



# Competitive, Level Playing Field for Funding and Regulations

Private businesses are eager to sell electricity to EV drivers. However, without changes to public policy – including legislative and regulatory changes – private businesses cannot compete against regulated power companies who have been given a monopoly on the sale of electricity and a financial upper hand against any competition from the private sector. To achieve an exceptional nationwide charging network, all market participants must be on equal footing. In doing so, vigorous competition will drive down prices and increase the breadth and quality of services provided to customers.

## THE LEGAL SALE OF ELECTRICITY



The first step to creating a viable competitive market for EV charging is to ensure that laws and regulations do not regulate charging stations as a traditional utility. A business should not be regulated as a utility simply because they sell electricity via EV charging stations. If they are, the development of such stations will be stunted. While many states (roughly half) have already passed legislation that clarifies this point, the lack of uniformity across the continental 48 states puts at risk the ability of consumers to easily, safely, and efficiently travel long distances across state lines. Furthermore, local businesses cannot, and should not have to, comply with the often onerous and voluminous laws and regulations governing utilities if they simply want to provide an EV charging station for consumers.

## A LEVEL AND COMPETITIVE PLAYING FIELD



Second, public policy should incentivize and leverage private investment in bringing to market more charging stations. In most states, the utilities have been given massive financial incentives – to the tune of over \$3 billion across the nation – for the purposes of the purchase and installation of EV charging stations (both public and private) as well as supplying the electricity to end-users free of charge. They are allowed to do this without any risk to private capital as most utilities have a government-approved guaranteed rate of return on their investments. Given this economic climate, there is no sound financial path forward for the private sector to engage with this market. The utilities have essentially been given a blank check by legislators and are not held to the same accounting standards as a private business that would need to put significant financial resources at risk to enter the market. The Charge Ahead Partnership believes that all stakeholders should be able to compete for grants or be eligible for incentives regardless of whether they are a massive incumbent utility or a single rural refueling station. But to achieve the shared goal of creating a nationwide, robust charging network, all players need to be on an even playing field and should fairly compete for any grants or incentive programs for the construction of an EV charging network.

## A FAIR PRICE FOR ELECTRICITY



Third, once the private sector is able to compete in the market, utilities should not be able to bill their competitors for EV refueling electricity more than they charge themselves. Utilities should not be able to price their competition out of the market by hitting them with high electricity bills - including costly demand charges - that they themselves do not have to pay.

There must be a viable pathway to profitability and an ability to compete on price for any fuel alternative to gain meaningful market share. With the right legal and regulatory framework, we are confident that the private sector can create the infrastructure needed to serve the millions of EV drivers across the country in a way that is fair and accessible to all consumers.

