

SUPPORT EV CHARGING (SB 1637)

Dear Members of the Arizona State Legislature:

Our companies and associations write in **strong support of SB 1637**, bipartisan legislation sponsored by Senator Frank Carroll. We believe that the most efficient and effective way to build out Arizona's electric vehicle (EV) charging market is by embracing private investment and the competition and innovation that comes with it. Several of the undersigned businesses are those who want to be a part of this expanding market or those who believe this approach will create the best outcomes for all Arizona citizens. Many of us own and operate fuel outlets, convenience stores, grocery stores and restaurants in Arizona, each serving a vital role in their communities as employers, taxpayers and businesses, serving residents and visitors alike.

It is essential that Arizona build a reliable, convenient and customer-driven EV charging market. Passing SB 1637 will break down barriers to private investment in the EV charging marketplace and incentivize fuel retailers and other businesses to invest in Arizona and build out an EV charging network that will meet the needs and satisfy the expectations of Arizona EV drivers. Having a system dominated by a government-sanctioned monopoly using money from captive ratepayers is no way to grow a competitive charging market, particularly when the private sector is willing to invest its own resources into this market.

In order to maximize the benefits of the \$76 million in federal funds coming to Arizona through the NEVI Program in the coming years to help install EV charging stations, the time to act is now. **We respectfully ask you to pass SB 1637.** This legislation allows for free market competition and improved pricing transparency and service for consumers by:

- **Prohibiting electric utility companies from using ratepayer funds to purchase, own and operate EV chargers;**
- **Establishing policies that encourage competitive and predictable pricing for electricity used for EV charging.**

Without a change in policy, there is an ongoing threat of regulated electric utilities making use of their status as monopolies to gain a competitive edge over private businesses. Electric utilities can seek to do this by charging all ratepayers – regardless of income or whether they drive an EV – more money to underwrite their investment in charging stations, imposing unnecessary and regressive costs on ratepayers while also preventing investments by the private sector. This legislation addresses this concern by only allowing utilities to compete in this market through unregulated affiliates which cannot access ratepayer funds when building new EV charging stations. Additionally, this legislation will encourage more predictable pricing for EV charging which will improve consumer transparency and facilitate competition, much like the liquid fuels market does today. This is necessary to ensure there is a pathway to profitability for private sector investors in EV charging.

Retailers are not afraid of competition. If power companies want to be in the EV charging business, let them, but not with a competitive advantage that keeps others out of the market. **Successful passage of SB 1637 will ensure that this market develops in a competitive manner and send an extraordinary signal to many of the industries below that it is safe to invest in EV charging stations in the state of Arizona.**

We are grateful for your consideration.

Sincerely,

Charge Ahead Partnership