

Testimony of William E. Dornbos

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Acadia Center

Public Hearing, March 10, 2016



Before the Energy & Technology Committee

Honorable Chairpersons Doyle and Reed, Ranking Members Formica and Ackert, and Committee Members:

Acadia Center appreciates this opportunity to provide written testimony to the Energy and Technology Committee regarding the bill referenced below. Acadia Center is a nonprofit research and advocacy organization committed to advancing the clean energy future. Acadia Center is at the forefront of efforts to build clean, low carbon, and consumer friendly economies.

H.B. 5510, AAC Electric, Zero Emission, and Fuel Cell Electric Vehicles

Position: Acadia Center opposes as drafted, but would strongly support with specific changes (see attached summary for details).

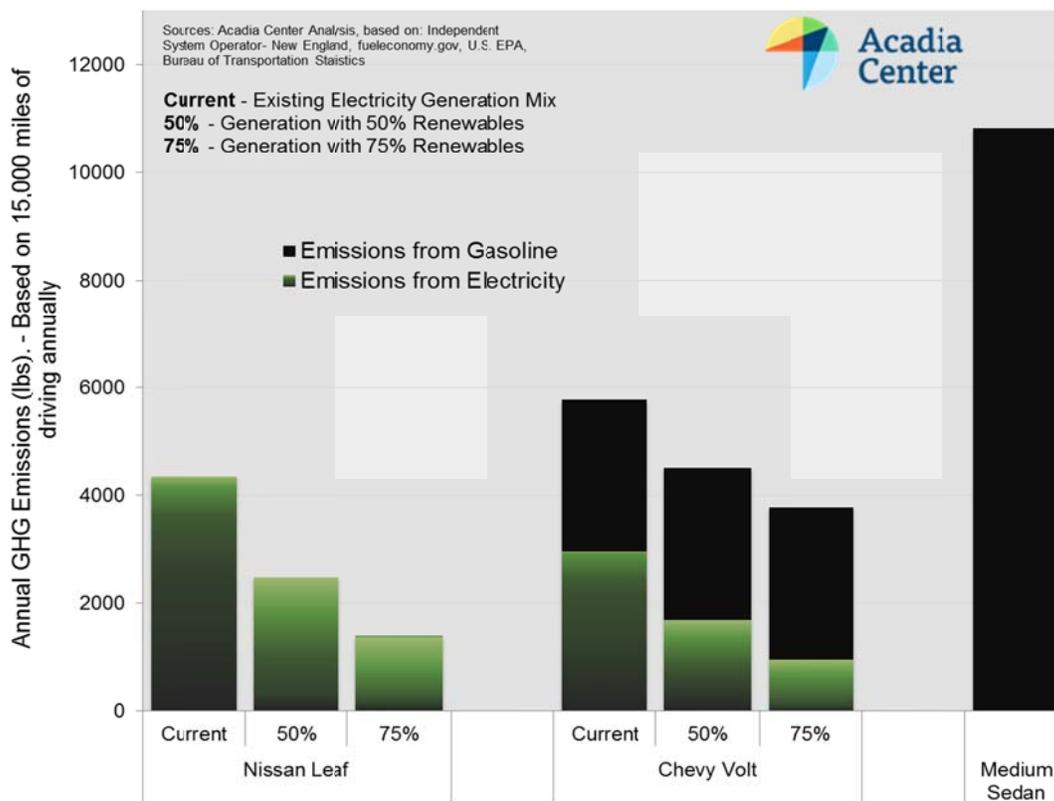
Acadia Center cannot support this bill in its current form due to statutory language and provisions that are confusing, unnecessary, or even possibly harmful. We recommend specific changes to H.B. 5510, as detailed in the attached summary developed by the CT Electric Vehicles Coalition. Acadia Center is a founding member of the Coalition and also on its steering committee. If the recommended changes can be made, then we would be strong supporters of H.B. 5510 moving forward.

While there are several positive provisions in H.B. 5510, we would like to highlight Section 4(b), which charges PURA with implementing time-of-use rates for electric vehicles – a task the General Assembly had already assigned to PURA almost three years ago through P.A. 13-248, Section 64. This provision needs to be modified as specified in the Coalition’s handout – with corrected definitions and an explicit tie to residential and commercial charging only – but, assuming it is clarified, this provision will be a huge step forward for Connecticut. Other states, like New York and Maryland, are using time-of-use rates for electric vehicles to not only help increase consumer adoption, but also to help manage peak demand issues on the power grid.

It is imperative that the General Assembly pass electric vehicle reforms this session. The current transportation system is unsustainable. The transportation sector is the second largest source of U.S. greenhouse gas (“GHG”) emissions, responsible for 34% of emissions nationally, and nearly 40% in Northeast states. In Connecticut, transportation is responsible for 45% of emissions, more than electricity consumption or building energy use. In order to meet the ambitious GHG reduction targets in the Global Warming Solutions Act (10% below 1990 levels by 2020 and 80% below 2001 levels by 2050), Connecticut needs to support cleaner transportation options than the status quo.

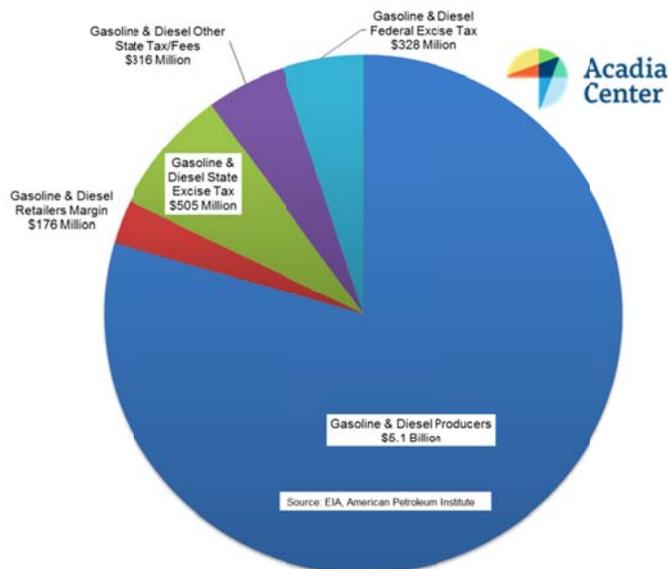
Shifting our transportation needs to electricity and increasing renewable generation capacity are critical to driving down greenhouse gas emissions from the transportation sector. As the carbon intensity of the regional energy mix decreases, the environmental and climate benefits of electric vehicles increase. Already in New England, electric vehicles can reduce transportation emissions by over 60 percent when compared to a traditional internal combustion engine.

Chart 1: Greenhouse Gas Emissions from Electric and Conventional Vehicles in ISO-NE



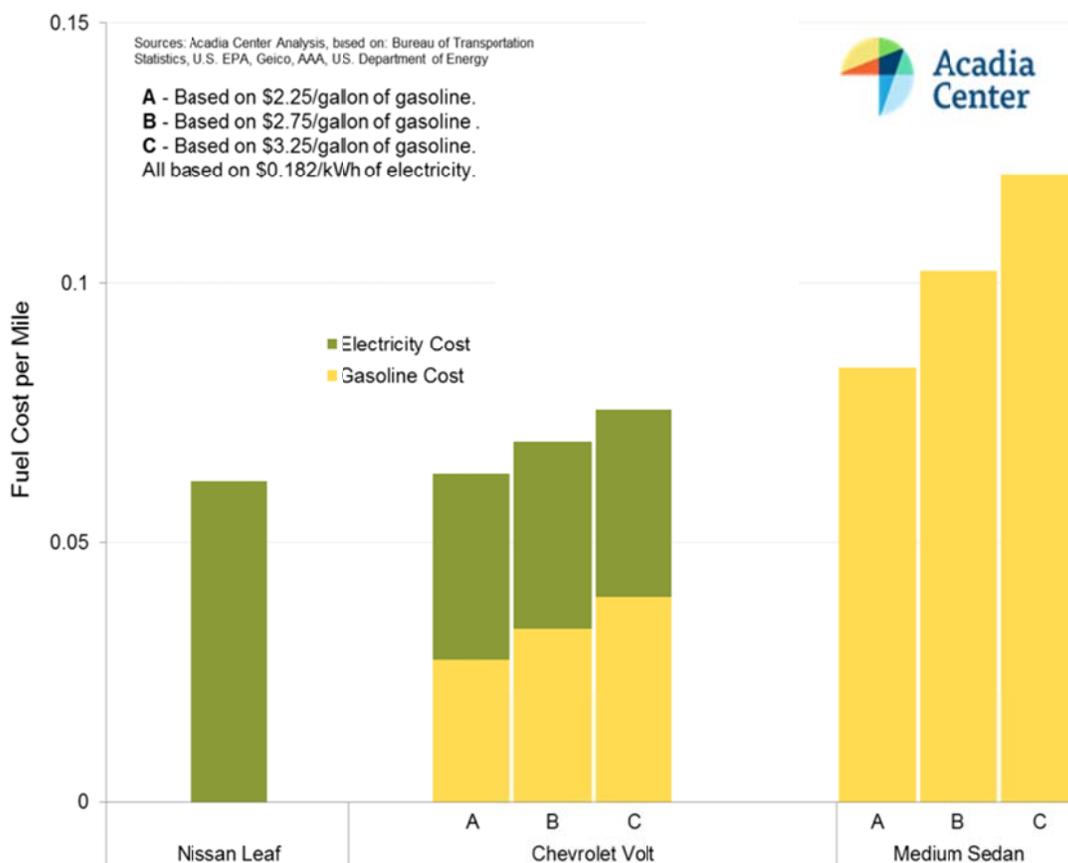
Additionally, the current transportation system is almost entirely dependent on gasoline and diesel, resulting in a transfer of wealth from New England to other regions and countries. In 2012, drivers in Connecticut spent over \$6.4 billion on gasoline and diesel, of which approximately \$5.1 billion (79 percent) left the state as payments to petroleum producers and refiners in other regions and countries.

Chart 2: Connecticut Gasoline and Diesel Fuel Expenditure, 2012



Even at recent electricity and gasoline prices, the fuel costs of a battery-electric vehicle like the Nissan Leaf are approximately 25 percent lower than the fuel costs of a conventional medium sedan. Shifting a greater portion of driving to electric vehicles will reduce our total expenditure on transportation fuels and slow the flow of wealth out of Connecticut.

Chart 3: Fuel Costs per Mile at Current Electricity Prices and Sample Gasoline Prices



Thank you again for the opportunity to testify. Please do not hesitate to contact me if you have any questions.

For more information:

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HB 5510/LCO 2022 Amendments

An Act Concerning Electric, Zero Emission and Fuel Cell Electric Vehicles

H.B. 5510 must be amended. The bill has many good provisions, including Sections 2, 5, 6, and 12, but it also includes provisions that are confusing, unnecessary, harmful, or conflict with existing laws or regulations.

The following provision is extremely confusing and must be amended:

- **Section 4: Defines EV charging stations and would create time of day rates for EV charging**
Must be amended. This section misleadingly defines “public” charging stations as free public charging stations, and defines “private” charging stations as those that allow access to anyone. This is confusing and inconsistent with how other states define charging stations. These definitions should be removed, and new definitions should be added for the following terms: EV charging station, public EV charging station, and publicly available parking space. Subsection (b) should be amended to require PURA to establish time of day rates for residential and commercial customers. This would decrease the cost of charging an EV at home or charging a commercial fleet of EVs at night, when electric demand is low. These lower costs would be a good incentive for drivers of EVs and operators of commercial EV fleets.

These provisions have potential but must be strengthened:

- **Section 1: Defines different types of ZEVs**
The bill wrongly defines “electric vehicle” (subsection 2) and “zero emission vehicle” (subsection 7) as including regular hybrids (like the traditional Prius) rather than plug-in hybrids. This is inconsistent with standard definitions of EVs and ZEVs and would likely lead to confusion. Moreover, there are strong policy reasons to exclude regular hybrids from these definitions in case they are later used as the basis for state incentive programs. Regular hybrids are well established in Connecticut and elsewhere and no longer need financial or other incentives—in contrast to plug-in hybrids and EVs, which are newer technologies.
- **Section 8: Requirements for EV charging stations**
Subsection (a) concerns payment options, so it should only apply to public EV charging stations that require payment of a fee. Such stations should not be required to offer specific payment options, but should instead offer payment options that allow access by the public. Subsection (b) should be amended to require owners or operators of public EV charging stations to disclose information about the stations to a database. The bill currently requires DMV to do this, but there is no requirement for the information to be reported to DMV. Finally, subsection (e), which prohibits membership-only charging stations, is too broad a prohibition. This language should be changed to allow owners or operators of public EV charging stations to charge separate prices for members and non-members, but require access to be open to all.

These provisions are unnecessary or harmful and should be removed:

- **Section 7: Signage requirements for electricity and hydrogen fuel – conflict with current standards**
Should be deleted. The requirements in this section conflict with national standards from the National Institute of Standards and Technology Handbook 44, which Connecticut has adopted.
- **Section 9: Would discourage EV charging stations by requiring them to pay high fees starting in 2016**
Should be deleted. This section would require EV charging stations to pay an annual registration fee of \$50. This would discourage installation of charging stations, which would limit options for EV drivers.
- **Sections 10 and 11: Would require adoption of standards that have already been adopted**
Should be deleted. These sections are unnecessary because they would require adoption of EV charging standards in the National Institute of Standards and Technology Handbook 44 and Handbook 130, which the Department of Consumer Protection has already adopted.