Department of Legislative Services

Maryland General Assembly 2023 Session

FISCAL AND POLICY NOTE Enrolled - Revised

House Bill 834

(Delegate Fraser-Hidalgo, *et al.*)

Economic Matters and Environment and Transportation

Education, Energy, and the Environment

Electric Vehicle Charging Infrastructure - Requirements (Electric Vehicle Charging Reliability Act)

This bill requires an electric company that installs or maintains electric vehicle (EV) charging stations for public use or that participates in the EV Pilot Program to maintain uptime standards for each EV charging station in accordance with specified federal or State standards and requirements. The Public Service Commission (PSC) may impose a civil penalty, in accordance with § 13-201 of the Public Utilities Article, or take additional remedial action against an electric company that fails to satisfy the uptime requirements. An electric company participating in the EV Pilot Program must maintain an adequate number of staff to monitor, assess, and when necessary, repair the EV charging stations operated by the electric company. The bill also requires PSC to expand the EV Pilot Program to allow participating electric companies to install EV charging stations in new multifamily existing dwellings in underserved communities through and December 31, 2025, subject to reasonable cost limitations balanced with the public interest. Related reporting requirements are established and various terms are defined.

Fiscal Summary

State Effect: PSC can handle the bill's requirements with existing budgeted resources. The bill is not anticipated to materially affect State finances. The effect on electricity rates is discussed in the Additional Comments below.

Local Effect: The bill is not anticipated to materially affect local government finances or operations. The effect on electricity rates is discussed in the Additional Comments below.

Small Business Effect: Minimal.

Analysis

Bill Summary: An electric company that operates an EV charging station for public use is subject to the same reporting requirements as an electric company that receives federal funding related to EV charging infrastructure. An electric company that operates an EV charging network or EV charging station must submit specified related information to PSC on a quarterly basis, including the location of each charging station along with various operational and cost metrics.

PSC must, by order or regulation, and subject to reasonable cost limitations balanced with the public interest, expand the EV Pilot Program established by PSC Order No. 88997 to allow participating electric companies to install EV charging stations in new and existing multifamily dwellings in underserved communities, as defined. PSC must terminate the EV Pilot Program expansion on December 31, 2025.

The required termination may not be construed to (1) terminate an electric company's authority to operate EV charging stations under a program approved on or before March 1, 2023; (2) limit an electric company's efforts to operate and maintain EV charging stations installed under the EV Pilot Program; or (3) impact the cost recovery by an investor-owned electric company for the lifetime of an EV charging station installed under the EV Pilot Program.

Current Law: PSC established a five-year EV Pilot Program for the State's four investor-owned utilities in January 2019 in Order No. 88997. The order was a result of a request from the leader of the Public Conference 44 Electric Vehicle Work Group, along with the investor-owned utilities and various environmental stakeholders. Generally, the utilities offer charger rebates and other related incentives to residential and nonresidential customers. The utilities were also authorized to create programs to install, own, and operate public chargers within their territories. The order authorized about 900 public chargers and required their installation on property leased, owned, or occupied by a unit of State, county, or municipal government.

<u>Federal regulations</u> require an average annual uptime for certain publicly accessible federally funded EV chargers of more than 97%.

Pursuant to § 13-201 of the Public Utilities Article, in addition to any other authorized penalty, PSC may impose a civil penalty of up to \$25,000 against a person who violates specified provisions or an outstanding direction, order, rule, or regulation of PSC. Each day or part of a day the violation continues is a separate offense. Civil penalties collected by PSC under this authority are paid into various special funds, depending on the nature of the violation.

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Additional Comments (Electricity Rates): PSC advises that electricity rates may increase due to the bill but did not provide additional information as to the potential magnitude of the increase. Ultimately, allowable costs will be recovered by the electric companies through electricity rates paid by all electric customers, including the State and local governments and small businesses. Based on the requirements in the bill, and that PSC will determine cost recovery, the Department of Legislative Services believes the effect to be generally limited.

Additional Information

Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: None.

Information Source(s): Public Service Commission; FederalRegister.gov; Department of Legislative Services

Fiscal Note History:	First Reader - February 27, 2023
rh/lgc	Third Reader - March 22, 2023
	Revised - Amendment(s) - March 22, 2023
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