

SUBJECT: Regulating electric vehicle supply equipment

COMMITTEE: Licensing & Administrative Procedures — committee substitute recommended

VOTE: 8 ayes — K. King, Walle, Goldman, Harless, Hernandez, Herrero, T. King, S. Thompson

2 nays — Schaefer, Shaheen

1 absent — Patterson

SENATE VOTE: On final passage (March 29) — 28 - 3

WITNESSES: None (*Considered in a formal meeting on April 24*)

BACKGROUND: Some have suggested that Texas should have a regulatory framework for electric vehicle charging stations as the electric vehicle industry continues to grow.

DIGEST: CSSB 1001 would establish regulations for electric vehicle supply equipment and providers under the Texas Department of Licensing and Regulation (TDLR) and the Texas Commission of Licensing and Regulation (TCLR).

Definitions. CSSB 1001 would define "electric vehicle supply equipment" as a device or equipment used to dispense electrical energy to an electric vehicle. "Electric vehicle supply provider" would mean an owner or operator of electric vehicle supply equipment that was available and accessible to the public to provide electrical energy through a commercial transaction, meaning any sale or exchange for compensation of electrical energy through a digital network. "Digital network" would mean an online-enabled application, website, or system offered or used by an electric vehicle supply provider that allowed a user to initiate a commercial transaction to dispense electrical energy from electric vehicle supply equipment to an electric vehicle.

TDLR and TCLR powers and duties. The bill would allow TCLR to adopt rules to regulate electric vehicle supply equipment in operation before January 1, 2024, that:

- had never had a metering system in place capable of measuring electricity transferred from the charging station to the vehicle; or
- was not capable of measuring the time elapsed while actively charging a vehicle and calculating a fee for the charging session.

TCLR also could set fees to cover the costs of administering the bill. TDLR could contract to perform its duties related to electric vehicle supply equipment.

TCLR by rule could exempt electric vehicle supply equipment from a requirement if it determined that imposing or enforcing the requirement was not cost-effective for TDLR, was not feasible with current resources or standards, or would not substantially benefit or protect consumers. Electric vehicle supply equipment would be exempt from requirements if, in accordance with TCLR rule, the electric vehicle supply equipment was:

- installed in or adjacent to a private residence for noncommercial use;
- provided for the exclusive use of an individual or a group of individuals; or
- provided by a business for use at no charge.

TDLR's executive director would be required to establish methods by which consumers would be notified of the name, website, mailing address, and telephone number of TDLR for the purpose of directing complaints. TDLR could periodically or in response to a complaint conduct an inspection of electric vehicle supply equipment to verify compliance with registration requirements and standards, with certain exemptions.

Electric vehicle supply equipment operation. Unless electric vehicle supply equipment was exempt from the bill or was removed from service,

an electric vehicle supply provider would be required to have electric vehicle supply equipment inspected and maintain electric vehicle supply equipment. Additionally, an electric vehicle supply provider would be required to register each charging unit of electric vehicle supply equipment operated by the provider with TDLR before the electric vehicle supply equipment was made available for use on a digital network for a commercial transaction.

TDLR would have to issue a registration to each applicant that met the requirements and submitted an application according to certain requirements established by the bill.

TCLR, in consultation with the Texas Department of Transportation, would be required to adopt standards that would require electric vehicle supply equipment to be equipped with a standard electric vehicle charging connector or plug type that was widely compatible with as many types of electric vehicles as practicable. Specifications and tolerances for electric vehicle supply equipment would be required to be the same as those recommended by the National Institute of Standards and Technology. Equipment would have to be installed and operated in accordance with statute relating to electricians.

An electric vehicle supply provider would be required to show on the display of the electric vehicle supply equipment or on the electric vehicle supply provider's digital network:

- fee calculation methods;
- applicable surcharges;
- a statement that TDLR regulated electric vehicle supply equipment; and
- information on filing a complaint with TDLR about electric vehicle supply equipment.

Before the user began charging, the electric vehicle supply provider would be required to disclose the rate the user would be charged at the time of the transaction and a list of applicable surcharges. After a reasonable

period following the completion of a commercial transaction for electric vehicle charging, on request of a user, the electric vehicle supply provider would be required to transmit a summary with certain transaction information.

An electric vehicle supply provider would be required to remove electric vehicle supply equipment that posed a safety risk from operation and from the electric vehicle supply provider's digital network listing of available charging units. If TDLR determined that electric vehicle supply equipment posed a safety risk, TDLR would be required to place a mark with the words "Out of Order" on the electric vehicle supply equipment. An electric vehicle supply provider could not return electric vehicle supply equipment to operation until the equipment was repaired in accordance with manufacturer specifications and TDLR rule.

Enforcement. A person would be subject to application denial, an administrative penalty, or disciplinary action if the person engaged in a commercial transaction in violation of the bill or a rule adopted under the bill.

TDLR could establish and lead a stakeholder work group to provide input, advice, and recommendations on the activities under the bill. TDLR would be required to establish the size, composition, and scope of the stakeholder work group. These provisions would expire December 1, 2024.

The bill would apply only to electric vehicle supply equipment installed after December 1, 2024, that was made available to the public and not intended primarily for private use.

An electric vehicle supply provider would be required to register all of the provider's electric vehicle supply equipment in operation in the state by March 1, 2025. Electric vehicle supply equipment installed in Texas would have to be operated in compliance with manufacturer specifications and TDLR rules:

- by March 1, 2028, if the equipment was installed before the bill's effective date;
- by March 1, 2025, if the equipment was installed between the bill's effective date and March 1, 2025; and
- when the equipment began operating, if the equipment was installed on or after March 1, 2025.

Electric vehicle supply equipment subject to certain specifications under the bill would not be required to comply with those specifications until January 1, 2030.

The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2023.

NOTES:

According to the Legislative Budget Board, CSSB 1001 would have a positive impact of about \$35,000 on general revenue related funds during fiscal 2024-25.