



SIERRA CLUB

LONE STAR CHAPTER

To: The Honorable Todd Hunter, Chair
Members, House Committee on State Affairs
Re: HB 3508 by Ana Hernandez. Relating to the operation of electric vehicle charging stations.
From: Cyrus Reed, Sierra Club, cyrus.reed@sierraclub.org, 512-888-9991

March 21, 2023

Dear Chairman and members,

Electric vehicles are no longer a niche market, but a growing reality and HB 3508 by Hernandez provides an important regulatory framework. In Austin alone, more than 11% of all new vehicles registered were electric or hybrid electric in 2022. While it is a much smaller percentage in the state as a whole, in areas like Houston and Dallas, electric vehicle use is also growing, in part because of important investments by city governments and utilities. With new federal funding, we expect even more growth in the coming years.

The Sierra Club Lone Star Chapter supports HB 3508 by Vice-Chair Hernandez which would set the standards and rules around ownership of electric vehicle charging stations by private companies and by utility companies. Last year, the Sierra Club commented on and participated in the plan by TXDOT to seek \$408 million in federal funds allocated under the Bipartisan Infrastructure Plan. An important aspect of this plan is to rely on private entities to partner with state government so we use private companies for any matching costs.

Having a framework in place to support private entity support combined with federal funding and utility infrastructure will stimulate the growth of electric vehicle charging infrastructure. It is important that utilities not be in the direct business of selling electrons in the competitive area of Texas through charging stations, but that function be done through separate entities.

Sierra Club appreciates that the bill allows for the role of electric utilities, transmission and distribution utilities, competitive entities, and the PUC to fulfill in supporting the growth of infrastructure for electric vehicle charging. In general the bill prohibits direct utility ownership in the competitive market, but allows for infrastructure investment to make the grid ready for electric vehicles.