Utilities and Technology for holding a hearing on Senate Bills 791 and 792 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, Senate Bills 791 and 792 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 Chairman Bradley and Senator Quinn for co-sponsoring these proposals, and I would respectfully ask committee members for your support to move these bills forward in the legislative process.



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 Assistant Deputy Secretary Joel Nilsestuen Before the Senate Committee on Utilities and Technology December 19, 2023

Re: Senate Bill 791, 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 Bradley and committee members, thank you for the opportunity to testify on behalf of the Wisconsin Department of Transportation on Senate Bill 791 and Senate Bill 792.

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, I-535, as well as US 53 and US 151, to support electric vehicle charging, hydrogen, propane, and natural gas fueling. 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 our waysides. The final 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 important 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 will be unable to 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. Senate Bill 791 provides the necessary language for electric vehicle charging stations to comply with NEVI Program requirements.

The level 3 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. Fast charging is mostly suitable for commercialized locations as identified in WisDOT's plan. This is due to increased costs and a need for significant grid capacity. Level 1 and level 2 electric vehicle charging stations are an important part of the equation in areas where costs and grid capacity can become a barrier to publicly available charging. In addition, some charging station locations do not necessitate a fast charge when the consumer can be parked at the location over longer durations. Many commercial locations in Wisconsin utilize and will continue to deploy these charging stations well into the future.

Level 1 and level 2 charging stations are a low-cost alternative that requires minimal electrical service upgrades. In many instances, these charging stations require a simple installation where no electrical service upgrade is necessary. Senate Bill 791 allows

local governmental units to own, operate, manage, or lease these lower-cost alternatives. Under the bill, state agencies are not granted this option. The reason for state entities to be treated differently than local units of government is unclear. In our view, the restrictions on public sector entities at the local level should be consistent with the public sector at the state level.

As WisDOT prepares to launch its NEVI Program, I would like to note the importance of Senate Bill 792. This bill provides WisDOT the program authority and the appropriations that are necessary for the successful administration of the program. We appreciate the bill authors for their leadership on this issue and the Department stands ready to continue to work 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 important conversation. I am happy to answer any questions that you may have.



DATE: December 19, 2023

TO: Senate Committee on Utilities and Technology

FROM: Eau Claire County

RE: Testimony Related to SB 791 and SB 792

Thank you for the opportunity to provide testimony on SB 791 and SB 792. My name is Regan Watts, and I am the Recycling & Sustainability Coordinator for Eau Claire County.

Eau Claire County understands the significance of the National Electric Vehicle Infrastructure (NEVI) funding, the barriers within current state statutes related to charging by the kilowatthour, and the importance of growing the electric vehicle (EV) charging network across the state. Eau Claire County is also committed to investing in EV infrastructure in our community that meets our county board adopted climate action goals. In my testimony today I will speak to some of the potential effects these bills will have on Eau Claire County if they pass as written.

Early Adopters

In 2022, Eau Claire County began the process of purchasing EV charging stations and updating infrastructure at our government center. The intent of these chargers was to provide infrastructure for our county fleet vehicles while also providing a service to our employees and the residents who frequent the courthouse and the small businesses nearby. The total investment was \$76,000. Eau Claire County urges the committee to include language that would grandfather in existing electric vehicle chargers and fee structures owned by local governments. Doing so ensures that the cost of the electric vehicle chargers and the ongoing costs (service charges, energy use, maintenance, etc) is paid for by the users and does not become a burden to the taxpayer.

Impact in rural communities

Eau Claire County has identified EV charging infrastructure as a critical investment for the county to make for our county fleet vehicles and as infrastructure in our rural community. This type of investment is not always considered as a prime investment to make in rural communities by the private sector. To ensure that rural communities in Eau Claire County are not left behind in the transition to EVs, the County is looking to build out EV charging for our fleet while also

placing the chargers in key locations in the community like parks, community centers, etc. that would provide publicly available charging for our residents and those visiting the community.

If local governments are not able to recoup the ongoing costs of owning EV infrastructure (service fees, energy use, and maintenance) it is very unlikely that Eau Claire County will be able to continue investing in charging infrastructure that will benefit our own operations and also the public. Allowing local governments to charge a fee ensures that the costs of the equipment and energy use are paid directly by the users and not placed as a burden on the taxpayer.

Overall, Eau Claire County is excited for the potential funding that could come from SB 792 and the impact it could have on building out electric vehicle infrastructure throughout Wisconsin. However, the language in SB 791 would make it very difficult for local governments who have invested as early adopters to pay for the ongoing expenses of existing EV infrastructure. SB 791 would also make it difficult for local governments to invest in the infrastructure that they feel is needed in their community and without that investment by local governments could leave rural communities behind in the transition to an EV future.

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

Sincerely,

Regan Watts

Recycling & Sustainability Coordinator

Eau Claire County

Regan Watta



December 19th, 2023

To: Chairman Bradley and Members of the Senate Committee on Utilities and Technology

Re: Senate Bills 791 and 792

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. In regard to Senate Bills 791 and 792, we are particularly interested in and have concerns with the new taxing mechanism on 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.

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. www.autosinnovate.org.

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

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.

Lastly, Wisconsin EV drivers already pay the enhanced EV registration fee which serves as a proxy for lost gas tax revenue. Double taxing Wisconsin EV drivers with an additional kWh tax is unnecessary and should be avoided. 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.

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>ifisher@autosinnovate.org</u>.

Sincerely,

Josh Fisher

bod Fisher

Senior Director, State Government Affairs



DATE: December 19, 2023

TO: Senate Committee on Utilities and Technology

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

RE: Information-Only Testimony Related to SB 791 and SB 792

Thank you for the opportunity to provide testimony for information purposes on SB 791 and SB 792. My name is Allison Carlson, and I am the Executive Director of the Wisconsin Local Government Climate Coalition (www.wlgcc.org). 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. 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. 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. [https://wisconsindot.gov/Documents/projects/multimodal/2023weviplanupdatefinal.pdf].

² U.S. Department of Transportation, Benefits to Communities. [https://www.transportation.gov/rural/ev/toolkit/ev-benefits-and-challenges/community-benefits].

- 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

Additionally, related to economic impacts in the form of prior investments made, many local governments have been early adopters of EV charging stations and making them available to the public. SB 791 lacks clarity on how these existing charging stations will be affected if these bills are enacted. For example, some of our members own charging stations and currently charge EV drivers for their use. These current arrangements allow our members to recoup their investments and direct fees to EV drivers. If SB 791 passes as currently drafted, the effect may be that these local governments cannot recoup the costs for these prior investments.

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 for Wisconsin businesses and savings over time for individual household budgets. However, additional clarity is needed for how to treat prior investments in charging infrastructure made by

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-in-the-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]

local governments. 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,

Allison Carlson

Executive Director

Allelelen

Wisconsin Local Government Climate Coalition

carlson.allison@wlgcc.org





To: Senate Committee on Utilities and Technology

Re: Support Senate Bill 791 and Senate Bill 792

The Wisconsin Fuel and Retail Association requests your support of Senate Bill 791 and Senate Bill 792. Allowing businesses, including convenience stores and fuel outlets, to resell electricity for electric vehicle (EV) charging purposes is essential for creating private incentives to invest in and expand EV infrastructure.

The current regulatory framework in Wisconsin prohibits EV charging station owners from reselling electricity on a per kWh basis and poses challenges for the development of the EV charging market in the state.

Unlike other states, Wisconsin restricts businesses from billing EV drivers based on the actual amount of energy consumed during charging. This lack of regulatory certainty hinders private investment in EV charging technology, limiting the potential for growth in this industry.

Additionally, adopting a per kWh pricing model is fundamental for ensuring consumerfriendly pricing consistency and transparency across state lines. It is imperative to address and revise the current state statute to align with the evolving needs of the electric vehicle market and to position Wisconsin to effectively utilize Federal funding opportunities.

The National Electric Vehicle Infrastructure (NEVI) final rule, which requires pricing display and base price on \$/kWh, further underscores the importance of updating state regulations to align with federal guidelines and facilitate Wisconsin's participation in the evolving landscape of electric vehicle adoption.

WFRA appreciates your time and urges the committee to pass Senate Bill 791 and Senate Bill 792 to allow the continued development of the EV charging network in Wisconsin.

WFRA, founded in 1926, has over 300 members that operate more the 2,000 convenience stores across the state and employ over 30,000 people.



Municipal Electric Utilities of Wisconsin 725 Lois Drive Sun Prairie, WI 53590 T: 608-837-2263 www.meuw.org

Municipal Electric Utilities of Wisconsin Testimony in SUPPORT of SB 791 and SB 792: Electric vehicle charging stations and electric vehicle infrastructure program.

Chairman Bradley, Vice-Chair Wanggaard and members of the Senate Committee on Utilities and Technology,

Thank you for the opportunity to testify <u>in support</u> of SB 791 and 792. 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.

SB 791 and 792 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.

MEUW would like to thank the bills authors for their work in putting this legislation together and listening to all stakeholders' input. Passage of SB 791 and 792 is important and strongly encouraged by your public power communities.

Thank you for your support!



December, 2023

Chairman Bradley and Members of the Utilities and Technology Committee:

I appreciate the opportunity to provide written testimony in support of SB 791 and 792. I am Ryan Huebsch, the Executive Director of the Wisconsin Conservative Energy Forum (WISCEF). WISCEF is a vehicle for individuals, organizations and businesses to join the conservative conversation about Wisconsin's energy future.

WISCEF believes that an "all of the above"-energy policy must be pursued by increasing our state's commitment to reducing energy waste and developing "Wisconsin-grown" clean energy resources. We're a conservative non-profit group dedicated to advancing forward-looking, small government, market oriented and pragmatic energy policy for our state and we believe SB 791 and SB 792 falls directly into those parameters.

First of all, WISCEF ultimately supports both SB 791 and SB 792 but would like to see four important proposals considered. WISCEF has been part of a coalition of organizations who will be testifying in favor of these bills but would like to see amendments added. My colleagues Emma Heins (Electrification Coalition) and Zach Kahn (Tesla) among many others have hit on several points that I will not reiterate and waste the committees time by going in depth on, but briefly they are:

- 1. This bill should clarify that the rules for the state should mirror what is listed for municipalities in this bill.
- 2. Existing chargers owned and operated by the municipalities that charge for their power should be grandfathered into compliance. Municipalities that invested in these chargers factored revenue into their cost payback models and taking those costs on will impact their budgets drastically.
- 3. A new separate permit process will be cumbersome and add delays to charger deployment. The current system of notifying DOR of the project is not broken. This bill shouldn't try to fix it. Adding more red tape will be counter productive to the benefit of these bills.
- 4. EV fees on level 2 chargers should be eliminated. Level 2 chargers are not the level 3 quick charge facilities that will be used by out-of-state drivers. Level 2 will be used primarily by Wisconsin residential EV owners who are already paying a higher annual registration fee to compensate for any lost revenue to the transportation fund from gasoline or diesel purchases.

As we are all aware, Wisconsin was awarded roughly \$78 million through the Federal High Administration National EV infrastructure (NEVI) program in order to implement fast charging for long distance travelers in Wisconsin, across the Midwest and the entire country.

Wisconsin Conservative Energy Forum Page Two

These federal dollars will help all Wisconsinites with benefits such as increased tourism, more local jobs and an increase in domestic manufacturing. These bills, allowing us to receive NEVI funds, give us the ability to help change the outlook of how Wisconsinite's travel. We have an opportunity to have a major positive impact on transportation in the state.

Thank you to Sen. Marklein and Rep. Vandermeer for authoring this important legislation and thank you to Chairman Bradley for his leadership on this issue.

Contact WCEF lobbyist Brandon Scholz for additional information and follow-up questions at brandon@capgroupwi.com or (608) 335-8500.



DATE:

December 19, 2023

TO:

Senate Committee on Utilities and Technology

FROM:

Clean Wisconsin

RE:

Testimony on Senate Bill 791 and Senate Bill 792

My name is Chelsea Chandler. I am the climate, energy, and air program director at Clean Wisconsin. 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 Senator Marklein and Representative VanderMeer 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. From my personal experience as an electric car owner living in a rural area, I know that building a robust and convenient charging network is essential for more Wisconsinites to be able to go electric. Clean Wisconsin largely supports the proposals, and we have suggestions to ensure there are no gaps in access to charging facilities.

Simply stated, Wisconsin needs to pass the language in Senate Bill 791 that requires charging sales to be by the kilowatt-hour in order to comply with National Electric Vehicle Infrastructure (NEVI) requirements. Wisconsin is currently one of only two states that still does not comply. Specifically, Senate Bill 791 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 Senate Bills 791 and 792 as necessary proposals to access critical federal funding, we believe there are two issues Senate Bill 791 should address.

First, there is no clear rationale as to why the State is treated differently from municipalities under the bill. Senate Billl 791 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. We encourage the legislature to work with the Department of Transportation and other relevant agencies to address this issue and include such an allowance in a final bill.

Second, Senate Bill 791 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 Senate Bill 791 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. Again, we encourage the legislature to work with affected local governments to develop a workable solution, such as grandfathering existing chargers, that allows them to continue to recoup the costs of investing in charging stations.

Thank you for the opportunity to provide testimony on Senate Bills 791 and 792. Again, 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 in Senate Bill 791 to ensure easy passage through the legislative process and a charging network that benefits all Wisconsinites.



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ElectrificationCoalition.org

Date: December 19, 2023

To: Senate Committee on Utilities and Technology

From: Emma Heins, Electrification Coalition Subject: Public Comment on SB 791 and 792

Chairman Bradley and Members of the Utilities and Technology 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 SB 791 and 792, with 4 key recommendations. Passing these bills which will enable Wisconsin to utilize the \$78 million it was 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 lifetime of the vehicle¹, 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, but also 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 give the market the opportunity to demonstrate that the demand for EV public charging already exists, and that companies will make money when they install charging in Wisconsin.

There are 4 modifications that I would encourage the committee to consider, all of which will promote a business environment that private companies will want to invest in.

The bill should clarify that the state should be able to have the same considerations spelled out in
the bill as the local governments. Right now, the bill text doesn't mention state government at all,
which can lead state agencies to believe that they have no charging privileges and cannot even
lease charging on state land. This would prohibit state facilitated investment in state parks and
other state-owned land that attract tourists.

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

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

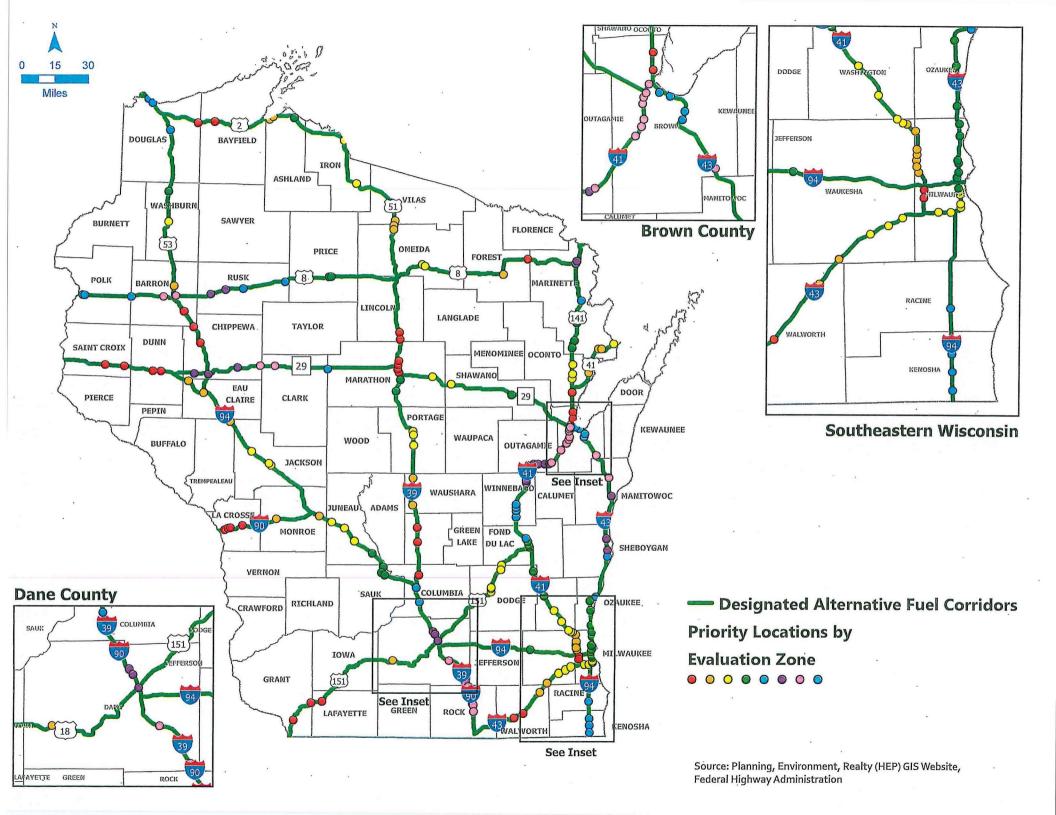
- Existing chargers owned and operated by municipalities that charge for their power should be grandfathered into compliance. Municipalities that invested in these chargers factored revenue into their cost payback models, and it would significantly impact their budgets to absorb those costs now.
- 3. The bill denotes that charging providers would need to file a separate permit with the department of revenue before building a new station, and we would encourage the committee to revisit this process and keep the existing system, where providers just notify DOR of their project, rather than adding hurdles that will delay implementation and cost companies more money as they wait for permit approval. National fuel distributors and charging providers are looking at charging deployment from a national level, and they will choose to deploy charging in states that have advantageous permitting environments first, leaving states with multiple hurdles behind in this transition.
- 4. Decisionmakers should be mindful that punitive EV fees like charging on Level 2 will delay EV adoption and slow the EV market growth curve. We recognize that EV drivers ought to pay their fair share for using the road and that the tax per kwh will capture revenue from out of state drivers. However, we encourage the committee to consider all the ways that EV drivers are currently taxed for their fuel. Residents already pay a \$175 annual fee to make up for lost gas tax revenue, and out of state drivers passing through realistically would only use Level 3 fast chargers to stop and fuel. Residents without assigned parking or home charging will rely on level 2 charging as an economical way to stay charged, and they should not be unfairly be taxed for it. Therefore, we believe all level 2 charging should be exempt from the proposed tax on charging station.

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

Emma Heins



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	Exit 2 A: W National Ave	Exit 42 A: W North Ave	Exit 51 A: Pilgrim Rd	Exit 72: WIS-33	Exit 101: County Rd O O	Exit 131: Winneconne Ave	Exit 150: Hyland Ave	1
	Exit 1 D: State Rt 59	Exit 43: W Burleigh St	Exit 52: County Line Rd	Exit 85: I-41 ALT	Exit 113: I-41 ALT	Exit 132: Main St	Exit 157: Freedom Rd	
		Exit 44: 1-94 ALT	Exit 57: Holy Hill Rd	Exit 97: S Hickory St	Exit 116: WI Trunk 44	Exit 136: W Prospect Ave	Exit 161: Scheuring Rd	1
		Exit 45: W Hampton Ave	Exit 64 B: State Rt 60	Exit 98: S Military Rd	Exit 117: W 9th St Rd	Exit 137: WiS-125 / W College Ave	Exit 163A: Main Ave	1 -
		Exit 46: W Silver Spring Dr		Exit 99: US-45	Exit 119: Omro Rd	Exit 138: WIS-96 / W Wisconsin Ave	Exit 164: 5 Oneida St	1
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		Exit 50 A: Main St			ŀ	Exit 142: WIS-47 / N Richmond St	Exit 168A: WIS-32 / WIS-54	1
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	Exit 21: Geneva St	Exit 38: North St	Exit 50: Big Bend Dr	Exit 311: W Walker St (equivalent of "mm 70)	Exit 100: I-43 ALT	Exit 123: Washington Ave	· Exit 157: Hillcrest Rd	Exit 181: Manitowoc Rd
	Exit 25: S Lincoln St	Exit 43: S Rochester St	Exit 54: Racine Ave	Exit 72 E: W Winnebago St	Exit 120: S Business Rd	Exit 128: State Rt 42	Exit 171: Depere Rd	Exit 183: E Mason St
			Exit 57: S Moorland Rd	Exit 73 B: W North Ave		Exit 149: U.S. Highway 151	`	Exit 187: E Shore Dr
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	Exit 3: Rose St	Exit 28: I-90 ALT	Exit 55: County Rd C	Exit 79: County Rd HH	Exit 108A: WIS-78	Exit 131: Wi-19	Exit 147: County Road N	1
	Exit 4: US-53 / I-90 ALT	Exit 48: Oakwood St	Exit 61: WIS-80	Exit 87: WIS-13	Exit 115: County Rd CS	Exit 132: US-51	Exit 160: US-51 / WIS-73	1
	Exit 5; WIS-16 / I-90 ALT		Exit 69: WIS-82 / Gateway Ave	Exit 89: WIS-23		Exit 135C: High Crossing Blvd	Exit 163: WIS-59	
	Exit 12: County Rd C			Exit 92: US-12			Exit 171A: WIS-26 / Milton Ave	
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							Exit 175: US-14 / E Racine St	1
	Exit 19: I-94 ALT	Exit 59: Partridge Rd	Exit 105: Wi-95	Exit 267: WI-26	Exit 333: Washington Ave			
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