

## Office of Policy and Legal Analysis

Date: March 25, 2021  
To: Joint Standing Committee on Energy, Utilities and Technology  
From: Dan Tartakoff, Legislative Analyst  
Re: LD 347, An Act To Facilitate Maine's Climate Goals by Encouraging Use of Electric Vehicles (Grohoski)

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### **Bill summary**

This bill requires each transmission and distribution utility, on or before November 1, 2021, to submit to the Public Utilities Commission a proposed incentive rate schedule to promote the installation and operation of electric vehicle (EV) charging stations.

Such proposals must be designed to align with and support relevant strategies of the State's climate action plan adopted and updated under the Maine Revised Statutes, Title 38, section 577 and to help achieve the State's greenhouse gas emissions reduction levels under Title 38, section 576-A.

The commission, after notice and hearing, is required to approve, approve with modifications or reject each proposed incentive rate schedule.

### **List of individuals/entities that submitted written testimony and/or spoke at the hearing**

**Proponents** – Rep. Grohoski (sponsor), Acadia Center, ChargePoint, Conservation Law Foundation, Mayors' Coalition, Natural Resources Council of Maine, Nature Conservancy, Northeast Clean Energy Council, Office of the Public Advocate, ReVision Energy, Sierra Club Maine, Solar Energy Association of Maine, TechNet, Tesla, Versant Power, additional members of the public.

**Opponents** – Michael McClellan.

**Neither for nor against** – AARP Maine, Efficiency Maine Trust, Governor's Energy Office, New England Convenience Store and Energy Marketers Association, Propane Gas Association of New England, Public Utilities Commission.

### **Notes, issues and proposed amendments**

1. *Sponsor's proposed amendment* – prior the cancellation of the work session on this bill scheduled for March 4th, the sponsor distributed to members and interested parties a proposed amendment to the bill that included a number of changes.
2. *Timing question* – as general legislation, this bill would take effect 90 days after final adjournment of this session. Based on a mid-June 2021 statutory adjournment, the legislation would not take effect until mid-September 2021. The Committee may want to consider whether the time period between mid-September and November 1, 2021 is sufficient for the PUC to require the submission of the rate schedules described in the bill.

3. *Scope, EV charging stations* – multiple individuals questioned whether the bill was intended to promote the installation of Level 3/direct current fast charging (DCFC) stations only or whether a proposed schedule could promote installation of Level 2 charging stations too.
4. *“Incentive rate”* question – multiple individuals questioned the meaning of the phrase “incentive rate” as used in the bill, which is a phrase not commonly used in Title 35-A.
5. *Ongoing pilot* – multiple individuals mentioned the pilot program established through the enactment of LD 1464 in 2019. As noted by the PUC, in February 2020, it awarded four pilots to two bidders – CMP and the EMT – relating to EV charging stations. PUC is required under that law to assess the effectiveness of each program and report back to the Legislature by December 1, 2022.

While some individuals suggested the results of these pilots may provide information relevant to the development of future EV charging projects, others suggested there is no need to wait for those pilots to be completed before enacting a broader program like the one proposed in LD 347.

6. *PUC docket* – multiple individuals recommended that PUC be directed in the bill to open a broader docket on this proposal to allow for consideration of a wider range of issues and to incorporate stakeholder input in the development of the rate schedules described in the bill (see comments from NRCM and ReVision Energy).
7. *NECSEMA, proposed amendments* – proposes: (1) limit T&D ownership of/investment in EV charging infrastructure and equipment to shareholder-related funds (i.e., T&D ratepayers should not underwrite that associated risk) except under very limited circumstances and (2) amend bill in new 3157(3) to require a reevaluation of approved rates more frequently than every 3 years.
8. *NRCM, proposed amendment* – proposes to amend bill to grant existing and future EV stations short-term but immediate relief from demand charges until the rate schedules proposed in the bill can be approved. Suggests limiting such relief to stations where utilization is below a 30-50% threshold. Such stations could be charged an alternative per kW rate.
9. *Request for information from EMT* – A member requested at the hearing information from the Efficiency Maine Trust regarding the types of EV stations installed by EMT through the PUC pilot program described above, including information regarding how those stations are financed/funded.