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May 1, 2023

The Honorable, Chair Ed Neilson  
The Honorable, Chair Kerry Benninghoff  
Members of the House Transportation Committee

RE: Electric Vehicle Fees

Chair Neilson, Chair Benninghoff, and Members of the House Transportation Committee:

ChargePoint appreciates the opportunity to provide testimony on the issue of electric vehicle fees to the Committee. We appreciate your support of the transition to zero emission vehicles (ZEVs) and deployment of electric vehicle charging infrastructure. By way of background, ChargePoint is the nation's leading electric vehicle ("EV") charging network. ChargePoint internally designs, develops, and deploys residential and commercial AC Level 2 ("L2") and DC fast charging ("DCFC") EV charging stations, cloud-based software applications, and related customer and driver services aimed at creating a robust EV charging ecosystem. ChargePoint's primary business model is not to own and operate charging stations ourselves, but to provide smart, networked charging solutions directly to businesses and organizations.

ChargePoint is very supportive of ensuring that all drivers pay their fair share for roads and highways in a manner that makes it easy for businesses and municipalities to continue investing in EV charging infrastructure and maintains consistent funding for the state's transportation system as whole. Since the early 2000s, states have been exploring ways to charge for road usage for EV drivers, both in state and out of state, through legislative action and pilot programs. The two programs that are most widely used are flat fee registrations and mileage-based user fees (MBUF). According to the [National Conference of State Legislatures](#), these two programs have been piloted in a variety of states and are currently being explored in many states around the country. We very much support the creation of a mileage-based user fee program or a flat registration fee on electric vehicles and encourage the Committee to choose one of those solutions to help replace the loss of revenue from the decline of the gas tax.

We are concerned with the current system in place in Pennsylvania, which essentially imposes a kWh tax on public charging stations to collect fees from EV drivers in PA. We believe that imposing an additional tax on EV charging assessed on a per-kwh basis presents challenges for site hosts, drivers, and the State.

We see three main challenges for the way the state is currently trying to address the loss of gas tax revenue through the current kWh tax:

**Inequitable Tax for PA EV Drivers**

As the program is currently set up, a per-kWh tax is only assessed on EV drivers that use public charging stations. This penalizes Pennsylvania EV drivers with higher rates that don't have access to home charging. Residents that rent, live in an apartment building, or otherwise cannot install a home charger for various reasons, depend on public charging. If they cannot access affordable public charging, they will not be able to benefit from the energy cost savings of owning an EV and thus will depend on the

higher price of gasoline for their transportation needs. EV drivers that charge at home will avoid the fee as they rarely use public chargers, and if they do, it will likely be on long distance trips out of state.

### **Regional Outlier**

Pennsylvania is currently the only state in the Northeast/Mid-Atlantic region to impose a kWh pricing tax on public charging stations. EV drivers from out of state may be deterred from stopping to charge in PA because of the additional per kWh fee. EV drivers who have the option to charge tax free in nearby states may choose to do so.

### **Site Hosts Become Tax Collectors**

The kWh tax forces businesses that own and operate charging stations to become tax collectors. The EV charging industry has a variety of businesses models, and this tax requires everyone, from a small convenience store to a charging provider, to oversee dispensing and collecting this tax accurately and remitting them back to the state. This could be very cumbersome for someone trying to run a business in Pennsylvania.

In conclusion, we believe there are two great options for enacting fees on EV drivers – a mileage-based user fee or flat registration fee. We believe either of these policies are the more straightforward and equitable approach for collecting road fees. We thank you for the opportunity to submit testimony.

Sincerely,

A handwritten signature in cursive script that reads "Emily Kelly".

Emily Kelly  
Senior Manager, Public Policy - Eastern Region  
ChargePoint