

Submitted Electronically

March 3, 2023

Senator Nicole Mitchell
3229 Minnesota Senate Building
Saint Paul, MN 55155

RE: Electric Vehicle Charging Provider Support for SF 1296, as amended.

Dear Senator Mitchell,

We write to thank you for amending SF 1296. Together, we share our support for the amendment adopted in committee and now incorporated into SF 1296.

Collectively, our electric vehicle (EV) charging networks comprise approximately 75% of the charging available today in MN.¹ While electric utilities play an important role in supporting the deployment of EV charging infrastructure which in turn can place downward pressure on electricity rates, it is critical to ensure that utilities support, rather than hinder, the competitive market for EV charging infrastructure. As adopted by the MN Senate Energy, Utilities, Environment and Climate Committee,² your amending language will:

1. Ensure that investor-owned utility customers are reasonably protected from avoidable costs, and
2. Improve competition and support private investment in EV charging in Minnesota.

Protecting Minnesotans from avoidable utility bill increases

The amendment language,³ directs the Public Utilities Commission,³ to make decisions to approve, deny or amend utility transportation electrification plan (TEP) filings based on the goal of maximizing benefits and minimizing costs. This helps to ensure that utilities only invest in what is necessary and reasonable, thereby protecting ratepayers from incurring unnecessary expenses. In essence, the amendment language aims to ensure that utilities prioritize cost-effectiveness and efficiency when making transportation related investment decisions.

Xcel Energy has requested that the MN PUC approve of their plan to install, own and operate 1,470 of 1,942 ports in total, or about 75%, of the public charging ports needed within their service territory to meet demands by 2026.⁴ The concern of the undersigned EV charging providers is that this plan imposes avoidable costs on Minnesota utility customers that would, in all likelihood, otherwise be incurred by the private sector.

¹ <https://www.lrl.mn.gov/docs/2022/other/221021.pdf>, Page 15, 524 Total MN level 2 and level 3 locations as of April 2022 divided by total EV charging ports from signatory companies.

² See lines 4.1-4.2 and 4.7-4.8 of SCS1296A-2, https://www.senate.mn/committees/2023-2024/3122_Committee_on_Energy_Utilities_Environment_and_Climate/scs1296a-2.pdf

³ Ibid.

⁴ See Page 15, PETITION OF NORTHERN STATES POWER COMPANY FOR APPROVAL OF A PUBLIC CHARGING NETWORK, AN ELECTRIC SCHOOL BUS PILOT, AND PROGRAM MODIFICATIONS DOCKET NO. E002/M-22-432.

Improving competition and accelerating investment in EV charging

Collectively, we make up the bulk of the level 2 and DC-fast charging accessible in Minnesota today and hope to continue to invest in the state. Furthermore, the \$68 million Minnesota is administering from the National Electric Vehicle Incentive Program (NEVI) over the next 5 years will provide support to further accelerate investments in EV charging infrastructure. Your amendment requires the PUC to make decisions on TEPs based on their effectiveness at spurring private investment.⁵ This will help ensure that utility TEP investments complement private market investments in EV charging, thereby maximizing the benefits to ratepayers.

To put this in perspective, in lieu of requesting that Minnesota utility customers finance the utility ownership and operations of EV charging stations, an investor-owned utility could instead create or expand programs that support transportation electrification and attract private investment in EV charging infrastructure and supply equipment. Programs could include “make-ready” infrastructure, the electrical equipment necessary to operate a charging station; incentives for charging equipment; additional rate designs; and/or expedited interconnection process. This incentives-based approach is currently being administered in other Midwestern states, including but not limited to Michigan⁶ and Ohio,⁷ and will soon be implemented in Illinois.⁸

In sum, when considering that DC fast charging already provides a compelling business case in most conditions and that MN is receiving \$68M in NEVI funding over the next 5 years to leverage additional investment in EV charging, encouraging utility investment that leverages private dollars can stretch NEVI funds and result in greater EV charging access at a fraction of the cost than utility ownership and operation.

Thank you for your common sense approach to ensure ratepayers are protected from unnecessary costs and that competition and private investment in EV charging continues in Minnesota.

Respectfully,

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⁵ See lines 4.9-4.10 of SCS1296A-2, https://www.senate.mn/committees/2023-2024/3122_Committee_on_Energy_Utillities_Environment_and_Climate/scs1296a-2.pdf

⁶ See DTE Business EV Charger Rebate, available at:

<https://newlook.dteenergy.com/wps/wcm/connect/dteweb/home/service-request/business/electric/electric-vehicles/pev-biz-charge-frwd> (accessed on Feb. 7, 2023); DTE Charging Infrastructure Enablement Agreement, available <https://newlook.dteenergy.com/wps/wcm/connect/09134461-6070-4909-b7b66c96dc8aa512/CommercialEVChargerRebateTC.pdf?MOD=AJPERES> (accessed on Feb. 7, 2023).

⁷ See AEP Ohio Commercial Electric Vehicle (EV) Charging Station Incentive Program, available at:

<https://www.aepohio.com/lib/docs/cleanenergy/electriccars/20190715AEPOhioEVChargingProgramSiteHostTermsandConditions.pdf> (accessed on Feb. 7, 2023).

⁸ See Proposed Order in Docket No. 22-0432/22-0442, filed February 21, 2023.