



HOWARD MARKLEIN

STATE SENATOR • 17TH SENATE DISTRICT

December 19, 2023

**Senate Committee on Utilities and Technology
Testimony on Senate Bills 791 and 792
Electric Vehicle Charging**

Thank you Chairman Bradley and committee members for hearing Senate Bills (SB) 791 and 792. SB 791 will enable private-sector businesses in Wisconsin to participate in the electric vehicle (EV) charging industry while SB 792 enables the Wisconsin Department of Transportation (DOT) to receive and award \$78 million from the federal government to private-sector businesses who will construct, own and operate EV charging facilities.

Our goal, in writing this bill, is to accomplish the simple – allowing retailers to sell electricity without being regulated as a utility; as well as the complicated – building a structure for the industry, protecting private-sector investments while maintaining public-sector engagement, providing parity with the gas tax and capturing \$78 million from the Federal government.

The simple – In Wisconsin, under current law, anyone who sells electricity must be regulated as a utility. It doesn't make any sense for a gas station, convenience store or grocery store to be regulated as a utility when all they want to do is offer EV charging as a product for people who drive electric vehicles. They simply want to re-sell electricity to their customers by the kilowatt hour. In order for private businesses to own and operate a high speed EV charger, we need to change the law.

This change will also enable Wisconsin to capture \$78 million in National Electric Vehicle Infrastructure (NEVI) program funding. These funds must be awarded to private-sector businesses to construct EV charging infrastructure on interstates, alternative fuel corridors and regional routes of significance. A map of the planned corridor is attached. This is an 80/20 match program in which the feds will pick up 80% of the costs and the business will provide 20%. Most experts estimate that a Level 3 charger costs approximately \$1 million to construct and install. But, again, in order for the private businesses to do it – we first need to change the law.

The complicated – Wide-scale, retail EV charging is a relatively new industry for Wisconsin. Therefore, there is no existing structure. We are at the precipice of a new industry and this is where the complicated work comes in.

In order to build the structure for a new industry, we worked with a wide variety of stakeholders including retailers, utilities, co-ops, renewable energy groups, local governments, road builders, the

DOT and everyone in between. In all, nearly 40 different stakeholders have contributed to this complicated conversation.

The policy bill does the following:

- Allows private sector businesses to construct and sell electricity by the kilowatt hour.
- The private sector businesses will not be considered a utility for this purpose.
- The private sector businesses must purchase power for this type of re-sale from a utility.
- The private sector can sell all levels of charging – Levels 1-3+
- The public sector (cities, counties, towns and villages) may continue to provide free access to Level 1 and Level 2 charging.
- The public sector is prohibited from constructing Level 3+ charging except for their own fleet.
- The public sector cannot sell EV charging, but they can lease property to a private entity to own and operate EV charging on public property.
- Municipal electric utilities will be treated like all other utilities and may construct and sell Level 1-3+ charging, as long as no taxpayer funding is used to construct the charging facilities.
- Collects and distributes excise tax of \$.03 per kilowatt hour into the Transportation Fund for parity with the gas tax.

The funding bill simply provides the DOT with an appropriation through which they can receive the federal NEVI funds and then distribute to the private-sector entities who apply for grants.

Again, this legislation was drafted with significant collaboration among stakeholders in both the private and public sectors, including the following:

Kwik Trip	Wisconsin Manufacturers & Commerce
Wisconsin Transportation Builders Association	Wisconsin Towns Association
Wisconsin Conservative Energy Forum	Municipal Electric Utilities
Wisconsin Counties Association	Leagues of Wisconsin Municipalities
WEC Energy Group	Alliance for Automotive Innovation
Renew WI	Energy Action Fund
Customers First! Coalition	Dairyland Power Cooperative
Wisconsin Electric Cooperative Association	American Council of Engineering Companies
Madison Gas & Electric	Wisconsin Fuel & Retailers Association
Wisconsin Grocers Association	Wisconsin Auto & Truck Dealers Association
Tesla	Wisconsin Department of Transportation (DOT)
Wisconsin Department of Revenue (DOR)	

Thank you for scheduling this public hearing today. I appreciate your consideration of this legislation and look forward to the discussion among stakeholders who participate today.



NANCY VANDERMEER

STATE REPRESENTATIVE • 70TH ASSEMBLY DISTRICT

TO: Honorable Members of the Senate Committee on Utilities and Technology

FROM: State Representative Nancy VanderMeer

DATE: December 19, 2023

SUBJECT: Testimony in Support of Senate Bills 791 & 792

Thank you Chairman Bradley and members of the Assembly Committee on Utilities and Technology for holding a hearing on Senate Bills 791 and 792 today. The general topic of electric vehicles can generate, no pun intended, a variety of sentiments from across the spectrum and from a number of individuals, including policymakers such as ourselves. As a former auto-dealer, I certainly have some strong opinions and thoughts based on over 30 years in the automotive industry working with automotive owners, dealers, and others. However, today I'd like to focus on this particular proposal, what it does, and why Senator Marklein and I think it's important.

Primarily, Senate Bills 791 and 792 allow private entities to make EV charging stations available to the public and allows entities to charge a fee for providing electric vehicle charging services. Current statutes require that any entity that provides electricity to the public be regulated as a public utility. These bills allow private sector businesses to provide electric vehicle charging services to consumers and sell electricity by the kilowatt hour. Additionally, there are provisions in the bills that allow municipalities to provide basic electric vehicle charging services to the public as long as they do not subsidize charging stations with tax dollars and there are provisions in the bills that allow local municipalities to service their own fleets if desired. Furthermore, you'll notice a significant difference between these bills and the previous legislative session's version of the proposal, and that is that under these proposals, a tax of \$0.03 per kilowatt hour has been added to vehicle charging services by private sector entities.

As some of you may remember hearing a similar proposal during the last legislative session, I think it's important to sort of level-set this session's proposals because I believe that even in the roughly two years since I first brought last session's proposal before this body, the electric vehicle landscape has changed in a variety of ways and I believe that landscape does not necessarily indicate that electric vehicles and a substantive or full transition to electric vehicles is imminent without forced government intervention. That said, there is *some* demand for electric vehicles, they're on the road, and I believe that people should generally be able to make that choice. These proposals are important because they take an important first step in providing infrastructure for consumers that have made that choice, and it will allow our state to secure \$78 MM in federal National Electric Vehicle Infrastructure (NEVI) funding. Additionally and probably most importantly for me, this bill allows private sector businesses to provide a product and service to consumers for a fee and meet a demand in the economic marketplace.

Thank you again for the opportunity for a hearing on these proposals, thank you Chairman Bradley and Senator Quinn for co-sponsoring these proposals, and I would respectfully ask committee members for your support to move these bills forward in the legislative process.



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Testimony of Wisconsin Department of Transportation
Assistant Deputy Secretary Joel Nilsestuen
Before the Senate Committee on Utilities and Technology
December 19, 2023

Re: Senate Bill 791, relating to exemptions from public utility regulation regarding electric vehicle charging stations, installation and operation of electric vehicle charging stations by state agencies or local governmental units, and imposing an excise tax on electric vehicle charging.

Chairman Bradley and committee members, thank you for the opportunity to testify on behalf of the Wisconsin Department of Transportation on Senate Bill 791 and Senate Bill 792.

In November 2021, the Bipartisan Infrastructure Law (BIL) was signed, designating \$7.5 billion to build electric vehicle charging stations. Under the BIL, Wisconsin will receive \$78.65 million over five years through the National Electric Vehicle Infrastructure (NEVI) Formula Program.

The NEVI Program is designed to support the construction of Level 3 DC Fast Electric Vehicle Charging Stations on Wisconsin's Alternative Fuel Corridors. Level 3 charging stations allow passenger electric vehicles to recharge in less than an hour. This is compared to slower level 1 and 2 chargers, which are designed to recharge throughout the day or overnight.

Under the NEVI Program, WisDOT is authorized to fund the construction of level 3 charging stations every fifty miles within one travel mile of Wisconsin's Alternative Fuel Corridors. Since enacted in 2015, Wisconsin has designated, with Federal Highway Administration approval, the state's interstate system, including I-90, I-94, I-43, I-41, I-535, as well as US 53 and US 151, to support electric vehicle charging, hydrogen, propane, and natural gas fueling. With the announcement of the NEVI Program in early 2022, Wisconsin requested and received approval for US 51, WIS 29, US 2, US 141, US 8, and US 41 to be included in the program.

With 1,967 miles of Alternative Fuel Corridors, WisDOT intends to support the construction of approximately 65 level 3 charging stations. The graphic attached to my testimony illustrates the roughly 200 general locations WisDOT has estimated where adequate grid capacity may be available. WisDOT will not own and operate charging stations. Under the Wisconsin Electric Vehicle Infrastructure Plan, as approved by the Federal Highway Administration, WisDOT will administer grants allowing private industry to construct charging stations on their property. These industry partners will be responsible for ownership, operation, and maintenance. These locations may be

restaurants, big box stores, convenience, and traditional gas stations. Federal and State statutes prohibit electric vehicle charging at our rest areas and our waysides. The final federal rule governing the NEVI Program sets standards for electric vehicle charging stations funded under the BIL. These requirements are intended to ensure that charging stations receiving federal aid have consistent reliability for the consumer. An important part of reliability is a required method of sale for electricity. The federal rule requires charging stations to sell electricity by a kWh metric by February 28, 2024. This method of sale is comparable to a purchase of gasoline by the gallon. After February 28, 2024, WisDOT will be unable to fund projects under the NEVI Program until a kWh sale metric is allowable.

Traditionally, the sale of electricity has been reserved for entities regulated as a public utility. Apart from the sale of electricity through a charging station, most entities interested in owning and operating charging stations fall outside of the regulatory framework that is in place for public utilities. As a result, many charging station owners and operators choose not to sell the electricity delivered to an electric vehicle but instead sell the time the vehicle is connected to the charger. The sale-by-time metric often works for slower charger stations but is not economically feasible for fast charging. With the final NEVI Program rule in place, a sale-by-time metric is no longer allowable for NEVI-funded charging stations.

Almost all states, either through legislation or a determination of their Public Service Commission, have determined that the sale of electricity through a charging station is not an activity that alone triggers an entity to be defined as a public utility. Looking at neighboring states, Iowa and Michigan received clarity through their Public Service Commissions in 2019. With the NEVI Program requiring a kWh method of sale, remaining states, including Texas and Georgia, took legislative action this session. At this point, only Wisconsin and one other state have yet to clarify that the sale of electricity through a charging station does not meet the definition of a utility. Senate Bill 791 provides the necessary language for electric vehicle charging stations to comply with NEVI Program requirements.

The level 3 fast charging stations funded by the NEVI Program in Wisconsin will work to greatly increase mobility for longer distance travel in the state for electric vehicle owners. Fast charging is mostly suitable for commercialized locations as identified in WisDOT's plan. This is due to increased costs and a need for significant grid capacity. Level 1 and level 2 electric vehicle charging stations are an important part of the equation in areas where costs and grid capacity can become a barrier to publicly available charging. In addition, some charging station locations do not necessitate a fast charge when the consumer can be parked at the location over longer durations. Many commercial locations in Wisconsin utilize and will continue to deploy these charging stations well into the future.

Level 1 and level 2 charging stations are a low-cost alternative that requires minimal electrical service upgrades. In many instances, these charging stations require a simple installation where no electrical service upgrade is necessary. Senate Bill 791 allows

local governmental units to own, operate, manage, or lease these lower-cost alternatives. Under the bill, state agencies are not granted this option. The reason for state entities to be treated differently than local units of government is unclear. In our view, the restrictions on public sector entities at the local level should be consistent with the public sector at the state level.

As WisDOT prepares to launch its NEVI Program, I would like to note the importance of Senate Bill 792. This bill provides WisDOT the program authority and the appropriations that are necessary for the successful administration of the program. We appreciate the bill authors for their leadership on this issue and the Department stands ready to continue to work collaboratively with them and this committee.

In closing, I would like to thank the committee for the time today to present testimony and to be involved in this important conversation. I am happy to answer any questions that you may have.



DATE: December 19, 2023

TO: Senate Committee on Utilities and Technology

FROM: Eau Claire County

RE: Testimony Related to SB 791 and SB 792

Thank you for the opportunity to provide testimony on SB 791 and SB 792. My name is Regan Watts, and I am the Recycling & Sustainability Coordinator for Eau Claire County.

Eau Claire County understands the significance of the National Electric Vehicle Infrastructure (NEVI) funding, the barriers within current state statutes related to charging by the kilowatt-hour, and the importance of growing the electric vehicle (EV) charging network across the state. Eau Claire County is also committed to investing in EV infrastructure in our community that meets our county board adopted climate action goals. **In my testimony today I will speak to some of the potential effects these bills will have on Eau Claire County if they pass as written.**

Early Adopters

In 2022, Eau Claire County began the process of purchasing EV charging stations and updating infrastructure at our government center. The intent of these chargers was to provide infrastructure for our county fleet vehicles while also providing a service to our employees and the residents who frequent the courthouse and the small businesses nearby. The total investment was \$76,000. Eau Claire County urges the committee to include language that would grandfather in existing electric vehicle chargers and fee structures owned by local governments. Doing so ensures that the cost of the electric vehicle chargers and the ongoing costs (service charges, energy use, maintenance, etc) is paid for by the users and does not become a burden to the taxpayer.

Impact in rural communities

Eau Claire County has identified EV charging infrastructure as a critical investment for the county to make for our county fleet vehicles and as infrastructure in our rural community. This type of investment is not always considered as a prime investment to make in rural communities by the private sector. To ensure that rural communities in Eau Claire County are not left behind in the transition to EVs, the County is looking to build out EV charging for our fleet while also

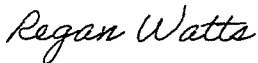
placing the chargers in key locations in the community like parks, community centers, etc. that would provide publicly available charging for our residents and those visiting the community.

If local governments are not able to recoup the ongoing costs of owning EV infrastructure (service fees, energy use, and maintenance) it is very unlikely that Eau Claire County will be able to continue investing in charging infrastructure that will benefit our own operations and also the public. Allowing local governments to charge a fee ensures that the costs of the equipment and energy use are paid directly by the users and not placed as a burden on the taxpayer.

Overall, Eau Claire County is excited for the potential funding that could come from SB 792 and the impact it could have on building out electric vehicle infrastructure throughout Wisconsin. However, the language in SB 791 would make it very difficult for local governments who have invested as early adopters to pay for the ongoing expenses of existing EV infrastructure. SB 791 would also make it difficult for local governments to invest in the infrastructure that they feel is needed in their community and without that investment by local governments could leave rural communities behind in the transition to an EV future.

Thank you for your consideration as you make decisions on this critical topic for Wisconsin's future.

Sincerely,



Regan Watts
Recycling & Sustainability Coordinator
Eau Claire County



Department of Administration
Intergovernmental Relations Division

Cavalier Johnson
Mayor

Preston D. Cole
Director of Administration

James A. Bohl, Jr.
Director of Intergovernmental Relations

December 19th, 2023

Good Morning Chairman Bradley and fellow members of the Senate Committee on Utilities and Technology,

Thank you for taking the time this morning to discuss Senate Bill 791, relating to exemptions from public utility regulation regarding electric vehicle charging stations. The City of Milwaukee greatly appreciates the bill author's work getting the legislation to this point. The City of Milwaukee is glad to support this piece of legislation.

The central urgency of this legislation is to allow the State of Wisconsin and its municipalities to tap into significant Federal funds to begin the process of building and implementing a statewide electric vehicle charging network. Without the statutory changes in this legislation, the State of Wisconsin would not qualify for those Federal funds. The availability of these Federal funds will allow the State of Wisconsin and the City of Milwaukee to work with the private sector to plan, design and construct EV charging networks throughout our State and City. This legislation will expand customer choice and the market for electric vehicles while also benefiting our local air quality.

The City of Milwaukee currently has a very limited footprint of existing public facing EV charging stations, insufficient to meet the demand of our residents. This legislation would allow the City to partner with the private sector to not only build a network of EV stations throughout the City, but would allow us to partner with the private sector to own and operate EV stations for the public on municipal owned property as well. The City has applied for a federal grant to expand publicly available EV charging using a public-private partnership that is consistent with this legislation. Under this model, the City would select a private sector company through a public and competitive process to design, building install, operate, and maintain a publicly-accessible charging network. The private sector company would provide the matching-funds for the federal grant in exchange for the revenues that people pay to use the new stations. Information on our plan is publicly available at Milwaukee.gov/EV.

While the City of Milwaukee does support this legislation, we do have a couple of suggested amendments we feel could further strengthen this legislation. First, we feel that it would be equitable for the State to "grandfather" any existing publicly owned charging stations throughout the State to allow them to charge the public. This would ensure that local governments are not punished for the previous investments they have made in this infrastructure. Second, we request that local governments be allowed to charge, solely for cost recovery, for any future municipally-owned EV stations. We understand the intention of this

legislation is to enable the free market and our private sector to build the EV charging network and we support that effort. Though, the City can foresee instances where the commercial market might not invest in a particular area, and the municipality might wish to install its own EV charging in an underserved region of our City. In this circumstance, we would simply ask that the City be allowed to charge an amount that would make it cost neutral for our municipal budget (no revenues gained or lost).

Thank you again for your consideration of this important legislation. We appreciate you providing us the opportunity to speak in support of SB791 and considering our suggested amendments. I would be happy to answer any questions the Committee may have.

For any further questions or comments, please reach out to:

Jordan Primakow

Senior Government Relations Manager

City of Milwaukee - Intergovernmental Relations Division

Email: jprima@milwaukee.gov

Phone: 414-708-6433



December 19, 2023

To: Members of Senate Committee on Utilities and Technology
From: Carrie Springer, Dane County Government Affairs Director
Re: SB 791

Dear Chair Bradley and members of the Senate Committee on Utilities and Technology:

Thank you for having a hearing on SB 791 today and taking our testimony. Dane County supports efforts to expand Wisconsin's electric vehicle (EV) charging network, but we do have concerns with the strict limits on the ability of local government to provide access to EV charger in rural areas.

States from Alabama to Vermont already have RFPs out to have EV charging stations built with their federal funds and Wisconsin is falling behind. Passing a version of this bill is critical.

The transition to EVs is going to happen no matter what we do in Wisconsin. The auto industry has fully committed to the transition to EVs with Ford, GM, Chrysler, Volkswagen, and BMW all committing to at least half of their cars sold in the US being electric by 2030. The question then, is how well Wisconsin prepares for this transition. The goal should be to expedite charging installations so that all parts of Wisconsin can benefit from the transition to EVs.

In our discussions with utilities about this issue we have learned that there are sites in Wisconsin that are not appealing to the private market for EV installations. Local governments may want to provide that service to their constituents in the places where the private market isn't willing to build EV chargers. However, the only way local governments can step in and fill those gaps in rural areas is by having the ability to recoup costs, which is currently not allowed under this bill.

There is no doubt that the private market will provide EV charging, just as private gas stations provide gasoline today. However, the private market is likely to prioritize installations that are the most profitable. That means more affluent, high traffic areas will get charging first and there is a high risk that EV charging will become the next broadband crisis where some areas have great service and other areas—especially rural and lower-income areas—have no service at all.

This is a concern for local governments and we urge you to let local governments fill the gaps that might leave many of the rural parts of Wisconsin behind. Tourists with EVs planning their next vacation will skip areas that are short on EV charging stations, which means county park systems across the state will struggle to attract the growing population of EV owners and that tourism money will go elsewhere.

The restrictions on local governments in the current bill are problematic for several reasons:

- Requiring local government to offer charging for free makes those local government installations a threat to private entities who want to offer EV charging. County-provided Level 2 public chargers will likely be a kind of stop-gap measure in certain areas – offering something where nothing else is available. If that service is free, nobody is ever going to install something else there. If there's a charge, though, it's more feasible that as the number of EVs on the road grows, more entities will install charging.
- Offering free charging also sets an odd precedent – nobody gets free gas from their local government so why should local governments provide free electricity to EV owners?
- We would also appreciate more clarity on who can operate a charger on county property.

While we have concerns about the local government provisions, we agree that it is critically important to address the primary issue here – that selling EV charging by the kwh does not make one an energy utility. The current practice of selling EV charging by time vs by energy transferred would be akin to selling gas based on the time a driver spends at the pump. In vehicle charging, it's the vehicle that determines the maximum speed of charging so why set up a system that penalizes some vehicles?

In closing, we respectfully ask the committee to consider modifications to this important bill that give local governments the flexibility to fill gaps in service so every part of the state can benefit from the transition to EVs, clarify who can operate chargers on local government property, and ensure Wisconsin sets up an EV charging system that is built to benefit all EV owners. Thank you for your time.

Sincerely,

Carrie Springer
Dane County Government Affairs Director



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To: Senate Utilities and Technology Committee
From: Toni Herkert, Government Affairs Director, League of Wisconsin Municipalities
Date: December 19, 2023
RE: Senate Bill 791 – Related to EV Charging Infrastructure

Chairman Bradley, Vice Chair Wanggaard, and members of the Utilities and Technology Committee,

My name is Toni Herkert, and I am the League of Wisconsin Municipalities Government Affairs Director. The League represents nearly 600 municipalities, both large and small, urban, and rural throughout the state. Thank you for the opportunity to provide testimony today on Senate Bill 791 related to electric vehicle charging infrastructure.

The League participated in the legislative process last session to provide an opportunity for owners and operators of electric vehicle charging infrastructure to sell by the kilowatt hour and not be considered a public utility under Wisconsin's statutes. That legislation did not pass. This session we are appreciative of the leadership and work Senator Marklein and his staff have invested in developing a compromise piece of legislation. SB 791 moves the needle on EV infrastructure and the ability to charge per kilowatt hour as required by the U.S. Department of Transportation and the Federal Highway Administration in the National Electric Vehicle Infrastructure (NEVI) Formula Program rules under 23 Code of Federal Regulations (CFR) 680.116. SB 791 also balances the ability for local governments to utilize municipal locations to help with the deployment of EV charging infrastructure.

By allowing local governments to provide charging facilities there will be an entity that can provide EV charging opportunities in areas that are less profitable where the private market may not locate infrastructure. We do not want electric vehicle charging opportunities to mirror the lack of market incentives witnessed for broadband investment in rural areas. It will most likely be those smaller and more rural communities that will be most impacted and under or unserved. The League is thankful that the legislation this session recognizes the important role local government in general, and municipal locations in particular, will play in reliably serving all the residents and tourists in the state. We recognize that there are several varied interested parties that participated in the process to craft this legislation and we appreciate the effort to balance the needs of all the stakeholders involved.

Senate Bill 791 allows local governments to:

1. Own, operate, manage, or lease an electric vehicle charging station containing a Level 1, Level 2, or Level 3 charger if the charger is not available to the public and is used solely to charge municipal fleet vehicles.
2. Authorize another person to own and operate an electric vehicle charging station available to the public on municipal property.
3. Own, operate, manage, or lease a Level 1 or 2 electric vehicle charging station for public use at no charge as a municipal amenity. An example would be a charger at a city/village hall or public library.

The League appreciates the consideration of municipalities and municipal properties in the drafting process and supports the effort to capitalize on the nearly \$79 million in federal funding to make the state competitive in this arena; however, we would like to offer a couple of recommendations to strengthen the legislation. First, we request that the bill is modified to allow for a grandfather of existing municipal chargers that have time or space fees currently associated with EV charging. We have some communities such as Eau Claire (with 12) and Milwaukee (with 4) who currently own and operate EV chargers. The intent is to continue charging to pay off the initial investment related to the infrastructure, so the municipality does not end up stranded assets. Again, this would be a grandfather situation so only those chargers currently owned and operated by a municipality that are public facing and currently charge a fee based on time or space would be included in the small universe impacted by this amendment request.

The second amendment we would hope that the authors consider is allowing the Wisconsin Department of Transportation the opportunity to partner with businesses to own and operate a public facing charging station on state owned property if this option presents itself in the future. A complete prohibition against the opportunity for the state to work with third-party businesses may not allow for all areas of the state to be reliably served with charging facilities.

The League supports the work that has been accomplished so far this session on EV charging and we appreciate the work to incorporate municipalities and municipal locations into the overall EV equation. We hope to continue the conversation related to our amendment requests and support the legislation moving forward. Thank you for your consideration. If you have any questions, please feel free to reach out to me at your convenience at therkert@lwm-info.org.



Good Morning and Thank you Chairman Senator Bradley and members of the Committee for allowing us to speak on our support for Senate Bill (SB) 791. My name is Jenny Malcore, and I am the Senior Government Relations Analyst for Kwik Trip. With me today is Adam Schwartz the Electric Vehicle Charging Program Manager for Kwik Trip.

Kwik Trip prides itself on providing a great experience for all of our guests, including electric vehicle (EV) owners. Currently, we offer electric vehicle charging stations in Iowa, Minnesota, and Wisconsin. Over 40 other states, including those surrounding Wisconsin allow us to provide this service by charging on a per kWh basis. While we want to expand offerings at our stores to meet the needs of our guests in Wisconsin, the inability to charge kWh has reduced our production.

Over the past year, we have worked with numerous legislators and interested stakeholders to introduce a bill to allow for charging on a per kWh basis. With the release of the National Electric Vehicle Infrastructure (NEVI) funding this money will be utilized by private industry to increase electric vehicle charging infrastructure in our state, benefiting citizens, growing tax-revenue, and bringing out of state tourists to Wisconsin.

While recent outside economic factors reduced car sales in general, all-electric vehicles have continue to be sold at an increasing rate since their introduction in 2010. The sale of EVs increased 55% in the United States from 2021 to 2022.

As a proud Wisconsin company, we ask the committee to support SB 791 and allow us to serve all of our guests to the best of our ability through the continued improvement and expansion of our stores.

Thank you for your time. We are happy to answer any questions you may have at this time.

OUR MISSION

To serve our customers and community more effectively than anyone else by treating our customers, coworkers and suppliers as we, personally, would like to be treated, and to make a difference in someone's life.





TO: Chair Bradley & Members, Senate Committee on Utilities and Technology

FROM: Craig Summerfield, Director of Environmental & Energy Policy

DATE: December 19, 2023

RE: Support for Senate Bill 791, exemptions from public utility regulations regarding electric vehicle charging stations

Wisconsin Manufacturers & Commerce (WMC) appreciates the opportunity to testify in support of Senate Bill 791, which would allow businesses to sell electricity by the kilowatt-hour to consumers with electric vehicles. WMC appreciates the efforts of Sen. Marklein and Rep. VanderMeer to work with a myriad of stakeholders to bring this important legislation forward.

WMC is the largest general business association in Wisconsin, representing approximately 3,800 member companies of all sizes, and from every sector of the economy. Since 1911, our mission has been to make Wisconsin the most competitive state in the nation to do business. That mission includes advocating for legislation that provides regulatory certainty for Wisconsin businesses while ensuring a level playing field for businesses to compete.

According to the Wisconsin DOT, electric vehicles make up an estimated 0.1% (or 13,893) of registered vehicles in Wisconsin. However, the state projects this number could increase to nearly 10% of registered vehicles in Wisconsin by 2035.¹

WMC recently surveyed businesses on the topic of electric vehicle charging. The *Wisconsin Employer Survey* found an overwhelming majority (88%) of employers surveyed support “updating state law to allow private businesses to offer electric vehicle charging services to consumers for a fee.” Importantly, the same assessment found that 88% of employers surveyed oppose “allowing local governments to use taxpayer subsidies to compete against private businesses for services like electric vehicle charging.”²

In short, Wisconsin’s business community is eager for an update to state law to allow them to enter this emerging market. At the same time, however, the investments made by private businesses to meet consumer demand should not be undercut by government-owned EV charging stations.

Thankfully, Senate Bill 791 addresses both of these important concerns:

¹ See Wisconsin Electric Vehicle Infrastructure Plan – 2023 Plan Update. Page “3-55.” <https://wisconsindot.gov/Documents/projects/multimodal/2023weviplanupdatefinal.pdf>.

² See Wisconsin Employer Survey Summer 2023 – Public Policy. Pages 4-5. https://media.wmc.org/wp-content/uploads/2023/09/12122231/CEO-Survey-Report_Summer-2023_PUBLIC-POLICY.pdf.

1. It updates Wisconsin law to allow private businesses to sell electricity based on usage to electric vehicle consumers.
2. It prohibits a government entity from undercutting private business by offering taxpayer-subsidized electric vehicle charging to the public for a fee.

Finally, if this committee is interested in further improving this legislation, it may consider addressing the proposed excise tax exemption for government-owned EV charging stations. The bill allows a state agency or local government to own EV charging stations – including level 3 fast chargers – for the purpose of serving its own fleet vehicles. However, such charging stations are not required to pay the proposed 3-cent per kilowatt-hour excise tax proposed by the bill.

If the goal of the proposed 3-cent tax is to ensure parity with the gas tax, then it may be appropriate to amend the bill to extend the tax to EV chargers used for government-owned fleet vehicles, as these vehicles also contribute to wear and tear on Wisconsin roadways.

WMC appreciates the opportunity to testify and offer its support for Senate Bil 791. I am happy to answer any questions.



Testimony on SB 791
Jennifer Giegerich, Government Affairs Director
December 18, 2023

Good morning Chair Bradley and members of the committee. My name is Jennifer Giegerich. I am the Government Affairs Director with Wisconsin Conservation Voters. We have offices in Madison, Milwaukee, and Green Bay, where we work with our network of over 40,000 members and supporters to engage voters to protect our environment. I appreciate the opportunity to testify on SB 791.

Twenty-nine percent of Wisconsin's greenhouse gas emissions come from transportation, which is the second highest amount by sector. Forty-three percent of Wisconsin's energy expenditures come from transportation. Expanding the electric vehicle market will help bring down our carbon emissions while saving Wisconsinites money.

SB 791 establishes a standard for Wisconsin to allow private entities to own and operate EV charging stations and charge customers by the amount of electricity used rather than the time it takes to charge the vehicle. The National Electric Vehicle Infrastructure (NEVI) Program requires the stations to charge by the kilowatt-hour, requiring changes in Wisconsin's statutes that currently prevent an entity other than a utility from selling electricity. Without this change, Wisconsin is at risk of losing significant amounts of federal transportation dollars.

We want to recognize the work of Senator Marklein in drafting this bill and taking on the commitment to getting this done. While we appreciate the urgency of getting this critical definition incorporated into state law, like forty-eight states have already done, we have two concerns that we believe need to be addressed with small tweaks in the bill.

- 1.) Local governments were some of the early adopters of installing electric vehicle charging infrastructure, and that investment should not be penalized as Wisconsin moves in this new direction. We would ask that language allowing any existing local government infrastructure be grandfathered into the law, so that those investments are maintained.
- 2.) The state should be explicitly included in any language allowing local governments to lease EV infrastructure to private entities. This makes it clear that the state could do so where appropriate, such as state parks where folks are currently able to power their RV at a campsite.

Electric vehicles hold so much promise for the health of our communities and our economies. We'd like to see Wisconsin adopt the charging definition necessary for NEVI funding and believe that two suggested tweaks to the bill would only make it better.

We appreciate the opportunity to testify today on SB 791 and ask for your support for these amendments. Thank you for your time.

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For more information, contact Jennifer Giegerich at Jennifer@conservationvoters.org or 608-213-1406. Visit Wisconsin Conservation Voters at www.conservationvoters.org.



Senate Bill 791 – Electric Vehicle Charging Stations

Testimony before the Senate Committee on Utilities & Technology

Tuesday, December 19, 2023

Beata Wierzba, Government Affairs Director with Orrie Walsvik, Staff Attorney

Good morning, Chairman Bradley, and committee members. Thank you for the opportunity to testify in favor of SB 791. My name is Beata Wierzba, I serve as the government affairs director for RENEW Wisconsin. With me is our staff attorney, Orrie Walsvik.

RENEW Wisconsin is a nonprofit organization founded over 30 years ago with a mission to promote all forms of renewable energy in Wisconsin. This includes advocacy for electrification and electric vehicles.

RENEW supports SB 791 because it will make it possible for the state of Wisconsin to comply with the National Electric Vehicle Infrastructure (NEVI) Standards and Requirements set by the Federal Highway Administration and qualify for NEVI funds.

NEVI requires the use of a uniform measurement for charging to be by the kilowatt hour of electricity used. In Wisconsin, making electricity available by the kilowatt hour is restricted for non-utilities. Currently the EV stations operating in the state have a fee for the amount of time it takes to charge rather than the exact amount of electricity used.

The bill allows private entities to sell electricity by the kWh to charge an electric vehicle without being regulated as a utility.

NEVI dollars are needed to fund the build out of electric vehicle charging infrastructure and establish operational and maintenance standards.

- NEVI qualifying charging stations must be operational 97% of the time. Following these standards will provide reliable chargers and protect consumers.
- NEVI funding would be available for up to 5 years.
This will be especially beneficial in areas where the market is not yet ready to support such infrastructure.
- It is the only opportunity to build and operate EV stations that are not initially profitable.

- NEVI funding will incentivize private market actors to enter the EV charging business, which will create jobs, stimulate economic development, and reduce Wisconsin's dependency on imported gasoline and diesel fuel.

Having this infrastructure in place will give consumers the confidence to transition to electric vehicles, saving them money on fuel and allowing the industry to flourish.

While RENEW supports this bill, we recommend two suggestions for improvements:

First, we ask for grandfathering of all existing EV charging facilities up to the date when this new law becomes effective.

Early adopters of EV charging should not be forced to make costly changes to their existing systems and investments.

Allowing the current economic and ownership arrangements to continue, would not compete with the new systems but would continue serving the market.

Second, we ask for a modification to allow state government entities to lease land for charging or be able to partner with a private entity to host facilities.

This change would allow charging stations to be considered in remote places or where private businesses may not find suitable and local government may not be able to support.

We sincerely appreciate all the work that has been done on the proposal to date and would like to thank Senator Marklein and his staff for working with all the stakeholders.

RENEW also acknowledges the balance that this bill strikes between consumers, businesses, government, and utilities.

In closing, SB 791 brings Wisconsin in line with 48 other states and provides uniform access, pricing, accountability, and standards for EV Charging. More importantly, establishing the kilowatt hours standard for Wisconsin is time sensitive as the deadline to qualify for the NEVI funds is March of 2024. We urge this committee to support this legislation.

We have members that currently operate EV charging, many who give their charging away for free. As early adopters they are supportive of EV charging build out. At the same time, they are concerned that this bill may cause them to have to rip out expensive structures to comply. The grandfathering provisions would protect existing facilities and not punish those trying out the technologies.

Thank you for the opportunity to testify.

We would be happy to answer any questions from committee members.



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**Senate Committee on Utilities and Technology
December 19, 2023
Testimony on Senate Bill 791**

Good morning, Chair Bradley and members of the committee:

My name is Rob Richard and I'm the Vice President of Government Relations and External Affairs for the Wisconsin Electric Cooperative Association. Joining me today is Nate Boettcher, President and CEO of Pierce Pepin Cooperative Services, located in Ellsworth, WI. I will make some brief remarks and then turn it over to Nate for the bulk of our testimony.

Thank you for giving us the opportunity to speak in favor of Senate Bill 791, relating to exemptions from public utility regulation regarding electric vehicle charging stations, installation and operation of electric vehicle charging stations by state agencies or local governmental units, and imposing an excise tax on electric vehicle charging.

WECA's 24 electric distribution cooperative members serve more than 279,067 farms, residences, and businesses in the state. Dairyland Power Cooperative, also a member, is a generation and transmission cooperative that provides power to 24 electric distribution cooperatives and 17 municipal utilities in Wisconsin, Illinois, Iowa, and Minnesota. Nearly one out of every 10 electric consumers in Wisconsin is an electric cooperative member.

WECA supports Senate Bill 791 and we urge the committee to pass this legislation, however, we do respectfully ask that authors Sen. Marklein and Rep. VanderMeer, and this committee, please consider amending the bill to provide incumbent utility providers notification when an individual or entity applies for a permit with the Department of Revenue to locate EV charging units. Nate will dive into this in greater detail, but I also have included written remarks, (but I will not read them here), from Robert Cornell, Manager of Washington Island Electric Cooperative, who wanted me to share with you all why the notification piece is important.

[Comments from Robert Cornell]

It is a rare occasion that the utility (no matter whether it is a Cooperative, Municipal or Investor Owned) is notified of additions/changes to residential or commercial locations. After the meter, we essentially have no control. Whether it is an instantaneous water heater or an EV charger, we may never know it was installed until there is an issue. While we are only responsible for the service up to the service mast or meter, notification allows to not only evaluate whether our own equipment and conductors are adequate to handle the load, but also to point the home/business owner in the direction of a qualified electrician who should be evaluating the capacity of the equipment after the meter.

One case in point at a residential location: A homeowner bought himself a new Tesla. The charger for this vehicle is a level 2 charger. It sits behind a 60-amp breaker and draws 48 amps when in use. Whenever the vehicle was charging and the homeowner's dryer or water heater was in use, his lights would dim. This was only discovered when we received a power quality complaint from his next-door neighbor, whose lights were also dimming because they shared a 10kW transformer. There had never been a problem prior to this until the EV charger was installed. Worse yet, the Tesla owner's home only had a 100-amp service panel (and an old one at that) and was served by #2 triplex which is 100-amp secondary wire.

All of this could have been avoided had the new Tesla owner contacted us. A typical home rarely draws more than 40-50 amps normally. A current clamp showed that during the brownout situation, the Tesla owner's home was drawing 84 amps and the neighbor's home was drawing 20 amps. A 10kW transformer is only rated to deliver around 42 amps and should trip out at 84 amps. Since it was a cold day and the transformer will trip based on heat, it was able to deliver the amperage, however the voltage was affected hence the lights dimming.

Note that this not only affected the EV owner but the neighbor as well.

In addition, as more and more of these chargers become prevalent, especially at a residential level, it will not only be transformer infrastructure that will need to be upgraded. Conductors, regulators, etc. are all affected by the load on the system.

In a commercial setting where a three-phase level 3 charger is operating at 480 volts behind a 70-amp breaker, 30kW load transformer sizing becomes more critical. The charger takes up a fair amount of the capacity of the transformer (s) and if the transformer is not sized adequately or a new larger capacity transformer to accommodate the increased load, dimming lights might not be the only bad effect of voltage drop. Motors can fail, stepdown transformers within a facility can be stressed and other equipment in an industrial/commercial setting that is sensitive to brownouts could fail.

The availability of single and three phase transformers is not what it was, and advance planning is required.

Our case on Washington Island is unique in that, with full backup generation requiring a relatively balanced load to protect the windings of the generators, it does not take many of these chargers on a phase to make it nearly impossible to keep our engines/generators running during a loss of power from the mainland. There is no EV owner that is going to get up in the middle of the night during a power outage and unplug their vehicle to ensure that backup generation will continue running.

Chair Bradley, thank you for the opportunity to testify on Senate Bill 791. WECA urges this committee to take positive action on this legislation so we can take advantage of the federal dollars available to us to build out an EV charging network throughout the State of Wisconsin. I now turn it over to Nate. Thank you!

Senate Committee on Utilities and Technology

December 19, 2023

Testimony on Senate Bill 791

Testimony of Nate Boettcher, President & CEO Pierce Pepin Cooperative Services

Members of the Committee, I appreciate the opportunity to take a few minutes to provide you testimony in support of Senate Bill 791. My name is Nate Boettcher, I am the president & CEO of Pierce Pepin Cooperative Services and our broadband subsidiary SwiftCurrent Connect. I am also the board chair of CHARGE EV, which was founded by all 24 Wisconsin electric cooperatives, and 7 additional cooperatives spread across Minnesota, Iowa, and Illinois. In total CHARGE EV represents nearly 100 electric cooperatives with the goal of creating a national EV charging network powered by community-owned electric cooperatives.

Electric cooperatives cover more than 56% of the United States landmass. In Wisconsin nearly 300,000 homes, businesses, and farms receive their power from cooperatives. As many of you know, cooperatives serve some of our most treasured places in Wisconsin – whether it be Washington Island, along the Great River Road, near our beautiful Wisconsin lakes, or the picturesque dairy farm, Wisconsin co-ops are there to provide affordable and reliable service.

Electric vehicles represent a great opportunity, not only for Wisconsin utilities, but a chance to encourage tourism, promote reduced emissions, and spur on new investments in facilities, jobs, and manufacturing. In fact, Wisconsin already has a manufacturer – Company23 based in Wausau that fabricates, assembles, and ships Level 2 chargers to 30 different states and two foreign countries. Another company, RESCO, based in Middleton, distributes Level 2 and Level 3 EV chargers across the upper Midwest.

As an electricity provider, we understand the critical role we have in ensuring the lights stay on. Reliability has been a focal point for our industry for the past 80 years and it will continue to be front and center as we move forward into the next evolution of the grid. At the same time, we recognize that widespread EV adoption will not take place until the infrastructure supports the ability for drivers to feel comfortable with range anxiety.

No different than the gas-powered engines in the early part of the 1900's in which a network of convenience, fuel pump, and travel centers were created, these same stations will now need to transform and be able to offer EV charging. In addition, this bill will create new opportunities for non-traditional places of businesses to support EV drivers.

In many cases, hotels, amusement parks, movie theaters or shopping complexes will look to install charging stations. To this point, in Pierce County, we installed three Level 2 chargers at two of wineries. As the saying goes, "We want EV drivers especially those from across the border to visit our local establishments and have another reason to stay a little longer and



spend their money in Wisconsin.” This EV Tourism has become a way for us to attract additional revenue into our rural communities. Combined with newly installed fiber optic internet that allows for public hot spots, we are finally giving these rural businesses a chance to compete for the amenities that were missing just a couple years earlier.

Lastly, I would like to encourage the Committee to consider making an amendment to include a “notification clause” to the bill. This notification clause would ensure that any station owner who intends to install Level 3 charging, be responsible for notifying the incumbent utility provider. While it may seem trivial, we must ensure reliability stays at the forefront of providing electricity. As a utility provider, I worry that when we begin to see several charging stations being installed that can require 100 – 200 kilowatts (kW) of electricity, this could overwhelm substations that aren’t equipped to handle this load.

The notification process would allow utilities to plan and ensure they have the available resources and equipment available to protect the grid and most importantly keep the lights on for others that are served by the same substation or circuit. While at the same time, it helps utilities to provide power quickly and efficiently to these stations in a safe manner.

And it should come as no surprise, like many other businesses, we have some rather large supply chain issues that are creating backlogs in transformer availability. It’s not unrealistic to think that a new Level 3 or even a Level 2 station could require a service upgrade. Adding a notification clause would ensure that utilities can be prepared and meet the needs of the market and station owners. I strongly encourage and ask for your support in adding a sentence to this bill that requires station owners to notify their utilities. I believe this simple request will go a long way – ensuring that we do not impact the home at the end of the line.

Thank you for your time, thank you for your support of this important EV legislation. I wish you all a festive holiday season and I look forward in seeing SB 791 come to fruition.



December 19th, 2023

To: Chairman Bradley and Members of the Senate Committee on Utilities and Technology
Re: Senate Bills 791 and 792

On behalf of the Alliance for Automotive Innovation¹ (Auto Innovators), thank you for the opportunity to provide the auto industry's input as you consider changes to Wisconsin's laws designed to pave the way for necessary electric vehicle (EV) infrastructure. In regard to Senate Bills 791 and 792, we are particularly interested in and have concerns with the new taxing mechanism on EV charging stations.

According to recent data, in the 2nd Quarter of 2023, the number of EVs sold nationwide increased 58 percent from the same period in 2022, accounting for 9.1% of total new vehicle sales across the country.² In Wisconsin, EV sales were only 3.9% of all new vehicle sales in the 2nd Quarter. This includes battery electric, plug-in electric, and fuel cell models. Automakers are investing heavily in EV manufacturing and battery production in the United States; \$110 billion plus by the end of the decade in multiple states. Globally, automakers have committed to investing \$1.2 TRILLION dollars³ on electrification through 2030.

Our members recognize the pressure this transition – along with the continued rise in MPG ratings of traditional gas/diesel powered vehicles and the increased costs of highway construction generally – places upon state road infrastructure budgets that have historically been funded through state and federal gas tax revenues.

To address this concern, policymakers across the country have been forced to consider avenues outside of a gas tax to recoup revenues that otherwise would have been collected. Two potential revenue streams most commonly identified are: a flat annual registration fee on EVs and hybrids; and a tax based on the number of kilowatts of electricity (kWh) used to charge an EV.

While automakers were once among the loudest to protest additional registration fees placed upon EV owners, we have now come to believe that such fees are the most responsible path for states to follow. From a state's perspective increased registration fees on EVs could be accomplished with little added administrative costs. It would also represent the fastest way to begin collecting revenue, and likely prove to be the most stable source of revenue year-to-year. As you are aware, Wisconsin currently imposes an additional EV registration fee which is intended to capture lost gas tax revenue from EVs. **In fact, Wisconsin's current EV registration fee of \$175 is one of the highest in the nation. This means EV drivers in Wisconsin are already contributing their "fair share", if not more, than drivers of gas-powered vehicles to the road fund considering the EV registration fee is commonly seen as a replacement for lost gas tax revenue.**

¹ From the manufacturers producing most vehicles sold in the U.S., to autonomous vehicle innovators, to equipment suppliers, battery producers, and semiconductor makers – the Alliance for Automotive Innovation represents the full auto industry, a sector supporting 10 million American jobs and five percent of the overall economy. Active in Washington, D.C. and all 50 states, the association is committed to a cleaner, safer, and smarter personal transportation future. www.autosinnovate.org.

² <https://www.autosinnovate.org/posts/papers-reports/get-connected-q2-2023>

³ <https://www.autosinnovate.org/posts/communications/The%20Future%20Is%20Electric%20Infographic>

Given that registration fees do not capture out of state drivers, we understand the need for the state to pursue other forms of funding to support Wisconsin roads. We specifically support the application of a kWh tax on the high-speed charging infrastructure (known as Level 3 or DC Fast Chargers) being installed along highway corridors to capture out-of-state drivers who are transiting on State roadways. We do, however, want to highlight concerns with the current draft.

We do not support a kilowatt hour tax on all non-residential chargers. Workplace chargers and those installed at grocery stores, schools and shopping malls will still likely be used by local residents as they go about their lives in their communities. We believe the implementation of the tax assessment on existing Level 1 and 2 chargers will create a bureaucratic challenge for both the entities who deploy them as well as the Wisconsin Department of Revenue. Many of these existing Level 1 and Level 2 chargers don't have the metering capabilities necessary to accurately assess how much tax to pay.

Lastly, Wisconsin EV drivers already pay the enhanced EV registration fee which serves as a proxy for lost gas tax revenue. Double taxing Wisconsin EV drivers with an additional kWh tax is unnecessary and should be avoided. Our recommendation is to amend the bill to only apply a kWh tax to Level 3 chargers and not Levels 1 and 2. With such an amendment the Auto Innovators would fully support the bill.

While we do not suggest EV owners should get a free ride, we are very sensitive to a public perception that EV owners are being punished with new taxes and fees that drivers of traditional vehicles do not pay, and the possibility that such perception could holdback sales of this growing technology.

Thank you for your consideration of our views. If I can provide any further information, please feel free to contact me at jfisher@autosinnovate.org.

Sincerely,



Josh Fisher
Senior Director, State Government Affairs



DATE: December 19, 2023

TO: Senate Committee on Utilities and Technology

FROM: Allison Carlson, Executive Director, Wisconsin Local Government Climate Coalition

RE: Information-Only Testimony Related to SB 791 and SB 792

Thank you for the opportunity to provide testimony for information purposes on SB 791 and SB 792. My name is Allison Carlson, and I am the Executive Director of the Wisconsin Local Government Climate Coalition (www.wlgcc.org). The Coalition provides a coordinated voice for local governments pursuing clean energy goals, and member communities represent over one out of three residents in every geographic region in the state.

Wisconsin Local Government Climate Coalition members understand the significance of the NEVI funding, the barriers within current state statutes related to charging by the kilowatt-hour, and the importance of growing the EV charging network across the state. Indeed, many of our members have been early adopters in the effort to install EV chargers and make them available to the public. **In my testimony today I will speak to some of the potential effects of these bills on local communities if they pass as well as if they do not pass.**

Economic Impacts

While EVs are only 0.1% of total vehicle registrations in 2023, the Wisconsin Department of Transportation (WisDOT) projects that by 2050, 31% of registrations (representing almost 1.9 million vehicles) in Wisconsin will be electric.¹ The U.S. Department of Transportation (U.S. DOT) reports that EV charging stations offer many benefits to local communities, including businesses and individual residents.² These include the following areas outlined below.

- **Impact on economy and jobs:** EV charging stations require engagement from several parts of the economy, all of which could bring economic benefits to the state in terms of jobs and revenue. These include manufacturing, supply chains, contractor installations, and maintenance over time. For example, in August, charging station manufacturer, Ingeteam, announced it would expand its production facilities in Milwaukee, with a plan

¹ Wisconsin Electric Vehicle Infrastructure Plan, 2023. Table 3-5, page 3-55.

[\[https://wisconsindot.gov/Documents/projects/multimodal/2023weviplanupdatefinal.pdf\]](https://wisconsindot.gov/Documents/projects/multimodal/2023weviplanupdatefinal.pdf).

² U.S. Department of Transportation, Benefits to Communities.

[\[https://www.transportation.gov/rural/ev/toolkit/ev-benefits-and-challenges/community-benefits\]](https://www.transportation.gov/rural/ev/toolkit/ev-benefits-and-challenges/community-benefits).

to deploy 500,000 chargers across the nation's highways and add 100 new jobs in Milwaukee.³

- **Impact on retail and main street businesses:** Refueling stops are often combined with other errands, like visits to neighboring stores and shops. Analysis by ChargePoint shows that by providing charging stations, customer dwell time increased by 50% and resulted in an average spend of \$1 per minute.⁴
- **Impact on individual pocketbooks:** EVs have lower fuel and maintenance costs compared to gas-fueled vehicles that yield savings over time. The U.S. DOT reports that on average, EV maintenance costs are up to 50% lower than gasoline-powered vehicles, and EV fuel costs can result in savings of over \$700 per year.⁵

Additionally, related to economic impacts in the form of prior investments made, many local governments have been early adopters of EV charging stations and making them available to the public. SB 791 lacks clarity on how these existing charging stations will be affected if these bills are enacted. For example, some of our members own charging stations and currently charge EV drivers for their use. These current arrangements allow our members to recoup their investments and direct fees to EV drivers. If SB 791 passes as currently drafted, the effect may be that these local governments cannot recoup the costs for these prior investments.

Clean Energy Impacts

As noted, many of our members have clean energy goals and plans in place, and all members are working to bring the benefits of a clean energy economy to their communities. As you know, local governments are reliant on the state government and legislature to provide the structure and tools to facilitate growth. Bringing clarity to current state statutes, such as who is allowed to own charging stations and charge by the kWh, if enacted through these bills, will have the effect of bringing further clarity to the market. Expanding the ability to charge by the kWh to entities beyond utilities opens up the market and offers access to funding like the NEVI program. If these bills do not pass, there will continue to be confusion in the market and Wisconsin will lose a significant source of funding to support the market.

In summary, these bills have the potential to speed up the adoption of EVs, contributing to the achievement of local clean energy goals. They could also result in additional jobs and revenue for Wisconsin businesses and savings over time for individual household budgets. However, additional clarity is needed for how to treat prior investments in charging infrastructure made by

³ Ingeteam announces the manufacture of EV charging stations in Milwaukee to meet the growing demand in the American market, Aug 5, 2023.

[\[https://www.ingeteam.com/Pressroom/Corporate/tabid/1574/articleType/ArticleView/articleId/3513/Ingeteam-announces-the-manufacture-of-EV-charging-stations-in-Milwaukee-to-meet-the-growing-demand-in-the-American-market.aspx\]](https://www.ingeteam.com/Pressroom/Corporate/tabid/1574/articleType/ArticleView/articleId/3513/Ingeteam-announces-the-manufacture-of-EV-charging-stations-in-Milwaukee-to-meet-the-growing-demand-in-the-American-market.aspx).

⁴ Leading Retailer Partners with ChargePoint to Attract and Retain Loyal Customers.

[\[https://www.chargepoint.com/files/casestudies/cs-retail.pdf\]](https://www.chargepoint.com/files/casestudies/cs-retail.pdf).

⁵ Individual Benefits of Rural Vehicle Electrification, U.S. DOT.

[\[https://www.transportation.gov/rural/ev/toolkit/ev-benefits-and-challenges/individual-benefits\]](https://www.transportation.gov/rural/ev/toolkit/ev-benefits-and-challenges/individual-benefits)

local governments. If these bills do not pass, continued economic growth related to EV investments will likely be limited or slow to develop.

Thank you for your consideration as you make decisions on this critical topic for Wisconsin's future.

Sincerely,

A handwritten signature in black ink, appearing to read "Allison Carlson".

Allison Carlson
Executive Director
Wisconsin Local Government Climate Coalition
carlson.allison@wlgcc.org



To: Senate Committee on Utilities and Technology

Re: Support Senate Bill 791 and Senate Bill 792

The Wisconsin Fuel and Retail Association requests your support of Senate Bill 791 and Senate Bill 792. Allowing businesses, including convenience stores and fuel outlets, to resell electricity for electric vehicle (EV) charging purposes is essential for creating private incentives to invest in and expand EV infrastructure.

The current regulatory framework in Wisconsin prohibits EV charging station owners from reselling electricity on a per kWh basis and poses challenges for the development of the EV charging market in the state.

Unlike other states, Wisconsin restricts businesses from billing EV drivers based on the actual amount of energy consumed during charging. This lack of regulatory certainty hinders private investment in EV charging technology, limiting the potential for growth in this industry.

Additionally, adopting a per kWh pricing model is fundamental for ensuring consumer-friendly pricing consistency and transparency across state lines. It is imperative to address and revise the current state statute to align with the evolving needs of the electric vehicle market and to position Wisconsin to effectively utilize Federal funding opportunities.

The National Electric Vehicle Infrastructure (NEVI) final rule, which requires pricing display and base price on \$/kWh, further underscores the importance of updating state regulations to align with federal guidelines and facilitate Wisconsin's participation in the evolving landscape of electric vehicle adoption.

WFRA appreciates your time and urges the committee to pass Senate Bill 791 and Senate Bill 792 to allow the continued development of the EV charging network in Wisconsin.

WFRA, founded in 1926, has over 300 members that operate more than 2,000 convenience stores across the state and employ over 30,000 people.



Municipal Electric Utilities of Wisconsin Testimony in SUPPORT of SB 791 and SB 792: Electric vehicle charging stations and electric vehicle infrastructure program.

Chairman Bradley, Vice-Chair Wanggaard and members of the Senate Committee on Utilities and Technology,

Thank you for the opportunity to testify **in support** of SB 791 and 792. I am Tyler Vorpapel, Director of Legislative and Regulatory Relations for Municipal Electric Utilities of Wisconsin (MEUW). MEUW is a 95-year-old trade association representing Wisconsin's 81 municipally owned — not for profit — utilities, their employees, and customers. MEUW's member utilities are responsible for the safe, reliable, and low-cost delivery of electricity to over 300,000 customers across 43 counties in Wisconsin. MEUW represents utilities that are commonly known as "public power" within the energy industry.

Municipal utilities operate in smaller and generally more rural communities around the state. While owning and operating electric vehicle (EV) charging infrastructure is not a priority for MEUW member utilities, it is seen as a necessary option in meeting customers' needs, especially as EV ownership increases.

SB 791 and 792 addresses three key provisions that matter to us:

1. Preserves current electric statutory and regulatory framework requiring that electric vehicle chargers purchase the electricity from the incumbent utility.
2. Preserves the ability for MEUW members to own and operate any level of EV chargers and charge a fee for a customer's usage. Municipal utilities are funded exclusively with ratepayer dollars — not taxpayer dollars — and are regulated as public utilities by the Public Service Commission (PSC) of Wisconsin, and SB 791 sustains the same ability for MEUW member utilities to own and operate EV chargers like investor-owned utilities or electric cooperatives.
3. Gives Wisconsin access to federal National Electric Vehicle Infrastructure grant funds.

MEUW would like to thank the bills authors for their work in putting this legislation together and listening to all stakeholders' input. Passage of SB 791 and 792 is important and strongly encouraged by your public power communities.

Thank you for your support!



December, 2023

Chairman Bradley and Members of the Utilities and Technology Committee:

I appreciate the opportunity to provide written testimony in support of SB 791 and 792. I am Ryan Huebsch, the Executive Director of the Wisconsin Conservative Energy Forum (WISCEF). WISCEF is a vehicle for individuals, organizations and businesses to join the conservative conversation about Wisconsin's energy future.

WISCEF believes that an "all of the above" energy policy must be pursued by increasing our state's commitment to reducing energy waste and developing "Wisconsin-grown" clean energy resources. We're a conservative non-profit group dedicated to advancing forward-looking, small government, market oriented and pragmatic energy policy for our state and we believe SB 791 and SB 792 falls directly into those parameters.

First of all, WISCEF ultimately supports both SB 791 and SB 792 but would like to see four important proposals considered. WISCEF has been part of a coalition of organizations who will be testifying in favor of these bills but would like to see amendments added. My colleagues Emma Heins (Electrification Coalition) and Zach Kahn (Tesla) among many others have hit on several points that I will not reiterate and waste the committee's time by going in depth on, but briefly they are:

1. This bill should clarify that the rules for the state should mirror what is listed for municipalities in this bill.
2. Existing chargers owned and operated by the municipalities that charge for their power should be grandfathered into compliance. Municipalities that invested in these chargers factored revenue into their cost payback models and taking those costs on will impact their budgets drastically.
3. A new separate permit process will be cumbersome and add delays to charger deployment. The current system of notifying DOR of the project is not broken. This bill shouldn't try to fix it. Adding more red tape will be counter productive to the benefit of these bills.
4. EV fees on level 2 chargers should be eliminated. Level 2 chargers are not the level 3 quick charge facilities that will be used by out-of-state drivers. Level 2 will be used primarily by Wisconsin residential EV owners who are already paying a higher annual registration fee to compensate for any lost revenue to the transportation fund from gasoline or diesel purchases.

As we are all aware, Wisconsin was awarded roughly \$78 million through the Federal Highway Administration National EV infrastructure (NEVI) program in order to implement fast charging for long distance travelers in Wisconsin, across the Midwest and the entire country.

These federal dollars will help all Wisconsinites with benefits such as increased tourism, more local jobs and an increase in domestic manufacturing. These bills, allowing us to receive NEVI funds, give us the ability to help change the outlook of how Wisconsin's travel. We have an opportunity to have a major positive impact on transportation in the state.

Thank you to Sen. Marklein and Rep. Vandermeer for authoring this important legislation and thank you to Chairman Bradley for his leadership on this issue.



DATE: December 19, 2023
TO: Senate Committee on Utilities and Technology
FROM: Clean Wisconsin
RE: Testimony on Senate Bill 791 and Senate Bill 792

My name is Chelsea Chandler. I am the climate, energy, and air program director at Clean Wisconsin. Clean Wisconsin is a non-profit environmental advocacy organization. We strive to ensure a safe, healthy future for every Wisconsin community by fighting climate change and pollution. We were founded over fifty years ago and have over 20,000 members and supporters around the state. We employ scientists, policy experts and attorneys to protect and improve Wisconsin's environment.

Clean Wisconsin thanks Senator Marklein and Representative VanderMeer for bringing these bills forward. Powering our cars, trucks, buses and other modes of transportation with electricity is critical to reducing air pollution and carbon emissions and to improving the health of our communities and climate. As such, we support policies to normalize and incentivize increased use of electric vehicles. From my personal experience as an electric car owner living in a rural area, I know that building a robust and convenient charging network is essential for more Wisconsinites to be able to go electric. Clean Wisconsin largely supports the proposals, and we have suggestions to ensure there are no gaps in access to charging facilities.

Simply stated, Wisconsin needs to pass the language in Senate Bill 791 that requires charging sales to be by the kilowatt-hour in order to comply with National Electric Vehicle Infrastructure (NEVI) requirements. Wisconsin is currently one of only two states that still does not comply. Specifically, Senate Bill 791 clarifies that non-utilities can sell power by the kilowatt-hour, as required by NEVI. This proposal is necessary to ensure access to \$78 million in federal funding to build electric-vehicle-charging infrastructure. Clean Wisconsin urges the legislature to pass this language. Should the legislature fail to do so, the federal government will not provide that funding, and Wisconsin will fall behind other states.

Besides being required by federal policy, charging sales by the kilowatt-hour is the only fair way to sell electric vehicle charging. It creates parity between electric and gas-powered cars. Gas stations don't charge by the amount of time a car sits at a pump; they charge by the amount of fuel consumed in gallons. Charging by the amount of energy consumed in kilowatt-hours is no different. Currently, electric vehicle charging in Wisconsin is being sold by the amount of time a

vehicle is at a charging station. The amount of time needed to charge an electric vehicle battery, however, varies based on the level of a charging station. Some electric chargers work faster than others, making the time spent at a charger irrelevant to the actual amount of electricity consumed. So, not only is kilowatt-hour charging required by NEVI, but it is the only fair way to sell electric-vehicle charging.

While Clean Wisconsin supports Senate Bills 791 and 792 as necessary proposals to access critical federal funding, we believe there are two issues Senate Bill 791 should address.

First, there is no clear rationale as to why the State is treated differently from municipalities under the bill. Senate Bill 791 allows a private third party to own and operate an electric vehicle charging station on municipal property. There is no similar allowance on State-owned property. There are places like state parks where such an allowance would be beneficial to the State, the private third party, and state park users. We encourage the legislature to work with the Department of Transportation and other relevant agencies to address this issue and include such an allowance in a final bill.

Second, Senate Bill 791 is silent on local governments that already provide and seek a fee for charging. Based on dialogue with these local governments that were in the vanguard providing charging for early adopter residents and visitors, it is Clean Wisconsin's understanding that they are operating these stations in ways that allow them merely to recoup their costs—not profit. We are concerned that Senate Bill 791 could unintentionally disrupt the operation of those existing charging stations. Local government leaders have worked to meet needs in communities lacking charging and would welcome charging provided by private third parties. This is not about competition, but rather collaboration to build out a charging network that serves all Wisconsinites, whether they live in a big city or a smaller community. Again, we encourage the legislature to work with affected local governments to develop a workable solution, such as grandfathering existing chargers, that allows them to continue to recoup the costs of investing in charging stations.

Thank you for the opportunity to provide testimony on Senate Bills 791 and 792. Again, Clean Wisconsin recognizes these proposals as necessary for the State to access \$78 million and supports them for that reason. We believe, however, that the aforementioned issues should be addressed in Senate Bill 791 to ensure easy passage through the legislative process and a charging network that benefits all Wisconsinites.

Date: December 19, 2023
To: Senate Committee on Utilities and Technology
From: Emma Heins, Electrification Coalition
Subject: Public Comment on SB 791 and 792

Chairman Bradley and Members of the Utilities and Technology Committee,

Thank you for the opportunity to testify this morning. My name is Emma Heins, and I am a policy manager at the Electrification Coalition. The Electrification Coalition is a national non-partisan, non-profit organization that is focused on transportation electrification through a combination of stakeholder engagement, technical support, direct implementation, and policy support to facilitate the deployment of Electric Vehicles on a mass scale, to combat the national security, economic, and public health impacts associated with the nation's dependence on oil.

I am here today to express my support for SB 791 and 792, with 4 key recommendations. Passing these bills which will enable Wisconsin to utilize the \$78 million it was awarded through the Federal Highway Administration's National EV Infrastructure (NEVI) program, enabling reliable and fast charging for those traveling long distances across the state and country. Electric transportation provides an opportunity to save drivers money over the lifetime of the vehicle¹, especially for rural drivers who drive longer distances and ultimately spend 44 percent more on gasoline and motor oil than urban drivers². This transition will also bring more jobs to the US and Wisconsin, both to manufacture the vehicles and chargers, but also to install and maintain them.

This is an opportunity unlike any other to revolutionize how Wisconsinites can travel, and to miss this opportunity would leave us at a distinct disadvantage for decades to come. The NEVI program and other federal funding opportunities will de-risk initial investments for charging providers and give the market the opportunity to demonstrate that the demand for EV public charging already exists, and that companies will make money when they install charging in Wisconsin.

There are 4 modifications that I would encourage the committee to consider, all of which will promote a business environment that private companies will want to invest in.

1. The bill should clarify that the state should be able to have the same considerations spelled out in the bill as the local governments. Right now, the bill text doesn't mention state government at all, which can lead state agencies to believe that they have no charging privileges and cannot even lease charging on state land. This would prohibit state facilitated investment in state parks and other state-owned land that attract tourists.

¹ [EVs Offer Big Savings Over Traditional Gas-Powered Cars - Consumer Reports](#)

² [Individual Benefits of Rural Vehicle Electrification | US Department of Transportation](#)

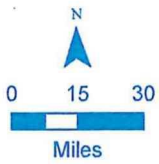
2. Existing chargers owned and operated by municipalities that charge for their power should be grandfathered into compliance. Municipalities that invested in these chargers factored revenue into their cost payback models, and it would significantly impact their budgets to absorb those costs now.
3. The bill denotes that charging providers would need to file a separate permit with the department of revenue before building a new station, and we would encourage the committee to revisit this process and keep the existing system, where providers just notify DOR of their project, rather than adding hurdles that will delay implementation and cost companies more money as they wait for permit approval. National fuel distributors and charging providers are looking at charging deployment from a national level, and they will choose to deploy charging in states that have advantageous permitting environments first, leaving states with multiple hurdles behind in this transition.
4. Decisionmakers should be mindful that punitive EV fees like charging on Level 2 will delay EV adoption and slow the EV market growth curve. We recognize that EV drivers ought to pay their fair share for using the road and that the tax per kwh will capture revenue from out of state drivers. However, we encourage the committee to consider all the ways that EV drivers are currently taxed for their fuel. Residents already pay a \$175 annual fee to make up for lost gas tax revenue, and out of state drivers passing through realistically would only use Level 3 fast chargers to stop and fuel. Residents without assigned parking or home charging will rely on level 2 charging as an economical way to stay charged, and they should not be unfairly be taxed for it. Therefore, we believe all level 2 charging should be exempt from the proposed tax on charging station.

Thank you for your consideration on this important bill, and thank you to the chair for his leadership on this issue.

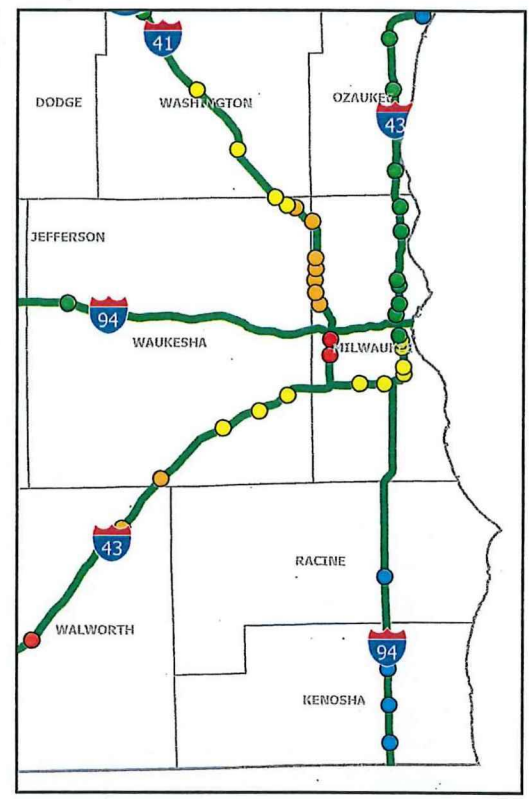
Sincerely,



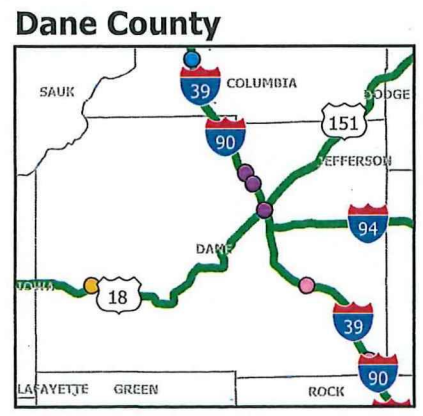
Emma Heins, Electrification Coalition



Brown County



Southeastern Wisconsin



Dane County

See Inset

See Inset

See Inset



Source: Planning, Environment, Realty (HEP) GIS Website, Federal Highway Administration

Evaluation Zone

	A	B	C	D	E	F	G	H
I-39	Exit 92: Korean War Veterans Mem Hwy Exit 106: State Rt 23 Exit 113: E 2nd St	Exit 124: W Follett Dr Exit 131: County Road V Exit 136: State Rt 73	Exit 151: State Rt 54 Exit 156: McDill Ave Exit 158 A/B: U.S. Rt 10	Exit 179: State Rt 153 Exit 185: Old Hwy 51				
I-41	Exit 2 A: W National Ave Exit 1 D: State Rt 59	Exit 42 A: W North Ave Exit 43: W Burleigh St Exit 44: I-94 ALT Exit 45: W Hampton Ave Exit 46: W Silver Spring Dr Exit 48: N 124th St Exit 50 A: Main St	Exit 51 A: Pilgrim Rd Exit 52: County Line Rd Exit 57: Holy Hill Rd Exit 64 B: State Rt 60	Exit 72: WIS-33 Exit 85: I-41 ALT Exit 97: S Hickory St Exit 98: S Military Rd Exit 99: US-45	Exit 101: County Rd O O Exit 113: I-41 ALT Exit 116: WI Trunk 44 Exit 117: W 9th St Rd Exit 119: Omro Rd	Exit 131: Winneconne Ave Exit 132: Main St Exit 136: W Prospect Ave Exit 137: WIS-125 / W College Ave Exit 138: WIS-96 / W Wisconsin Ave Exit 139: W Northland Ave / WIS-15 Exit 142: WIS-47 / N Richmond St Exit 144: N Ballard Rd Exit 146: Freedom Rd Exit 148: Delanglade St	Exit 150: Hyland Ave Exit 157: Freedom Rd Exit 161: Scheuring Rd Exit 163A: Main Ave Exit 164: S Onelda St Exit 167: Lombardi Ave / Hazelwood Ln Exit 168A: WIS-32 / WIS-54 Exit 170: Velp Ave	
I-43	Exit 21: Geneva St Exit 25: S Lincoln St	Exit 38: North St Exit 43: S Rochester St	Exit 50: Big Bend Dr Exit 54: Racine Ave Exit 57: S Moorland Rd Exit 312 B: W Lapham Blvd Exit 7: S 60th St Exit 9: S 27th St Exit 314 A: W Howard Ave Exit 314 B: W Holt Ave Exit 312 A: W Becher St	Exit 311: W Walker St (equivalent of "mm 70") Exit 72 E: W Winnebago St Exit 73 B: W North Ave Exit 75: W Keefe Ave Exit 76: N Green Bay Ave Exit 80: Good Hope Rd Exit 82 A: W Brown Deer Rd Exit 85: Mequon Rd Exit 92: Washington St Exit 96: State Rt 33	Exit 100: I-43 ALT Exit 120: S Business Rd	Exit 123: Washington Ave Exit 128: State Rt 42 Exit 149: U.S. Highway 151	Exit 157: Hillcrest Rd Exit 171: Depere Rd	Exit 181: Manitowoc Rd Exit 183: E Mason St Exit 187: E Shore Dr Exit 189: Atkinson Dr
I-90	Exit 3: Rose St Exit 4: US-53 / I-90 ALT Exit 5: WIS-16 / I-90 ALT Exit 12: County Rd C	Exit 28: I-90 ALT Exit 48: Oakwood St	Exit 55: County Rd C Exit 61: WIS-80 Exit 69: WIS-82 / Gateway Ave	Exit 79: County Rd HH Exit 87: WIS-13 Exit 89: WIS-23 Exit 92: US-12	Exit 108A: WIS-78 Exit 115: County Rd CS	Exit 131: WI-19 Exit 132: US-51 Exit 135C: High Crossing Blvd	Exit 147: County Road N Exit 160: US-51 / WIS-73 Exit 163: WIS-59 Exit 171A: WIS-26 / Milton Ave Exit 171B: US-14 / I-90 ALT / I-39 ALT Exit 175: US-14 / E Racine St	
I-94	Exit 19: I-94 ALT Exit 28: State Rt 128 Exit 41: N Broadway St Exit 45: County Rd B	Exit 59: Partridge Rd Exit 68: State Road 93 Exit 88: US Highway 10	Exit 105: WI-95 Exit 115: US-12 Exit 116: WIS-54	Exit 267: WI-26 Exit 282: Summit Ave	Exit 333: Washington Ave Exit 340: Burlington Rd Exit 344: 75th St Exit 347: 104th St			
US-141	Chicken Shack Rd WIS-22 County Rd A / W Main St	County Rd B / US-141 WIS-64 South St Henriette Ave	Van Buren Ave	US-8 Cedar St				
US-151	Exit 8: County Rd HH Exit 21: County Rd XX / US-151 Exit 26: 1st Capitol Ave	Exit 69: US-18 / Springdale St	Exit 132: WIS-33 Exit 134: E Industrial Dr Exit 135: Gateway Dr Exit 144: WIS-26 Exit 146: WIS-49 / I-41 ALT					
US-2	US-2/County Rd 27 US-2/N Bohn St	US-2/9th Ave W US-2/22nd Ave E	US-2/Maple St					
US-41	Exit 173: LIneville Rd Exit 176: County Rd B Exit 185: County Rd D	Exit 198: WIS-22 / Charles St Kasal Ln Exit 212: County Rd Y / US-41 / French St	Roosevelt Rd Pierce Ave / Riverside Ave					
US-51	Exit 188: Rib Mountain Dr Exit 190: County Rd NN Exit 192: WIS-52 Exit 194: Badger Ave / County Rd K Exit 205: County Rd Q Exit 208: WIS-64	Country Club Rd Milwaukee St WIS-70 WIS-47 / 1st Ave WIS-70	Lakeview Ave Silver St					
US-53	Exit 110: State Rd 40 Exit 118: W Main St Exit 126: County Rd I	Exit 140: South Access Rd	US-53/Oak Hill Rd (MM171 equivalent)	US-53/W Hokah St (MM195 equivalent)	US-53/E County Rd B (MM215 equivalent) US-53/50th Ave E (MM230 equivalent) US-53/22nd Ave E (MM232 equivalent)			
US-8	US-8/Glacier Dr US-8/208th St US-8/Prosser Ave	US-8/S 3rd St US-8/E Main St	US-8/5th St US-8/N Main St	US-8/WI-27 US-8/Main St	US-8/Granberg Rd US-8/County Road A	US-8/WI-47 US-8/County Road G	US-8/WI-32	US-8/WI-101
WI-29	Exit 69: WI-29/60th St Exit 75: A: US-53 Exit 91: WI-27	Exit 101: County Rd H Exit 108: WI-73	Exit 132: WI-13	(no Priority Locations)	Exit 185: County Rd Y Exit 195: US-45	Exit 225: WI-22 Exit 234: WI-117 WI-29/N Taylor St (MM 258 equiv.)		

Corridor

Fiscal Estimate - 2023 Session

Original Updated Corrected Supplemental

LRB Number 23-2813/1	Introduction Number SB-0791	
Description exemptions from public utility regulation regarding electric vehicle charging stations, installation and operation of electric vehicle charging stations by state agencies or local governmental units, and imposing an excise tax on electric vehicle charging		
Fiscal Effect State: <input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Increase Existing Revenues <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Decrease Existing Appropriations <input checked="" type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Create New Appropriations <input type="checkbox"/> Decrease Costs		
Local: <input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate 1. <input type="checkbox"/> Increase Costs 3. <input type="checkbox"/> Increase Revenue 5. Types of Local Government Units Affected <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Towns <input type="checkbox"/> Village <input checked="" type="checkbox"/> Cities 2. <input type="checkbox"/> Decrease Costs 4. <input checked="" type="checkbox"/> Decrease Revenue <input checked="" type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input checked="" type="checkbox"/> Mandatory <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts		
Fund Sources Affected Affected Ch. 20 Appropriations <input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input checked="" type="checkbox"/> SEG <input type="checkbox"/> SEGS s. 25.40		
Agency/Prepared By DOR/ Momodou Bah (608) 266-8133	Authorized Signature Cari Redington (608) 266-2943	Date 12/18/2023

Fiscal Estimate Narratives
DOR 12/18/2023

LRB Number	23-2813/1	Introduction Number	SB-0791	Estimate Type	Original
Description exemptions from public utility regulation regarding electric vehicle charging stations, installation and operation of electric vehicle charging stations by state agencies or local governmental units, and imposing an excise tax on electric vehicle charging					

Assumptions Used in Arriving at Fiscal Estimate

The bill imposes an excise tax on electric vehicle charging. The tax is imposed at a rate of 3 cents per kilowatt-hour on the electricity delivered or placed, for compensation, by an electric vehicle charging station into the battery or other energy storage device of an electric vehicle. The tax does not apply to electricity delivered or placed for no charge or by an electric vehicle charging station located at a residence. Under the bill, a "residence" is a place where a person resides permanently or temporarily, except for a hotel. Any person who, for compensation, delivers or places electricity from an electric vehicle charging station, other than an electric vehicle charging station located at a residence, owned, operated, managed, or leased by the person into the battery or other energy storage device of an electric vehicle must obtain a permit from the Department of Revenue. DOR enforces and collects the tax and must deposit all the revenue that it collects from the tax into the transportation fund.

The bill also exempts the sale of electricity delivered or placed by an electric vehicle charging station into the battery or other energy storage device of an electric vehicle from the sales and use tax.

FISCAL ESTIMATE – EXCISE TAX

According to data from the WIDOT there were about 3,712 electric vehicles registered in the state in FY19 and 17,253 by FY23. If the imposition of excise taxes on EV charging does not change the trend at which Wisconsinites continue to purchase electric vehicles, then using the electric vehicle registration trends from 2019 – 2023 the department can project 23,227 registered electric vehicles in the state in FY25. These figures don't include plug-in hybrid vehicles, which may also utilize electric charging stations, though each vehicle would consumer considerably less electricity than a full-electric vehicle.

Also, data from the Federal Highway Administration show that the average US motorist drives 13,476 miles per year. Assuming that the average WI motorist drives the same miles as the average US motorist, the department estimates the total number of miles travelled by electric vehicle motorists in the state to be 313.0m miles in FY25 by multiplying the number of registered electric vehicles and the average miles driven per vehicle per year.

Various sources show that the average electric vehicle consumes between 0.32KWh to 0.346KWh of electricity per mile or about 3 miles per kWh. Based on the total distance travelled estimated above, electric vehicle motorists in WI will use about 104,200 MWh of electricity in FY25. At an excise tax rate of \$0.03/kWh, the estimated excise tax revenue will be about \$3.1m in FY25. These estimates will be less to the extent that electric vehicle owners charge their vehicles at home. Estimates for future years will depend on the adoption of electric vehicles, electric motor efficiency, and estimated miles travelled. Given the recent increases in electric vehicle production, the estimates could increase substantially over the next several years.

FISCAL ESTIMATE – SALES TAX EXEMPTION

As outlined above, the anticipated amount of electricity subject to the excise tax in FY25 totals 104,200 MWh. Assuming a retail price of \$0.25/kWh at charging stations, the sales tax exemption would result in a decrease of \$1.3 million of state sales tax revenue in FY25.

The local fiscal effect would depend on the location of charging stations. The fiscal effect of the sales tax exemption will also directly depend on the retail price of electricity sold at charging stations, which is subject to volatility and market variation.

ADMINISTRATIVE COSTS

The department estimates a one-time cost of \$453,090 for the Division of Technology Service (DTS) for updating the state's tax processing system and an ongoing administrative expense of \$333,660 at the IS&E for 2 revenue agents, 2 auditors, and related supplies.

The department cannot absorb the administrative costs with existing resources.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2023 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

LRB Number 23-2813/1	Introduction Number SB-0791
Description exemptions from public utility regulation regarding electric vehicle charging stations, installation and operation of electric vehicle charging stations by state agencies or local governmental units, and imposing an excise tax on electric vehicle charging	
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect): \$453,090	
II. Annualized Costs:	Annualized Fiscal Impact on funds from:
	Increased Costs Decreased Costs
A. State Costs by Category	
State Operations - Salaries and Fringes	\$333,660
(FTE Position Changes)	
State Operations - Other Costs	
Local Assistance	
Aids to Individuals or Organizations	
TOTAL State Costs by Category	\$333,660
B. State Costs by Source of Funds	
GPR	333,660
FED	
PRO/PRS	
SEG/SEG-S	
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)	
	Increased Rev
	Decreased Rev
GPR Taxes	\$
GPR Earned	
FED	
PRO/PRS	
SEG/SEG-S	
TOTAL State Revenues	\$
NET ANNUALIZED FISCAL IMPACT	
	State
	Local
NET CHANGE IN COSTS	\$333,660
NET CHANGE IN REVENUE	\$See text.
Agency/Prepared By	Authorized Signature
DOR/ Momodou Bah (608) 266-8133	Cari Redington (608) 266-2943
	Date
	12/18/2023