

Chris Zeigler Executive Director API Ohio 614-221-5439 zeiglerc@api.org

Ohio Senate Energy and Public Utilities Committee The Honorable Rob McColley, Chairman

Written Interested Party Testimony on Senate Bill 307 Chris Zeigler | API Ohio May 17th, 2022

Good morning Chairman McColley, Vice Chair Schuring, Ranking Member Williams and members of the Ohio Senate Energy and Public Utilities Committee. Thank you for allowing API Ohio the opportunity to provide written interested party testimony on proposed Senate Bill 307 (S.B 307), a bill addressing electric vehicle (EV) manufacturing, development, and deployment in Ohio.

API Ohio is a division of the American Petroleum Institute (API), a national trade association representing all segments of America's natural gas and oil industry. It's nearly 600 members produce, process and distribute the majority of the nation's energy, and participate in *API Energy Excellence®*, which is accelerating environmental and safety progress by fostering new technologies and transparent reporting. API was formed in 1919 as a standards-setting organization and has developed more than 800 standards to enhance operational and environmental safety, efficiency, and sustainability.

The API promotes free markets as the cornerstone of our industry's efforts to compete and innovate to address current and future energy needs. Under this principle, we support policies that allow the development of all vehicle technologies (e.g., electric, hydrogen, propane, natural gas, gasoline, and diesel) to compete on a level playing field where innovation, competitive markets and consumer choice will result in the best, most cost-effective products, and services available to the consumer while also meeting policy objectives to reduce carbon emissions.

We are concerned that the legislation encourages and authorizes utilities to invest in EV charging infrastructure (EVSE) and to recover those costs from the entire utility-customer base. This approach discourages non-utility companies from using their capital to install the EVSE, as it would be next to impossible to compete with a utility in this market space.

Secondly, we are concerned that the legislation encourages investor-owned utilities to rate base the "make-ready" infrastructure that could be needed to support EVSE development. Allowing a utility to rate base their investment in EVSE and make-ready infrastructure could result in electric customers being charged for a service or product that they might not use for decades or more. Consistent with our desire for a truly competitive level playing field economy wide, and in this instance, specifically regarding vehicle fueling technology, we believe that allowing the utility to rate base the EVSE and make-ready infrastructure creates an inefficient market and doesn't allow the most effective and economic solution to reducing carbon emissions to be achieved.

We thank Senator Rulli and this committee's work on S.B 307 and stand ready to be a constructive stakeholder as this issue moves forward.