



June 8, 2021

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

Re: House Bill Numbers 4801 and 4802 – Oppose Unless Amended

Dear Chair Bellino,

Thank you for the opportunity to provide testimony on the above-referenced bills on behalf of ChargePoint. We welcome the Committee's focus, as well as that of Representatives Schroeder and Kuppa, on issues related to Michigan's electric vehicle ("EV") charging market. While ChargePoint greatly appreciates the work to improve HB 4801 and 4802 since last legislative session, and could be supportive with further amendments. Unfortunately, we are concerned that these bills would impose unreasonable burdens on the municipalities, workplaces, and destination locations that are installing and operating EV charging stations around the state.

At a minimum, ChargePoint recommends that the Committee strike and replace Section 3(4)(c) with, "*Clearly display the cost to the consumer at the charging station consistent with NIST Handbook 44 Section 3.40.*" We would also welcome the opportunity for continued dialogue to clarify which entities would be subject to registration and consider what fee, if any, would be appropriate to set for registration at this time.

Background on ChargePoint

Since 2007, ChargePoint has been creating the new fueling network to move all people and goods on electricity. ChargePoint is committed to making it easy for businesses and drivers to go electric, with a world leading electric vehicle (EV) charging network and most complete set of charging solutions available today. ChargePoint's cloud subscription platform and software-defined charging hardware is designed internally and includes options for every charging scenario from home and multifamily to workplace, parking, hospitality, retail and fleets of all kinds.

Transportation electrification is opening up business opportunities all over Michigan. Most EV charging takes place at home and at work, though in increasing percentage can take place at DC fast charging stations, such as those deployed by our partners, Blue Energy, in Detroit in



partnership with the City and DTE Energy. Different charging speeds for vehicles and chargers means that many different companies can be part of the EV charging ecosystem, which will be necessary to support EV adoption statewide.

Background on Pricing for EV Charging Services

Pricing for EV charging services can be set in a number of ways, which are communicated to drivers through in-unit screens and mobile apps, including:

- Free charging sessions;
- Fixed price-per-session;
- Hourly pricing;
- Energy price on a per kilowatt-hour (“kWh”) basis;
- Time-of-use (“TOU”) pricing;
- Length-of-stay price charged during the first hour or two and then a higher price for every hour thereafter;
- Minimum and/or a maximum price per session; a combination of the above (e.g., a flat session fee followed by an hourly rate);
- Driver group price (e.g., unique prices for different classifications of drivers, such as employees and visitors).

Position on HB 4801 and 4802

ChargePoint is broadly supportive of HB 4802, which would codify determinations issued by the Michigan Public Service Commission (“PSC”) that the provision of EV charging services is not a resale of electricity. This allows operators of EV charging stations the flexibility to include a per-kWh component in the price they set for charging without subjecting them to regulation by the PSC as though they were electric utilities.

Unfortunately, as drafted, HB 4801 would slow down transportation electrification in Michigan. ChargePoint strongly supports robust consumer protection features, such as those developed by the National Institute of Standards and Technology (“NIST”). The Michigan Department of Agriculture & Rural Development (“MDARD”) is already authorized by statute to implement NIST Handbook 44, which includes code language for EV charging stations in Section 3.40 and will, if implemented, provide for robust consumer protection at all EV charging stations. Unfortunately, the proposed registration requirements in HB 4801 would conflict with MDARD’s oversight and would unintentionally limit effective consumer protection.

HB 4801 directly conflicts with the language included in NIST Handbook 44 Section 3.40, which sets forth clear requirements for what information should be provided to consumers and how that information must be conveyed. Section 3 Paragraph (4)(c) would prevent MDARD from effectively considering the methods of communicating critically important customer information. In order to provide for robust consumer protection that is consistent with metrological best practices, HB 4801 should be amended to replace Sec. 3(4)(c) with “*Clearly display the cost to the consumer at the charging station consistent with NIST Handbook 44 Section 3.40*”



It is also concerning that HB 4801 would inadvertently impose new regulatory burdens on small businesses, state agencies, and local governments. For example, all stations that include a price for EV charging services would have to “*remain accessible to the department, to consumers, and to electric utilities in this state during normal hours of operation.*” In many cases, workplaces pass along energy prices to ensure that one group of employees is not provided access to benefits that are unavailable to other employees. It is unclear if charging stations deployed at non-public municipal lot or multifamily buildings would need to register and provide public access to non-public locations.

Most owners and operators of EV charging stations have never been part of the refueling ecosystem and should be encouraged to continue making their own investments that make it easier for EV drivers to plug in. It is unclear whether the fee level proposed is connected to the actual cost for providing consumer protection through MDARD, or whether such additional costs could disincentivize deployment of charging infrastructure that would otherwise create jobs and support the efforts of Michigan’s automakers to go electric.

Conclusion

ChargePoint appreciates Representatives Schroeder and Kippa’s commitment to consumer protection and would be supportive of alternative approaches that are reasonable, consistent with national best practices and standards, and minimize unintended regulatory barriers.

Thank you for the opportunity to provide these comments and for your consideration of issues that are critical to Michigan’s EV charging market.

Respectfully,

A handwritten signature in black ink, appearing to read "Kevin Miller".

Kevin George Miller
Director, Public Policy
ChargePoint