



Good morning members of the committee.

My name is Robert Baratta and I am here today on behalf of Americans for Affordable Clean Energy, or “Double-Ace.”

AACE is a coalition of fuel retailers that are actively exploring EV fast-charging investment opportunities in Ohio at our existing refueling locations. Our coalition has hundreds of stores, employing thousands of employees in Ohio.

We support many of the provisions included in SB307. But I am here to urge consideration of important amendments that will encourage **private sector investment in the development of a statewide electric vehicle charging network.**

As EVs become more prevalent, Ohio needs a vast network of accessible, affordable and strategically-located **high-speed** charging stations to meet consumer needs and expectations.

It is our goal to make recharging an EV in Ohio as convenient as is today filling a car with gas. But to do that there are several public policy issues that need to be addressed.

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AACE has identified three significant barriers to fuel retailers getting into the consumer EV charging business - these barriers are driven by a misalignment between the competitive refueling markets that exist today and the government regulated markets that exist for the distribution and sale of electricity. We want to better align these two markets so that refueling stations can install EV fast chargers and regulated electric utilities can ensure that those fast chargers have sufficient power to accommodate what we all expect will be increasing consumer demand on the electric grid.

The first barrier is the ability of the private sector retailers to charge consumers for EV fast charging services without being regulated as a public electric utility. Ohio's Public Utilities Commission does allow this, but it should also be codified in the Ohio Revised Code to provide statutory certainty.

The second barrier is the competitive advantage of regulated electric utilities with guaranteed rate of return that can pass on the costs of installing and operating EV fast chargers broadly to all ratepayers and be shielded from the usual risks associated with typical business operations and market risks. Fuel retailers simply cannot compete with power companies that do not have to pass EV charging costs on to EV drivers, as retailers must.

The third barrier is an electricity rate structure that is not workable for businesses that invest in EV fast charging stations. Fast chargers use large amounts of electricity very quickly, which adds significant demand on the grid and can subject users to substantial fees. These fees are known as "demand charges" and they will likely make it cost-prohibitive for fuel retailers and other potential site hosts to own and operate EV fast chargers. Unless the state can establish an economical rate structure for EV fast charging, consumers will not use the EV fast charging refueling services.

Today in the United States and across Ohio, there are scattered charging stations that are not located in the best locations. There are very few free-market forces at play to keep costs down, improve the driver experience and encourage the efficient, rapid growth of an EV fast charging network.

Our hope is that with a few amendments we have to offer, SB307 will **create a competitive marketplace for EV fast charging that promotes private investment and stimulates innovation.**

AACE members, along with other private companies in Ohio, are willing to risk their own capital to help solve the EV fast charging challenge – we simply need

good public policies in place to give statutory certainty and create a competitive, level playing field.

The private market is best suited to find the most innovative approaches that benefit consumers, businesses and the environment.

And the end result will be **fair, transparent and affordable prices for EV fast charging for all Ohioans.**

AACE Coalition members are excited about the opportunity to expand refueling services for our customers. The Federal Infrastructure Bill - which specifically prioritizes investing in locations operated by private entities that offer secondary amenities - such as restrooms and food and beverage services - will kickstart this emerging market with \$140 million in funds dedicated to building a robust EV charging network in Ohio. We hope that Ohio will take the necessary first step to ensure that private businesses can participate in the EV fast charging business by making our proposed common-sense, free-market amendments to Senate Bill 307.

Thank you for your consideration. We look forward to working with Senator Rulli and the committee in the weeks ahead.