

SUBJECT: Exempting EV charging equipment from certain electric utility regulations

COMMITTEE: State Affairs — favorable, without amendment

VOTE: 11 ayes — Paddie, Hernandez, Deshotel, Harless, Howard, Hunter, P. King, Metcalf, Shaheen, Slawson, Smithee

0 nays

2 absent — Lucio, Raymond

SENATE VOTE: On final passage, April 9 — 31-0, on Local and Uncontested Calendar

WITNESSES: For — Katie Coleman, Texas Association of Manufacturers; (*Registered, but did not testify*: Jamie Mitchell, Austin Energy; Jason Ryan, CenterPoint Energy; Carrie Simmons, Conservative Texans for Energy Innovation; Kari Meyer, CPS Energy; Michael Jewell, Enel North America; Cyrus Reed, Lone Star Chapter Sierra Club; Myra Leo, Schneider Electric; Karen Steakley, Tesla; Carl Richie, Texas Advanced Energy Business Alliance; Julia Harvey, Texas Electric Cooperatives; Linda Durnin)

Against — None

On — (*Registered, but did not testify*: Thomas Gleeson, Public Utility Commission of Texas)

DIGEST: SB 1202 would allow the Public Utility Commission to exempt a provider who owned or operated equipment used solely to provide electricity charging service for a mode of transportation from the definitions of "electric utility," "retail electric provider," or "retail electric utility" for purposes of the Public Utility Regulatory Act.

The bill would specify that an electric utility or a retail electric provider would not include a person not otherwise a utility or provider who owned or operated equipment used solely to provide electricity charging service

for consumption by an alternatively fueled vehicle.

For the purposes of Public Utility Regulatory Act provisions governing certificates of convenience and necessity, a person who owned or operated equipment used solely to provide electricity charging service for consumption by an alternatively fueled vehicle would not for that reason be considered a retail electric utility.

The bill would take effect September 1, 2021.

**SUPPORTERS  
SAY:**

SB 1202 would address the need for a clearer regulatory framework for electric vehicle (EV) charging stations as EV adoption is accelerating across the country, including in Texas. While the majority of vehicle charging takes place at the owner's home, there is a growing market for public use charging stations. The bill would clarify that the use of an EV charging station would not be considered a transaction to be governed by existing retail electric policies and that an EV charging station was not an electric utility or a retail electric provider, providing statewide regulatory consistency to facilitate deployment and competition of EV charging stations for customers.

Current provisions of the Public Utility Regulatory Act and Public Utility Commission rules provide customer protections for service from retail electric providers and electric utilities in the areas outside competition. These protections are premised on the customer selecting a single provider to supply electricity to a fixed premises, such as a home or business, and ensure continuous electric service. However, EV owners are not reliant on one charging station, and the station owner's obligation to provide continuous service to vehicle owners ends when charging stops.

While EV charging at times consists of a retail transaction, the differences between retail electric service to a premises and service to an EV warrant different regulatory treatment. The bill would make clear that owners of EV charging stations are providing a competitive service, much like gas stations for traditional fuel, and would exempt the owner from registering as a retail electric provider and being subject to regulations designed for

residential and commercial plans. The bill would allow EV charging stations to function as a competitive service in the market so station owners could respond to the broader adoption of EVs.

CRITICS  
SAY:

No concerns identified.