

## HF 3439/SF 4298 - Electric Vehicle Charging Infrastructure Requirement Provision Position: Support

The Alliance for Automotive Innovation<sup>1</sup> (Auto Innovators) supports efforts to increase electric vehicle charging like those contained in HF3439/SF 4298 and we encourage the legislature to pass this legislation.

## **Commitment to Net-Zero Carbon Transportation**

Auto Innovators and its members are committed to achieving a net-zero carbon transportation future for America's cars and light trucks. The auto industry is investing \$1.2 trillion globally by 2030 to advance vehicle electrification and will increase the number of EV models available from 114 today to around 150 by model year (MY)2026<sup>2</sup>.

## The Time to Act is Now

According to the U.S. Department of Energy, roughly 80% of EV charging occurs at home, making access to home charging a top priority for customers considering an EV. Lack of access to home charging is a major barrier to EV adoption. As a first and most cost-effective step, states should immediately begin adopting residential building codes to require EV-ready charging capabilities in parking spots in new multi-unit dwellings (MUDs) and single-family homes.

According to BestPlaces.net<sup>3</sup>, the median residential unit age in Minnesota is 41 years. Housing being built today will likely be around through at least 2050 or 2060. Consequently, if EV charging infrastructure is not installed as a new construction, it will need to be a retrofit installation afterwards which is a costly endeavor.

# MUD Residents Should be Able to Charge at Home

While most charging occurs at home, multi-unit dwelling (MUD) residents often face the most costly and burdensome obstacles to installing residential EV charging. For MUD residents, the additional costs to upgrade the electrical panel, install conduit between the electrical panel and their parking space, and the logistical challenges of securing building owner approval, coordinating the billing with the building owner, and persuading an owner to make a long-term investment on a rental property, make it nearly impossible to be an EV driver in a MUD.

<sup>&</sup>lt;sup>1</sup> From the manufacturers producing most vehicles sold in the U.S. to autonomous vehicle innovators to equipment suppliers, battery producers and semiconductor makers – Alliance for Automotive Innovation represents the full auto industry, a sector supporting 10 million American jobs and five percent of the economy. Active in Washington, D.C. and all 50 states, the association is committed to a cleaner, safer and smarter personal transportation future. www.autosinnovate.org.

<sup>&</sup>lt;sup>2</sup> EVs, PHEVs hitting U.S. dealerships through 2026 | Automotive News (autonews.com)

<sup>&</sup>lt;sup>3</sup> <u>https://www.bestplaces.net/housing/state/minnesota</u>

Charging at home is far cheaper, far more convenient, and far more reliable. It would be unreasonable to expect MUD residents to pay 2 or 3 times as much for charging and spend hours away from home each week just to charge their vehicles. This will lead them away from EVs and is not consistent with Maryland's stated goals.

### **Updating Codes Will Save Money**

Numerous studies show the costs to retrofit EV charging is several times more expensive than installing it during new construction.<sup>4</sup> In fact, compared to the cost of a new residential unit, the cost of installing even 208/240v 7.2 kW EV Ready charging is relatively small and typically well under \$2,000 per charging station.<sup>5</sup> Compare this to the California Public Utilities Commission's approval of ratepayers funding up to \$15,000 per charger make-ready to retrofit charging stations at MUDs.<sup>6</sup>

Failing to update building codes that do not adequately plan for increasing amounts of EVs, does not help long-term housing affordability. Instead, it trades small savings today for vastly higher costs down the road. Moreover, these higher costs will be borne by MUD residents (or ratepayers). To the extent MUD residents are lower income, this further exacerbates inequities and widens economic divides.

The California Energy Commission (CEC) summarizes this well in their most recent study (January 2021)<sup>7</sup>:

Building codes are often a cost-effective tool to support state policy, ensure equitable outcomes, and reduce barriers to adoption. Increased charging options at MUDs are needed to ensure that all Californians have access to convenient charging. This is all too often an issue at apartments, condos, and for renters where the motivations of tenants and landlords do not always align. Building codes that address new construction as well as major renovations to existing buildings such as when new parking is added or during repaving of an existing parking lot can materially address the EV charging infrastructure gap.

#### **Conclusion**

Passing HF3439/SF 4298 aligns with, and will support, Minnesota's climate and transportation goals. The bill will also save Minnesota residents money while ensuring they have access to EV charging in the future. Thank you in advance for your consideration of our views.

Sincerely,

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Josh Fisher Senior Director, State Affairs

<sup>&</sup>lt;sup>4</sup> For example, see Pike, Ed, Jeffery Steuben, Shayna Hirshfield. 2020. City of Oakland Plug-in Electric Vehicle Readiness Grant. California Energy Commission. Publication Number: CEC-600-2020- 116.

<sup>&</sup>lt;sup>5</sup> Id. See Table

<sup>&</sup>lt;sup>6</sup> See CPUC Decision 20-08-045 "Decision Authorizing Southern California Edison Company's Charge Ready 2 Infrastructure And Market Education Programs," August 27, 2020.

<sup>&</sup>lt;sup>7</sup> Crisostomo, Noel, Wendell Krell, Jeffrey Lu, and Raja Ramesh. January 2021. Assembly Bill 2127 Electric Vehicle Charging Infrastructure Assessment: Analyzing Charging Needs to Support Zero-Emission Vehicles in 2030. California Energy Commission. Publication Number: CEC-600-2021-001.

Alliance for Automotive Innovation