

ELECTRIC VEHICLE CHARGING SERVICES REGISTRATION ACT

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House Bill 4806 (proposed substitute H-1)
House Bill 5445 as introduced
Sponsor: Rep. Andrea K. Schroeder
Committee: Energy
Complete to 2-4-20

Analysis available at
<http://www.legislature.mi.gov>

SUMMARY:

House Bill 5445 would create a new act to require the Michigan Department of Agriculture and Rural Development (MDARD) to establish a registration procedure for persons providing electric vehicle charging services, allow registrants to sell electricity at a profit, and provide exemptions from the registration requirements.

House Bill 4806 would amend provisions in the act regulating public utilities that would otherwise conflict HB 5445, prohibit an unregistered person from providing electric vehicle charging services, and provide exemptions from the requirement to register under HB 5445.

The bills would employ the following defined terms:

Electric vehicle charging services would mean the transfer of electric energy from electric vehicle service equipment to a battery or other storage device in an electric vehicle, and the provision of billing services, networking, and operation and maintenance related to that transfer of electric energy to an electric vehicle.

Electric vehicle charging station would mean an electric component assembly or cluster of component assemblies designed specifically to charge batteries within an ***electric vehicle*** by permitting the transfer of electric energy to a battery or other storage device in an electric vehicle.

Electric vehicle would mean a motor vehicle powered solely by a battery cell energy system.

House Bill 5445 would create the Electric Vehicle Charging Services Registration Act to do all of the following:

- Require MDARD to issue orders establishing a registration procedure for persons that provide electric vehicle charging services.
- Allow a provider of electric vehicle charging services to sell the electricity at a profit.
- Require persons providing electric vehicle charging services to do all of the following:
 - Have financial, managerial, and technical capabilities that MDARD considers necessary.
 - Maintain records that MDARD considers necessary.

- Remain accessible to MDARD, consumers, and electric utilities in the state.
- Collect and remit all applicable taxes.
- Clearly display the cost to the consumer at the charging station. Other information and other means by which the cost information is displayed would not be prohibited, such as within the electric vehicle or on a mobile application.
- Require a person providing electric vehicle charging services to meet conditions currently required of alternative electric supplier license applicants concerning the person's safety record and technical ability to safely and reliably generate or obtain and deliver electricity and other proposed services as well as demonstrate that the employees who will install, operate, and maintain the electric vehicle charging stations have the knowledge and competence to perform those functions in a safe and responsible manner.
- Require a person submitting a registration to post a bond or provide a letter of credit or other financial guarantee of at least \$40,000 if, after investigation and review, MDARD finds that requiring a bond would be in the public interest.
- Require MDARD to establish a toll-free hotline that allows consumers to report issues with electric vehicle charging stations.
- Exempt from the registration requirements a private owner of an electric vehicle charging station or a nonretail provider of an electric vehicle charging station if that private owner or nonretail provider will not charge for providing electric vehicle charging services.

House Bill 4806 would amend 1939 PA 3, which provides for the regulation of public and private utilities and is the enabling act for the Michigan Public Service Commission, to prohibit, with specific exceptions, a person from providing electric vehicle charging services unless the person registers with MDARD under the Electric Vehicle Charging Services Registration Act proposed by HB 5445. The registration requirement would include customers of an electric utility, municipally owned electric utility, independent transmission owner, or cooperative electric utility that provide electric vehicle charging services for a fee.

The bill would also specify that a provision that restricts owning, constructing, or operating an electric distribution facility or electric meter equipment used in the distribution of electricity only to an investor-owned, cooperative, or municipally owned electric utility would not prohibit an entity that provides electric vehicle charging services from owning, constructing, or operating an electric vehicle charging station. In addition, an entity that provides electric vehicle charging services would not be considered a public utility, notwithstanding the basis on which the service is provided or billed. However, if the entity is otherwise considered a public utility under the act, or otherwise subject to regulation under the act, than that entity would not be exempt from, and would remain subject to, the otherwise applicable provisions of the act.

Finally, the bill would exclude an electric vehicle charging station operator from the definition of "alternative electric supplier."

MCL 460.10g, 460.10h, and 460.10q

FISCAL IMPACT:

House Bill 4806 would not have a fiscal impact on the Public Service Commission within the Department of Licensing and Regulatory Affairs.

House Bill 5445 establishes MDARD as the state department responsible for the electric vehicle charging station registration program. MDARD currently has regulatory authority over sales of *motor fuels* in two ways, under two statutes, with both of these activities carried out by staff in MDARD's Laboratory Division:

- The department tests service station fuel pumps for accuracy in distributing the correct volume of motor fuel under the Weights and Measures Act (2016 PA 464).
- The department also performs motor fuel quality testing under the Motor Fuels Quality Act.

The regulatory responsibilities given to MDARD under HB 5445 are of a different character than its service station weights and measures and motor fuel quality activities.

The additional program responsibilities, and related program costs, cannot be readily estimated at this time.

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■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.