Expanding Electric Vehicle Charging in Arizona

As more and more Arizonians consider shifting to an electric vehicle (EV), the issue of where they will charge their vehicle is becoming top of mind. Range anxiety – the fear of not knowing where you can charge while traveling outside of your local area – is deterring many from making that leap from gas-powered to an electric vehicle. As is the case with gas pumps today, there should be no reason why charging stations cannot be found with the same ease, convenience amenities that drivers have come to expect. Unfortunately, there are policies in place that are stifling the growth of EV charging stations.

To date, power companies have largely controlled the rollout of public EV charging stations. However, this has not yielded the best results for consumers. Across the country, electric utilities have sought authority from state public utility regulatory bodies to begin construction of EV charging stations paid for largely by their customers through home and business electric bills. This subsidizing of EV charging stations, combined with the current rate structure for EV charging, has **prevented third-party private investment in the EV charging market and slowed the growth of the EV charging network.** As a result, the **standards of choice, quality, safety and affordability that drivers have grown accustomed to** in the established refueling network **have not been met** by the existing EV charging infrastructure.

Barriers to expansion of the EV charging network and consumer choice in Arizona

- **Rate-basing EV Charging Stations** Power companies using money from electricity ratepayers to pay for the purchase, operation and maintenance of EV charging stations provides a huge competitive advantage for electric utilities, creates a financial barrier to retailers investing in EV chargers and limits consumers' choices.
- Rate Structure The current rate structure for EV charging, which includes exorbitant demand charges, makes the cost retailers would have to charge for EV charging too high for the market to bear. Considering that electric utilities do not charge themselves these same costs for EV charging, this creates an uneven playing field and will significantly slow the expansion of EV chargers into all communities across Arizona.

The Solution? Embracing Private Investment

Retailers are willing to invest their own private capital to grow the EV charging network in Arizona if they can compete on a level playing field. Power companies, which enjoy the unfair competitive advantages of being a regulated monopoly – in combination with antiquated rate structures – are keeping private investment out of the market and limiting competition and innovation, all resulting in a worse consumer experience.

Rates of EV adoption continue to rise, and it is time the recharging market caught up.



To learn more about our efforts to break down the barriers to private investment to create a more efficient and effective EV charging market, visit ChargeAheadPartnership.com