Testimony In Support of L.D. 347, An Act to Facilitate Maine's Climate Goals by Encouraging Use of Electric Vehicles

Tesla strongly supports L.D. 347 *An Act To Facilitate Maine's Climate Goals by Encouraging Use of Electric Vehicles* which requires utilities to propose rates that promote the installation and operation of electric vehicle charging stations. Rate reform must play a critical role if Maine is to meet its electric vehicle (EV), climate and clean air goals. By requiring each utility to propose a rate schedule that promotes the installation and operation of EV charging stations, this legislation provides necessary reform. It would spur investment in charging infrastructure while encouraging adoption of EVs by lowering fuel costs for EV drivers and medium- and heavy-duty vehicle fleets.

Tesla's mission is to accelerate the world's transition to sustainable energy. Globally, Tesla has produced more than 1 million all-electric vehicles. Tesla has made substantial investments in developing, owning and operating a direct current fast charging network to provide drivers with quick and convenient access to charging. In Maine, there are 11 of these Supercharger locations and a total of 84 Supercharger stalls. Tesla also has an extensive Level 2 "Destination Charging" network with chargers located at hotels, restaurants and shopping centers around the state. There are currently 68 Destination Charging locations and a total of 115 chargers in Maine. Creating a seamless, convenient and affordable charging experience is key to enabling mass-market EV adoption because it ensures people do not need to compromise to drive electric. Since the Tesla Supercharger network's initial development in 2012, Tesla has gathered valuable experience about the challenges and barriers to deploying, owning and operating DCFC infrastructure, including the essential role rate design plays in driving adoption.

The transportation sector is by far the largest contributor of greenhouse gas emissions in Maine, contributing approximately 54% of emissions.¹ In order to dramatically expand the penetration of EVs, EV charging rates must incentivize the deployment of charging infrastructure. Addressing operational cost barriers through rate design for EV charging is an essential step toward achieving Maine's goals. The largest operating cost barrier to deploying charging infrastructure for light-, medium-, and heavy-duty sectors, including buses and trucks, is existing rate structures. The heavy-duty sector is particularly important to address as these vehicles largely operate and produce harmful emissions in disadvantaged communities. Maine also deals with emissions from the 37 million visitors per year that drive through the state. Building out a robust charging network in the state, would provide visitors with the comfort needed to bring their EV on their next Maine vacation. It is vital that barriers to widespread transportation electrification be addressed as soon as possible in order to rapidly lower transportation emissions in Maine.

This legislation will lead to the required investment in electric vehicle charging infrastructure that will allow Maine to meet its climate and EV goals. For the above reasons, Tesla urges the passage of this important legislation.

Zachary Kahn Public Policy & Business Development <u>zkahn@tesla.com</u>

¹<u>https://climatecouncil.maine.gov/strategies/transportation#:~:text=About%20Transportation,from%2044%</u>20percent%20in%201990.