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Committees:
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Governor's Executive Workforce Board
Ohio Turnpike Commission

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26th District

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Chair Kunze, Ranking Member Antonio, and members of the committee; thank you for the opportunity to present sponsor testimony on Senate Bill 266, which seeks to remove artificial barriers to private investment in Ohio's electric vehicle charging market. It is important that Ohio puts in place a sensible policy structure under which EV infrastructure could fit into our state's current transportation system as it develops.

Ohio has already begun to attract investments from large electric vehicle component manufacturers. Additionally, Ohio will have access to over \$140 million over the next five years through the federal National Electric Vehicle Infrastructure Program known as NEVI. This program is meant to incentivize private businesses to invest in EV charging infrastructure.

As the Ohio Department of Transportation continues to distribute NEVI funding and attract investments by EV manufacturers and other businesses, it is imperative for our state to create an environment where the EV charging business can grow through common sense, free market public policy that does not require ongoing subsidies from taxpayers or for government to assume the market risks.

As businesses adapt to the rapid expansion of EV infrastructure, traditional food and fuel retailers are struggling to make long-term business plans due to the uncertainty as to the role Ohio's electric distribution utilities (EDUs) will be allowed to undertake in this new business area. This legislation will facilitate the development of a prosperous EV fast charging infrastructure in Ohio by balancing the role of EDUs and the private sector in the market for EV charging services. While EDUs will play a crucial role in our energy infrastructure, it is essential to maintain a level playing field that allows for competition and innovation to thrive.

This legislation is the result of considerable stakeholder collaboration over the past three years, and the measure before you represents a reasonable compromise that aims to have the private sector lead the way while also establishing a pathway for EDU's to install EV chargers in designated areas of last resort that the private market may take longer to reach. Specifically, the legislation would prohibit EDU's from owning and operating EV charging stations for the next five years, unless done so through a separate subsidiary without access to ratepayer funding. At the end of the five years, EDUs may petition the Ohio Public Utilities Commission to own charging stations in areas of last resort. The PUCO will maintain full authority to approve or

reject any such proposal, just as they do today. Additionally, private businesses will be afforded a right of first refusal process to give them the opportunity to serve these areas before EDU's can be authorized to do so.

By creating a more certain regulatory and legal landscape for private investment in EV charging infrastructure, hopefully we can fully leverage Ohio's entrepreneurial spirit and ingenuity. This legislation represents a critical step forward in advancing our state's transportation infrastructure while safeguarding the principles of free-market competition and entrepreneurship.

Ohio should be encouraging private investors, entrepreneurs, and innovators the chance to get into the business of charging EVs. Ohio residents should benefit from competition and supply reliability for a charging network, especially when private businesses can offer a capable and economical business case. Our nation's most successful marketplaces have been forged through private investment and fierce competition, and the emerging EV charging market should be no different.

Thank you, Chair, and I welcome any questions at this time.