NACS NATSO SIGMA

June 16, 2020

The Honorable Peter DeFazio
Chairman
Committee on Transportation and Infrastructure
U.S. House of Representatives
Washington, DC 20515

The Honorable Sam Graves
Ranking Member
Committee on Transportation and Infrastructure
U.S. House of Representatives
Washington, DC 20515

Dear Chairman DeFazio and Ranking Member Graves:

The undersigned organizations represent the hundreds of thousands of businesses across the country, located in every district, providing motor fuel and convenience items to consumers.[1] Together, our organizations sell approximately 90 percent of the motor fuel sold in America. While that is predominantly liquid motor fuel today, our industry is integral to the future development of a robust, consumer-friendly and competitive electric vehicle (EV) charging marketplace. Unfortunately, the INVEST Act includes provisions that will deter private sector investment in charging infrastructure, which will result in fewer charging options and less competition for the consumer.

Infrastructure spending is a top priority for our associations, and should be aggressively pursued by anyone serious about ensuring American competitiveness in the 21st Century. We remain eager to work with Congress to explore policies that, as part of an infrastructure package, would encourage existing off-highway businesses to expand the full range of transportation energy offerings for consumers. The INVEST Act, however, will restrict those offerings.

We strongly oppose this legislation.

First, The INVEST Act would allow states to provide electric charging options on the highway right-of-way. This will mean that the businesses located off the highway exits will not invest in charging infrastructure because they cannot compete with an on-highway option. The desire by a vocal minority on the Committee to build charging infrastructure as quickly as possible will result in a small number of chargers located on the right-of-way and no additional investment off the highway. This will mean fewer options for the consumer and less competition in pricing.

The second provision of concern to our industry (in Sec. 1303) would provide grants for charging and fueling infrastructure. As drafted, the bill would allow investor-owned utility companies to charge all of their electricity customers higher rates to underwrite EV charging investments and, on top of this, receive federal grants to supplement the ratepayer subsidy. This "double-dipping" will inevitably discourage the

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[1] NACS, the leading global trade association dedicated to advancing convenience and fuel retailing, serves as a trusted advisor to over 1,500 retailer and 1,600 supplier members from more than 50 countries. NATSO currently represents approximately more than 3,000 travel plazas and truck stops nationwide, comprised of both national chains and small, independent locations. SIGMA represents a diverse membership of approximately 260 independent chain retailers and marketers of motor fuel.

private sector from investing in the technology, will harm electricity customers, and will hamper growth in EV charging infrastructure. Should a utility want to partner with a grant recipient to deploy charging infrastructure, the utility should then be required to use non-ratepayer funds to make that investment.

Taken together, these provisions send precisely the wrong policy signal to an industry that is in the opening phase of investing in additional EV charging infrastructure. The bill will undoubtedly stifle the market's transition to EVs. This is ironic, of course, because the INVEST Act stands in such stark contrast to legislation that the Senate Environment and Public Works Committee passed on a bipartisan basis. That legislation – which was unanimously passed by the committee after many months of painstaking negotiations between Democrats and Republicans – includes grants for EV charging infrastructure along highway corridors similar to the INVEST Act, but does not include the unsound provisions discussed above. The Senate bill thus creates a regulatory framework that is far *more* compatible with increasing investment in EV charging infrastructure than the INVEST Act does.

Our organizations have been committed to working with the Committee to support a surface transportation bill that would foster a level playing field with respect to transportation energy infrastructure, expand options for the consumer and create jobs. Commercializing rest areas and allowing utilities to access grant money while charging their customers higher electricity bills is not the way to achieve those goals. Due to the inclusion of these two provisions, our organizations urge members of the Committee to oppose the INVEST Act.

Sincerely,

National Association of Convenience Stores (NACS)
NATSO, Representing America's Travel Centers and Truckstops
Society of Independent Gasoline Marketers of America (SIGMA)

cc: Members of the Committee on Transportation and Infrastructure