



*Advocating the views of convenience stores, supermarkets,
independent grocers, wholesalers and consumer product vendors*

March 4, 2024

Re: Electric Vehicle Infrastructure

Chairman Matzie, Chairman Marshall and members of the Consumer Protection, Technology, & Utilities Committee,

My name is Alex Baloga and I am president and CEO of the Pennsylvania Food Merchants Association. PFMA is a statewide trade association advocating the views of convenience stores, supermarkets, independent grocers, wholesalers and consumer product vendors operating in Pennsylvania. We represent more than 500 corporate members who operate more than 3,000 retail food stores and employ more than 300,000 Pennsylvanians.

Thank you for the opportunity to share some thoughts on electric vehicle infrastructure on behalf of our membership. Our retail members, whose locations you drive by every day, are the specialists when it comes to providing quick, safe and convenient fueling options. Some have been doing it for close to a century, so it is with a high level of expertise that they are approaching the new paradigm of EV charging. Many have already embraced – and invested in - this new technology and offer charging stations at locations throughout the commonwealth.

The chief priority as we discuss how the roles of the state, utilities, and private businesses will fit together in this developing marketplace is maintaining a level playing field for all participants. A concern of the private sector is not simply the possibility of utility companies entering the retail marketplace, but leveraging ratepayer funds to deploy, operate and maintain charging stations across the state's roads and highways. This would represent an enormous competitive advantage for certain actors in the marketplace, at the expense of others, with no clear benefit to customers and several obvious drawbacks.

Chief among these drawbacks would be the involuntary subsidization of ratepayers who may not own or use an electric vehicle to benefit those who do. A hallmark of retail fueling is the concept of paying for what you get. Gasoline and diesel are fungible commodities, just like electricity, and their sale is highly regulated. Pricing is dynamic and extremely competitive among retailers, who all have to go through the same general processes to get their product to market. There is no equivalent of a utility company leveraging ratepayer money to subsidize the development and sale of traditional retail fuel, and for good reason.

The concept of specialization is also important to consider. Utility companies are the experts when it comes to maintaining and building out electric grids and making sure customers have reliable power to go about their day. You would not expect – or presumably want - your local convenience store chain to one day appear on the letterhead of your electric bill. By the same logic the idea of your electric company embarking on a series of retail charging stations – totally outside their core competency – makes just as little sense.

Of course there is also the fact that fuel retailers in business today are, indeed, already in business. Customers know where they are, what to look for, and trust them to provide a safe and reliable product. They are located conveniently and have all the other amenities that drivers have come to expect when they refuel.

Our association members appreciate the extent to which the state has contemplated the role of the private sector thus far in its development of EV charging policy. PennDOT staff should be credited for their efforts to communicate and accept feedback as they have moved forward with the National Electric Vehicle Infrastructure Formula Program, and other work surrounding EV chargers. So too should members of this committee and others in the legislature who are planning ahead for a future with ever more electric vehicles on the road. We look forward to working with you and other stakeholders to make sure a robust and accessible charging network awaits them.

Regards,

A handwritten signature in black ink, appearing to read "Alex Baloga". The signature is fluid and cursive, with the first name "Alex" being more prominent than the last name "Baloga".

Alex Baloga
President and CEO, PFMA