

February 5, 2020

The Honorable Joseph Bellino
House Committee on Energy
124 North Capitol Avenue
Lansing, MI 48933

Re: Testimony by ChargePoint on House Bill Nos. 4806 and 5445

Dear Chairman Bellino:

Thank you for the opportunity to testify on HB 4806 and HB 5445. ChargePoint greatly appreciates your attention to Michigan's electric vehicle ("EV") charging market, and we applaud Representative Schroeder for her leadership in addressing policy issues that are critical to accelerating transportation electrification across the state. At this time we are writing to express support of the important clarifications contained in the latest version of HB 4806 while expressing concerns about the new regulations in HB 5445.

Background on ChargePoint

ChargePoint is the world's largest electric vehicle ("EV") charging network, with charging solutions for every charging need and all the places EV drivers go: at home, work, around town and on the road. With more than 105,000 independently owned charging spots ChargePoint drivers have completed more than 69 million charging sessions, saving upwards of 83 million gallons of gasoline and driving more than 1.9 billion gas-free miles.

Independent owners and operators ("site hosts") of ChargePoint stations in Michigan have deployed over 1,500 charging spots from Monroe to Marquette. We partner with local Michigan businesses to deploy, install, and provide ongoing services to site hosts in Michigan.

Fig. 1: ChargePoint locations in Michigan



Please see *Appendix A* for further background on EV charging use cases and business models.

Testimony by ChargePoint on HB 4806 and HB 5445
Michigan House Committee on Energy (February 5, 2020)

Comments on HB 4806 and HB 5445

ChargePoint strongly supports the clarification in HB 4806 that the provision of EV charging is a service and not a resale of electricity. We appreciate the diligent work by Rep. Schroeder and her staff on this issue. Establishing a clear exemption for EV charging from sale-for-resale restrictions is consistent with determinations by the Michigan Public Service Commission¹ and will ensure statewide application of this important policy. More than thirty states have already provided such clarification by regulation and legislation, including Illinois, Arkansas, Pennsylvania, West Virginia, Arizona, and Colorado.²

We support robust consumer protections in the EV charging market. However, we are concerned that the proposed registration process would prematurely impose requirements before the responsible state agency is prepared to deliver consumer protection services. These requirements would inadvertently increase barriers for businesses and municipalities to invest in the infrastructure needed will support Michigan drivers, fleets, and vehicle manufacturers as they transition to electric transportation.

ChargePoint agrees the Michigan Department of Agriculture and Rural Development (MDARD) is the appropriate agency to adopt requirements to verify the accuracy of EV charging stations. The National Institute of Standards and Technology's (NIST) provided a *Tentative Code for Electric Vehicle Fueling Systems* in Section 3.40 of NIST Handbook 44. For detail on the Tentative Code's consumer protection elements, please see Appendix B.

Additional work will be necessary before MDARD can enforce the *Tentative Code* in Section 3.40. Tentative codes are not made immediately permanent to allow agencies like MDARD sufficient time to study requirements, as well as research and acquire appropriate testing equipment for type evaluate and field testing, prior to final adoption.

Conclusion

ChargePoint greatly appreciates the Committee's focus on Michigan's growing EV charging market and the opportunity to provide comments, and thank Rep. Schroeder for considering perspectives of Michigan's EV charging market. We look forward to serving as a resource to Rep. Schroeder and the Committee on these critically important bills.

Respectfully,



Kevin George Miller

¹ Final Orders in Michigan Public Service Commission Docket Nos. U-17990, U-20132, and U-20162

² See, e.g., Arkansas Code § 23-1-101(9); Colorado. Revised Statutes Ch. 40 § 101-104; Illinois (220 ILCS 5/3-105 cha 1112/3 par 3-104); Minnesota Statutes § 216B.02 Subdivision 4.[3]; Utah Code § 54-2-1

Testimony by ChargePoint on HB 4806 and HB 5445
Michigan House Committee on Energy (February 5, 2020)

Director, Public Policy
ChargePoint

Appendix A – Further Background on EV Charging Use Cases and Business Models

ChargePoint designs, develops, and deploys residential and commercial AC Level 2 (“L2”) and DC fast charging (“DCFC”) EV charging stations, cloud-based software applications, data analytics, and related customer and driver services to create a robust, scalable, and grid-friendly EV charging ecosystem.

ChargePoint sells EV charging supply equipment (“EVSE”) and network services that enable EV charging station owners to provide charging services. In almost every case, ChargePoint does not own or operate the equipment. ChargePoint sells charging solutions to a wide variety of customers, including residential EV owners, employers, commercial and industrial businesses, cities and public agencies, ports, schools, public transit, delivery truck fleet operators, and multi-unit dwelling owners. ChargePoint offers a broad array of products and services that can serve light, medium or heavy-duty electric vehicles.

EV charging typically takes place when drivers arrive at their destination, rather than as a pit stop on the way there. One analysis conducted through the Idaho National Labs found that EV drivers charged their vehicles at home 64% of the time, with about 30% of charging taking place at work.³

The nature of “refueling” a vehicle at AC Level 2 and DC fast charging (“DCFC”) stations are inherently different than refueling an internal combustion engine (“ICE”) vehicle, and the business models for site hosts of both types of technologies are likewise different. Whereas refueling an ICE vehicle takes a matter of minutes and does not result in longer-term parking with the driver absent from the vehicle, charging an EV has a longer timeframe and often results in a parked, unattended vehicle. The combination of charging and parking services associated with EV charging infrastructure is unique.

Publicly-available EV charging stations are also vitally important and are deployed by a range of different owners and operators (“site hosts”) of EV charging stations. Private businesses, including retailers, grocery and convenience stores, hotels, multi-unit dwelling (“MUD”) owners, among others, may install EVSE to attract new customers or tenants with a valuable amenity. State and local governments may install EVSE to support their emission reduction goals, electrify their own fleet vehicles, attract visitors, and provide a valuable amenity to the community. A wide variety of site hosts may also find it valuable to demonstrate their commitment to sustainability.

Pricing for charging services is typically set to incentivize charging behavior in addition to being a means to generate supplemental direct revenue. While site hosts can utilize driver revenues to help offset costs, such revenue is not the sole value stream site hosts consider when operating charging stations.

³ Smart, John. *Lessons Learned About Workplace Charging in the EV Project*. Idaho National Labs. 2015.

Appendix B – Consumer Protection Components of NIST Handbook 44 Section 3.40

Section 3.40 of NIST Handbook 44⁴ identifies key information that should be available to users of public EV charging stations:

“S.1.1. Electric Vehicle Supply Equipment (EVSE). – An EVSE used to charge electric vehicles shall be of the computing type and shall indicate the electrical energy, the unit price, and the total price of each transaction.

(a) EVSEs capable of applying multiple unit prices over the course of a single transaction shall also be capable of indicating the start and stop time, the total quantity of energy delivered, the unit price, and the total price for the quantity of energy delivered during each discrete phase corresponding to one of the multiple unit prices.

(b) EVSEs capable of applying additional fees for time-based and other services shall also be capable of indicating the total time measured; the unit price(s) for the additional time-based service(s); the total computed price(s) for the time measured; and the total transaction price, including the total price for the energy and all additional fees.

S.1.2. EVSE Indicating Elements. – An EVSE used to charge electric vehicles shall include an indicating element that accumulates continuously and displays, for a minimum of 15 seconds at the activation by the user and at the start and end of the transaction, the correct measurement results relative to quantity and total price. Indications shall be clear, definite, accurate, and easily read under normal conditions of operation of the device. All indications and representations of electricity sold shall be clearly identified and separate from other time-based fees indicated by an EVSE that is used for both the sale of electricity as vehicle fuel and the sale of other separate time-based services (e.g., vehicle parking).

S.1.2.1. Multiple EVSEs Associated with a Single Indicating Element. – A system with a single indicating element for two or more EVSEs shall be provided with means to display information from the individual EVSE(s) selected or displayed, and shall be provided with an automatic means to indicate clearly and definitely which EVSE is associated with the displayed information.”

⁴ NIST Handbook 44 Section 3.40, available at: <https://www.nist.gov/pml/weights-and-measures/publications/nist-handbooks/other-nist-handbooks/other-nist-handbooks-2-3>

