House Bill 1081

Submitted by: **The Public Service Commission**

Before: **House Transportation Committee**
Honorable Dan Ruby, Chair

Date: **January 05, 2023**

TESTIMONY

Chairman Ruby and committee members. My name is Brian Johnson, I am a Special Assistant Attorney General for the North Dakota Public Service Commission. The Commission has asked me to testify today concerning House Bill 1081. The Public Service Commission (Commission) respectfully submits testimony in favor of HB 1081.

The widespread adoption of electric vehicles will have implications for transportation and energy infrastructure throughout the state and nation. The adoption of electric vehicles (EVs) is expected to continue and likely accelerate due to federal support and funding such as the Infrastructure Investment and Jobs Act and Inflation Reduction Act of 2022.

In November, the Commission held a public hearing as required by the Infrastructure Investment and Jobs to gather input on ways in which we could consider measures to promote greater electrification of the transportation sector, including the establishment of rates. All of the investor-owned utilities we regulate participated in the hearing in addition to a number of EV industry advocates and

North Dakota citizens. The Commission is closely following a number of issues and concerns related to the deployment of Electric Vehicles. This new trend stands to significantly increase demand for electricity, and both regulated utilities and cooperatives will be responsible for meeting that demand. The rates that are established for EV charging, the location and cost of the infrastructure needed to support EV charging and the public policy surrounding who can own this infrastructure and who should pay for it are all issues the Public Service Commission is intimately involved in. The Commission supports policies that ensure that the cost of Electric Vehicle deployment is borne by EV users and not subsidized or socialized to all utility rate payers.

While this Bill is focused on a study to look at lost revenue of out of state vehicles not paying the gas tax, lost revenue, and the cost of implementing a tax to address lost revenue, the Commission continues to actively monitor EV impacts on grid and generation resources. The Department of Transportation's coordination with the Commission to address interrelated challenges has been greatly appreciated and we look forward to continuing that partnership.

Thank you for the opportunity to submit testimony. The Commission would be happy to provide follow-up or send a representative at the Committee's request.