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## California to limit power company ownership of EV charging stations

***Regulators say power company-owned stations led to higher cost for ratepayers and limited expansion of EV charging network***

California is entering 2023 with a new strategy for expanding the state's electric vehicle (EV) charging infrastructure.

As the state with by far the highest number of registered EVs, California policymakers have for years been eager to solve the "range anxiety" problem where EV drivers and prospective EV drivers fear an insufficient number of convenient, reliable refueling stations. The state's new strategy appears to recognize the importance of private investment in solving range anxiety. It is intended to lay the foundation for increased private sector investment in EV charging stations.

The state's Public Utilities Commission is enacting a new program that will encourage private investment in EV charging stations while limiting the ability of public utilities to seize monopolistic control of the marketplace. Charge Ahead Partnership strongly supported this aspect of the program.

California's commissioners agreed that allowing power companies to own EV chargers had slowed the development of the EV charging market, while also forcing customers to pay higher electric bills. Instead of allowing power companies to spend ratepayer funds on utility-owned and operated EV charging stations, the CPUC will transition to a rebate program that will offset the up-front cost for third-party operators to buy and install chargers. It explicitly forbids utilities from using rebate funds from this program to subsidize their own investment in EV chargers.

"California has been experimenting with EV charging models longer than any other state, and the PUC is acknowledging that utility ownership of EV chargers is a failed model," said Jay Smith, executive director of Charge Ahead Partnership. "If California had transitioned away from this model years ago, their EV charging marketplace would be substantially further ahead than it is today."

California's new program comes as public utility commissions across the country are considering various requests from utilities seeking to use ratepayer funds to own and operate EV charging stations.

California commissioners stated unambiguously that years of power company control had slowed the growth of the state's EV charging network. They also said that allowing utilities to own on-site EV charging stations was placing additional responsibility on the already strained power providers.

"The utilities will not be permitted to own any of this infrastructure, and the rationale for that is that will mean lower cost for ratepayers because the charger and other equipment will not be in the utility rate base," said California PUC Commissioner Cliff Rechtschaffen during the commission's Nov. 17 meeting.

"We think the program moves in the direction of rightsizing the role of the utility in EV infrastructure, and to allow the utilities to focus more on the areas within their core competency," Rechtschaffen said.

“Eliminating utility ownership of EV chargers in this new program sends a signal to investors that they won’t be forced to compete against a monopoly,” said Smith. “Other states should learn from the failed experiment in California of utilities owning EV chargers.”

The decision can be viewed [here](#), with discussion beginning around the 1-hour, 37-minute mark.

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*To learn more about **Charge Ahead Partnership (CAP)** and join our efforts to help expand America’s EV charging network please visit [www.chargeaheadpartnership.com](http://www.chargeaheadpartnership.com). In addition to joining CAP you can stay connected with us by following us on social media on Twitter at [@EV\\_ChargeAhead](#), Facebook at [@ChargeAheadPartnership](#) and on Instagram at [@EVChargeAhead](#).*