

Kristin Gilkes: Electric vehicle charging infrastructure investments have many benefits

Posted on Friday, Apr 26, 2019

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Lawmakers on both sides of the aisle are signaling their interest in investments for Wisconsin's publicly-available electric vehicle, or "EV," charging infrastructure. The Customers First! Coalition applauds these efforts because of the broad benefits the investments could have for citizens across the state.

Earlier this week, Assembly Republicans, led by Rep. Adam Neylon (R-Pewaukee), unveiled an Earth Day plan which would create "Clean Energy Corridor Grants" to drive investment in EV charging infrastructure along Wisconsin's most travelled highways and connect them with similar corridors in neighboring states. The Governor's Executive Budget also recommends EV charging infrastructure investments, with funding for both plans coming from VW settlement funds awarded to the state to mitigate excess emissions from Volkswagen diesel vehicles. Settlement terms dictate the funds—which are not coming from taxpayer dollars—be used for efforts to reduce emissions, which the current plans would accomplish. The plans call for investment in infrastructure only—EV drivers would still pay to charge their vehicle as they travel.

Greater EV adoption, facilitated by the proposed infrastructure investments, could actually help keep electricity rates down for all electric utility customers. As more cars, buses, and fleets begin to electrify, they will drive electricity sales that help utilities spread their fixed costs over a greater number of purchased units. A February 2019 Synapse Energy report in California concluded, "Our analysis indicates that, from 2012 through 2017, EVs in California have increased utility revenues more than they have increased utility costs, leading to downward pressure on electric rates for EV-owners and non-EV owners alike."

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Electric Vehicle proliferation is gaining steam in Wisconsin and nationally. EV registrations across the nation doubled from 2017 to 2018. As registrations and associated electricity use go up due to this trend, it's important to note that EV drivers are helping the state's finances and contributing to the transportation fund. Utilities and electric cooperatives are assessed via the state's utility gross revenues tax, which is deposited into the state's general fund. This means that as electricity sales grow, so do contributions to the general fund. Electricity is also subject to the sales tax in warmer months. In 2018, the state began collecting an additional annual registration fee on EV drivers that is deposited into the transportation fund to help pay for roads.

Another shared benefit of EVs is cleaner air. EVs are responsible for about half of the carbon emissions as a typical gasoline-fired vehicle, and their environmental benefits will continue to grow as utilities transition their generation fleets to cleaner fuel sources. Because of the dramatic decline in the cost of utility-scale renewable energy over the past decade, this clean energy transition is a reality for utilities, who have set steep carbon-reduction goals over the next few decades.

Urban and rural drivers, as well as fleet and transit managers, should know that EVs typically cost about half as much to fuel as gasoline-fired vehicles. Using "eGallons," the U.S. Department of Energy helps drivers calculate the cost of fueling a vehicle with electricity compared to a similar vehicle that runs on gasoline. In Wisconsin, the average cost of a gallon of gas is \$2.56. By comparison, an "eGallon" is \$1.27, based on average retail electricity rates in the state. Drivers also save on maintenance costs, as oil changes become a thing of the past.

Drivers and vehicle buyers can get all these benefits from electric vehicles right now. But to kick the adoption of electric vehicles into a higher gear, we need to make sure people can drive electric all across Wisconsin and have plenty of places to refuel their vehicles on longer trips. Typical driving range for a fully-charged EV can vary between 100-300 miles. Investments in EV charging infrastructure, now proposed by Wisconsin lawmakers on both sides of the aisle, will go a long way towards helping drivers feel comfortable their vehicle will work for long-distance travel and could help encourage greater EV adoption rates.

With significant potential benefits in store statewide, it's no wonder EV charging infrastructure investments are being discussed. Our Customers First! Coalition is encouraged by the progress being made towards these investments and we support the inclusion of EV charging infrastructure funding in the final version of the state budget.

- Gilkes is executive director of the Customers First! Coalition.