



February 24, 2022

The Hon. Kumar P. Barve
Chair, Environment and Transportation Committee
Maryland House of Delegates
Room 251
House Office Building
Annapolis, Maryland 21401

RE: HB 894 -- Transportation Electrification and Modernization (TEAM) Act

Dear Chairman Barve:

I am writing on behalf of SemaConnect in support of House Bill 894 – The Transportation Electrification and Modernization (TEAM) Act.

Headquartered in Bowie, Maryland, SemaConnect is a leading developer, manufacturer and provider of plug-in, zero-emission (ZEV) infrastructure including commercial-grade electric vehicle charging systems and comprehensive network services. At present, SemaConnect is in the top two of smart networked, Level 2 electric vehicle charging system manufacturers in the North American market, with over 15,000 stations installed nationwide. SemaConnect's plug-in ZEV infrastructure is deployed in a wide range of applications that include multifamily, workplace, fleet, and public charging.

House Bill 894 – The Transportation Electrification and Modernization (TEAM) Act – is an important part of reinforcing Maryland's competitiveness for EV industry investment, accelerating deployment of EV infrastructure, and supporting the state's goal of having 300,000 EVs on Maryland roads by 2025. Already, the Maryland Energy Administration (MEA) has successfully overseen EV infrastructure programs (such as the Charge Ahead grant program for Level 2 EV charging stations). We strongly support HB 894 and commend both the proposed extension of the Electric Vehicle Recharging Equipment Rebate Program through 2025 and the proposed increase in the maximum amount of rebates that the MEA may award each fiscal year. If passed by the General Assembly, the bill will help ensure that Maryland remains a leading destination for EV industry investment by supporting job growth, business expansion, and new charging infrastructure.

As the market share of electric vehicles continues to grow, affordable and easily accessible EV charging is essential. While EV charging stations currently are concentrated in areas with high EV adoption, charging infrastructure must be widely available to ensure that drivers are not inconvenienced when needing to recharge their vehicles. Federal and state incentives and rebates have proven effective for increasing EV adoption and deploying EV charging stations.

Maryland continues to be a leader with its policies that promote EV sales and EV infrastructure deployment. In a 2021 report, the American Council for an Energy-Efficient Economy (ACEEE), a nonprofit research organization, ranked Maryland 4th out of 30 states studied for transportation electrification.¹ The ACEEE report found that Maryland is among the top 15 states for:

- Electricity grid optimization
- Equity (including state EV school bus deployment requirements)
- Incentives for EV deployment
- Transportation electrification outcomes

The ACEEE report also said, “The most common state actions to electrify transportation include planning for more EVs and EV charging options (23 states); incentives such as rebates, tax credits, and grants to buy large electric pickups and delivery trucks (27 states); using federal funds to buy electric transit buses (48 states); utility programs that offer lower electric rates at preferred times for EV (Level 2) charging (36 states); and utility funding to spur EV and EV-charging adoption in low-income areas and environmental justice communities (15 states).” Sustained engagement from Maryland policymakers in support of transportation electrification has been very beneficial for the state’s high ranking for policies that promote EV adoption. According to the U.S. Department of Energy’s Alternative Fuels Data Center, Maryland has approximately 1,000 public Level 2 charging station locations with 2,469 charging ports and 196 public DC fast charging station locations with 589 EVSE ports today.²

Even though Maryland already has taken important steps to deploy EV charging infrastructure, many more charging stations are needed to meet projected demand statewide. A 2019 study from the National Renewable Energy Laboratory (NREL) found that “[...] significant expansion of Maryland’s electric vehicle charging infrastructure will be required to support the state’s PEV [plug-in electric vehicle] goal for 2025. Analysis shows that a fleet of 300,000 PEVs will require 17,400 workplace Level 2 plugs, 9,300 public Level 2 plugs, and 1,000 fast charge plugs. These estimates assume that future PEVs will be driven in a manner consistent with present day gasoline vehicles and that the majority of charging will happen at residential locations.”³

To be sure, implementation of the federal Infrastructure Investment and Jobs Act (IIJA) will disburse an unprecedented amount of public funding for EV charging infrastructure across the nation. According to the U.S. Department of Transportation, “Under the Bipartisan Infrastructure Law, Maryland would expect to receive about \$63 million over five years to support the

¹ State Transportation Electrification Scorecard, The American Council for an Energy-Efficient Economy (ACEEE), February 2021: <https://www.aceee.org/research-report/t2101>

² https://afdc.energy.gov/fuels/electricity_locations.html#/analyze?region=US-MD&fuel=ELEC&ev_levels=dc_fast

³ <https://www.nrel.gov/docs/fy19osti/71198.pdf>



expansion of an EV charging network in the state (6). Maryland will also have the opportunity to apply for grants out of the \$2.5 billion available for EV charging.”⁴

To complement these federally funded programs, Maryland should continue to encourage EV industry investment by maintaining its historic pro-business EV policies and expanding them where appropriate. In addition, with the expiration of the federal Section 30C Alternative Fuel Refueling Property tax credit (in December 2021) and uncertainty over its renewal, Maryland has a timely opportunity to attract more EV industry investment by strengthening its state incentive and rebate programs.

Affordable and equitable access to EV charging infrastructure is essential for the benefits of EV adoption to be fully realized. For example, growing numbers of passenger and fleet EVs will improve air quality, particularly in communities located in and around major transportation corridors. We also believe that successfully deploying EV charging infrastructure requires appropriately balancing the role for DC fast charging stations near high-volume transportation corridors with the strong use case for Level 2 charging stations at longer-duration locations from residential homes and workplaces to hotels and transit parking facilities.

In closing, we appreciate your consideration of our comments and your commitment to ensuring that EV charging is affordable, reliable, and widely available across the state of Maryland.

Sincerely,

Matthew E. Chen
Director, Government Policy & Programs
SemaConnect, Inc.

⁴ https://www.transportation.gov/sites/dot.gov/files/2022-01/BIL_Maryland.pdf