



# ND PETROLEUM MARKETERS ASSOCIATION

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October 23, 2020

Steve Kahl  
Executive Secretary  
North Dakota Public Service Commission  
600 East Boulevard, Dept 408  
Bismarck, ND 58505-0480

**Re: Public Service Commission EV Charging Stations Investigation; Case No. PU-20-388.**

## **COMMENTS OF THE NORTH DAKOTA PETROLEUM MARKETERS ASSOCIATION**

The North Dakota Petroleum Marketers Association (NDPMA), represents over 400 petroleum marketers and suppliers across North Dakota. Our members provide critical transportation fuels to nearly 800 retail store fronts in the state as well as many other vital sectors of industry. NDPMA appreciates the opportunity to provide comments in this proceeding, investigating electric vehicle (EV) charging stations.

Earlier this year, the Public Service Commission hosted a workshop with the state's three regulated, investor-owned electric utilities: Otter Tail Power, Montana-Dakota Utilities, and Northern States Power to gain a better understanding of the issues surrounding electric vehicles and charging stations. NDPMA is particularly interested in utility proposals for serving, owning and operating public vehicle charging equipment.

In its presentation, Otter Tail Power stated that utilities will likely play a prominent role in developing direct current fast charging (DCFC) networks in rural areas, as the necessary private investment has not and is unlikely to materialize. And at least in the short-term, the utility thinks it is necessary to own and operate EV charging stations to provide sufficient coverage for rural residents. In addition, Northern States Power believes that full utility ownership of vehicle charging equipment is a solution to support EV customers. In the near-term, Montana-Dakota does not plan to own or operate EV chargers (except those for its own fleet).

NDPMA members predicate all business decisions on consumer demand. Furthermore, all refueling infrastructure is financed only by the industry. Quite simply, if the consumers demand a transportation fuel, NDPMA members have been quick to provide it. Case in point would be the expansion of ethanol-based gasolines across the state over the last several decades. Decisions like these are based on consumer demand and return on investment. If these two critical factors are positive, retail petroleum marketers will make the needed investment.

In fact, I know of several petroleum retailers in the state who are working with local energy cooperatives in their areas on establishing EV charging stations at convenience stores at this time. C-stores are the ideal sites for charging stations. These stores are all conveniently located with easy access. Many consumers have established driving patterns and their favorite place to stop for fuel and other necessities. It only makes sense for these charging stations to become part of the c-store and travel center operations in our state. Petroleum retailers have been the transportation fuel leaders in our

state for many generations. If consumer demand is there, the retailer will provide it working in cooperation with the electric industry.

All that being said, one still has to ask the question in North Dakota is the demand for charging stations truly real at this time?

In 2018, there were 899,953 vehicles registered in North Dakota; however, only 170 or .01 percent were EVs. In other words, 99.99 percent of vehicles registered that year were not electric.

Nationally, more than two-thirds of battery electric and plug-in hybrid electric vehicles are owned by households with incomes over \$100,000. This is not surprising given the price difference between electric and conventional vehicles. Moreover, the used car market, which is critical to households of lesser means, is composed overwhelmingly of cars and trucks powered by combustion. Lower-income North Dakotans should not be forced to subsidize the deployment of EV charging stations that will disproportionately be used by and benefit affluent individuals.

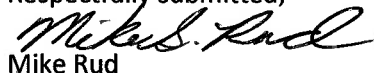
Even small utility rate hikes to pay for EV charging can have an outsized impact on households. Nearly 1 in 3 American households reported difficulty paying their energy bill, according to a 2018 Energy Information Administration report. If a rate hike is permitted, those unfairly paying for EV charging will include (1) low-income families, (2) the elderly and fixed-income families, (3) those who do not own EVs and will not use EV chargers and (4) small businesses. Furthermore, an electricity monopoly installing EV infrastructure hurts consumers by effectively blocking out competition. Competition will ensure consumers pay a competitive price for EV charging and are ultimately serviced by the companies that provide the best customer experience.

The issue of alternative transportation technologies is being debated on surface transportation reauthorization bills in both chambers of Congress. A provision in both bills that could harm petroleum marketers is the creation of a grant program for states to deploy electric vehicle (EV) charging and other alternative energy stations along designated alternative fuel corridors. Petroleum marketers are concerned that the grant program could allow the government to own and operate EV charging stations, competing with private businesses. There's also fear electric utilities could double dip - meaning they could charge their rate paying consumers to pay for EV infrastructure expansion while also taking grant money to subsidize the same projects. The purpose of these rate increases is, in part, to offset costs for installing EV infrastructure and charging networks that very few people will use. The Commission should draw a line in the sand on this point, as utilities do not need to operate public charging stations to ensure their existence. The bottom line is hardworking state residents and all Americans for that matter, should not pay more in their utility bills just so the few who can afford EVs are able to charge their vehicles.

ND petroleum retailers fully realize by working in conjunction with the state's electric utilities, if the need arises for electric charging stations in ND they can more than accommodate any EV demand.

Thank you again for the opportunity to provide comment.

Respectfully submitted,



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