October 23, 2019

RE: Opposition to House Bill 247, regarding electric vehicle charging stations

Chairman Callender, Vice Chair Wilkin, Ranking Member Smith, and Members of the House Public Utilities Committee:

ChargePoint writes the Committee to testify in opposition to H.B. 247. The proposed legislation gives Ohio’s electric distribution utilities (EDU) an unfair market advantage in the already competitive, growing market for electric vehicle (“EV”) charging stations. While ChargePoint supports utility investment in modernizing and strengthening the grid, including investments in EV charging infrastructure, the bill must be clarified to preserve customer choices of EV charging equipment and networks. This would enable customers to continue to choose among the many EV charging technology providers currently active in the state. We believe that without protections for the competitive market, H.B. 247 will depress private investment in EV charging equipment in the state, as utilities leverage ratepayer funding to supplant competitive opportunities.

ChargePoint is the leading electric vehicle (“EV”) charging network in the world, with more than 101,000 places to charge in its network nationwide, and over 400 public charging ports in Ohio. ChargePoint has thousands of customers – workplaces, cities, retailers, apartments, hospitals, and fleets – who have deployed and operate charging solutions on their properties. ChargePoint drivers have completed more than 60 million charging sessions, saving upwards of 67 million gallons of fuel, and driving more than 1.6 billion electric miles.

Across the nation and in Ohio, the market for EV is growing rapidly. In Ohio, there are over 15,000 registered EVs in the state, with a strong annual growth rate over 50%. EV adoption is expected to accelerate in the coming years, with more models and more choices for customers. This rapid growth is not limited to vehicles, but is also observed in the market for charging stations. These are several active EV charging providers in Ohio, who market their equipment and services directly to customers. In the current market, customers choose from this range of providers and technologies, invest private dollars, and drive competition and innovation.

As written, H.B. 247 would undermine the current competitive market dynamic by empowering regulated electric utilities to choose the dominant charging solution for the market, effectively picking one winner in a competitive space. The utilities would potentially provide that single offering on a customer property for free, funded by ratepayers. This would leave other charging station companies to compete against a free utility solution, which would stifle sales and limit private investment. It also would position utilities to install EV charging on prime locations in this early market. H.B. 247 grants EDUs a major stake in a competitive marketplace, risking
monopoly intrusion on the EV charging station space at the exact moment when customers benefit most from increased competition and innovation.

Importantly, ChargePoint supports utility investment in modernizing the electric grid and related infrastructure. A flexible and adaptive distribution and transmission system is critical for increased growth and prosperity for Ohio – including the continued and sustained growth of EVs in the state. Unfortunately, we fear that without modification, H.B. 247 may have the opposite effect. The bill should be modified to protect the choice that customers currently have in equipment and networks as part of utility investments in EV charging technology.

ChargePoint is already working collaboratively across the country with electric utilities – including utilities in Ohio. Our goal is to help utilities invest in transportation electrification programs that benefit all ratepayers. We all share the goal of ensuring Ohio’s EV drivers have access to an adequate number of charging stations. But, the best, most cost-effective, and lasting way of achieving more EV charging buildout is to accelerate the private investment we are currently seeing in the market.

Rebates and incentives designed to lower the cost to install EV charging are already working to stimulate the local market. ChargePoint and our competitors are already working with AEP Ohio’s rebate program to deploy charging stations at business sites, multifamily residential communities, local governments, and public charging sites. This program and many other successfully programs around the country allow a choice of several competitive EV charging technologies, a feature that is missing in H.B. 247. As a result, H.B. 247 would cut short the gains made in programs like this in favor of models that bypass the competitive market and customer choice.

Ohio is already seeing dramatic growth in both the adoption of EVs and installation of charging points through competition and innovation. H.B. 247, as currently constructed, risks inhibiting that growth. Other states have adopted policies addressing EV growth, but by taking the path proposed by H.B. 247 and allowing monopoly utilities to operate EV charging stations, Ohio would chill the competitive market. ChargePoint is prepared to work with legislators and stakeholders on positioning Ohio for an electrified future.

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