HOUSE AMENDMENTS AMENDED-RETURNED TO HOUSE

May 12, 2021

**S. 304**

Introduced by Senators Climer and Fanning

S. Printed 5/12/21--S.

Read the first time January 12, 2021.

**A** **BILL**

TO AMEND THE 1976 SOUTH CAROLINA CODE OF LAWS BY ADDING SECTION 58‑27‑1060, SO AS TO PROVIDE WHEN A PERSON OR CORPORATION USING AN ELECTRIC VEHICLE CHARGING STATION IS NOT AN ELECTRIC UTILITY, AND TO FURTHER PROVIDE THAT ANY INCREASE IN CUSTOMER DEMAND OR ENERGY CONSUMPTION ASSOCIATED WITH TRANSPORTATION ELECTRIFICATION SHALL NOT CONSTITUTE REVENUES FOR AN ELECTRICAL UTILITY.

Amend Title To Conform

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Article 7, Chapter 27, Title 58 of the 1976 Code is amended by adding:

“Section 58‑27‑1060. (A) A person or corporation who uses an electric vehicle charging station to resell electricity to the public for compensation is not an electric utility if:

(1) the person or corporation has procured the electricity from an electrical utility, municipality, consolidated political subdivision, the Public Service Authority, or an electric cooperative that is authorized to engage in the retail sale of electricity within the territory in which the electric vehicle charging service is provided;

(2) the person or corporation furnishes electricity exclusively for the charging of plug‑in electric vehicles; and

(3) the charging station is immobile.

(B) Nothing in this section shall be construed to limit the ability of an electrical utility, municipality, consolidated political subdivision, the Public Service Authority, or an electric cooperative to use electric vehicle charging stations to furnish electricity for charging electric vehicles. Any increases in customer demand or energy consumption associated with transportation electrification shall not constitute found revenues for an electrical utility.”

SECTION 2. Article 1, Chapter 27, Title 58 of the 1976 Code is amended by adding:

“Section 58‑27‑260. (A) There is established the Joint Committee on the Electrification of Transportation. The committee is comprised of four members of the Senate, two of whom are appointed by the Chairman of Senate Finance and two of whom are appointed by the Chairman of Senate Judiciary, and four members of the House of Representatives, two of whom are appointed by the Chairman of the Ways & Means Committee and two of whom are appointed by the Chairman of the Labor, Commerce and Industry Committee. The members of the committee shall elect one co‑chairman from the Senate appointees and one co‑chairman from the House appointees.

(B)(1) The committee shall study the challenges and opportunities associated with the electrification of the transportation sector and make recommendations to the General Assembly to enable a fair, efficient, and cost‑effective transition to electric transportation.

At minimum, the committee shall study the following issues:

(a) environmental, economic, and customer challenges and benefits associated with the advancement of electric vehicles;

(b) the potential value of advancing the development and deployment of electric vehicles and associated infrastructure and address issues that impede development and deployment;

(c) explore and evaluate the impacts of electric vehicles on roads, bridges, and other infrastructure, including the potential loss of revenue due to the current and projected future use of electric vehicles in this State;

(d) explore and evaluate the impacts of electric vehicles on customers, utilities, and the grid; and

(e) any other issues associated with the electrification of the transportation sector.

(2) The Committee shall receive reports from:

(a) the Office of Regulatory Staff’s stakeholder initiative to advance the electrification of transportation sector;

(b) the South Carolina Public Service Commission pursuant Section 58-27-265; and

(c) by September first of each year, the South Carolina Department of Revenue shall provide an annual report to the committee that details the prior fiscal year’s revenue collections, from whatever source derived, designated for the repair, maintenance, or improvements to the South Carolina transportation system.

(C) The committee shall receive clerical and related assistance from the staff of the Senate and the staff of the House of Representatives, as approved and designated by the President of the Senate and the Speaker of the House, respectively.

Section 58‑27‑265. (A) No earlier than April 1, 2023, the Public Service Commission shall open a docket for the purpose of identifying the regulatory challenges and opportunities associated with the electrification of the transportation sector.

At minimum, the commission shall study the following issues:

(1) grid integration and resource planning to facilitate electrified transportation;

(2) the interaction between transportation electrification and the electric power grid;

(3) regulatory policies to support efficient and cost‑effective transition to electric transportation;

(4) the need for data management and coordination among a number of energy system participants;

(5) grid investments that support electric vehicle deployments as a part of planned modernization efforts to enable an efficient and cost‑effective transition to electric transportation;

(6) increased electric vehicle adoption and the development of their charging infrastructure and how those advancements align with grid modernization efforts;

(7) whether rate designs and other load management strategies are appropriate to mitigate potential negative grid impacts and maximize potential grid benefits of transportation electrification;

(8) other critical issues related to transportation electrification, such as service reliability, privacy, affordability, and security; and

(9) and any other issues the commission determines relevant.

(B) The commission shall issue a report to the Joint Committee on the Electrification of Transportation. Upon submitting the report, the commission shall open a docket at least every three years thereafter to study the regulatory issues related to the electrification of the transportation sector and report back to the Joint Committee on the Electrification of Transportation and the General Assembly.

(C) To the extent necessary to carry out commission responsibilities, the commission is authorized to employ third-party consultants and experts, by contract or otherwise, as the commission may consider necessary to assist the commission in the proper discharge of its duties and responsibilities as provided by this section. The expenses for the employment of any third-party consultant or expert as authorized by this subsection must be paid from the assessments collected pursuant to Section 58‑3‑100. The commission shall provide an accounting of compensation and expenses incurred for third‑party consultants and experts in a report provided annually to the review committee. The commission is exempt from the State Procurement Code in the selection and hiring of third-party consultants and experts as authorized by this subsection.

Section 58‑27‑270. (A) The South Carolina Office of Regulatory Staff through any existing electric vehicle stakeholder initiatives launched by the regulatory staff, shall complete a stakeholder process to facilitate a broad, collaborative statewide discussion among stakeholders to explore the opportunities to advance electrification of the transportation sector along with identifying challenges associated with the advancement of electrification of the transportation sector.

(B) Components of this initiative shall include, but not limited to:

(1) working with stakeholders in the private and public sector, including the South Carolina Department of Transportation, the South Carolina Department of Commerce, the South Carolina Department of Revenue, and other relevant stakeholders;

(2) examining the legislative and regulatory environmental, economic, and customer challenges and opportunities;

(3) identifying challenges and opportunities in electrified vehicle technologies, such as power conversion and energy storage, the grid integration of electrified transportation and transportation policies, that pave the way for electrified transportation; and

(4) identifying efforts to enable a more efficient and cost‑effective transition to electric transportation.

(C) To the extent necessary to carry out its responsibilities, the Office of Regulatory Staff is authorized to employ third-party consultants and experts, by contract or otherwise, as the Office of Regulatory Staff may consider necessary to assist regulatory staff in the proper discharge of its duties and responsibilities as provided by this section. The expenses for the employment of any third-party consultant or expert authorized by this subsection must be paid from the assessments collected pursuant to Section 58-4-60. The Office of Regulatory Staff shall provide an accounting of compensation and expenses incurred for third-party consultants and experts in a report provided annually to the review committee. The Office of Regulatory Staff is exempt from the State Procurement Code in the selection and hiring of third-party consultants and experts as authorized by this subsection.

(D) The Office of Regulatory Staff shall make initial recommendations to the Joint Committee on the Electrification of Transportation no earlier than July 1, 2022. Upon submitting the report, the Office of Regulatory staff shall convene additional stakeholder initiatives and report recommendations to the Joint Committee at least every two years thereafter.”

SECTION 3. This act takes effect upon approval by the Governor.

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