

By: Hernandez

H.B. No. 3508

A BILL TO BE ENTITLED

AN ACT

relating to the operation of electric vehicle charging stations.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subtitle B, Title 2, Utilities Code, is amended by adding Chapter 42 to read as follows:

CHAPTER 42. ELECTRIC VEHICLE CHARGING

Sec. 42.0101. LEGISLATIVE FINDINGS. (a) The legislature finds that it is in the best interests of this state to continue the longstanding policy of robust competition through the free market by establishing a framework designed to encourage competitive private sector investment in the deployment of electric vehicle charging stations.

(b) The legislature finds that encouraging private sector investment in the deployment of electric vehicle charging stations is essential to foster the rapid installation and widespread use of electric vehicle charging stations on property whose owners or tenants desire to make such an investment.

(c) The legislature finds that it is necessary to:

(1) implement competitively neutral policies to encourage competitive private sector investment in electric vehicle charging station deployment;

(2) develop and implement competitively neutral electricity tariffs aimed at and optimized for the low-cost operation of electric vehicle charging stations while ensuring

1 transparency in pricing; and

2 (3) encourage competitive private investment,
3 ownership, and operation of electric vehicle charging stations,
4 including equipment that allows for fast charging.

5 Sec. 42.0102. DEFINITIONS. In this chapter:

6 (1) "Direct-current fast charging station" means a
7 charging system capable of delivering at least 50 kilowatts of
8 direct-current electrical power to an electric vehicle's
9 rechargeable battery at a voltage of 200 volts or greater.

10 (2) "Electric vehicle" means an automobile that is
11 propelled by one or more electric motors using energy stored in the
12 form of a rechargeable battery.

13 (3) "Electric vehicle charging provider" means the
14 owner of an electric vehicle charging station.

15 (4) "Electric vehicle charging station" means any
16 level two charging station or direct-current fast charging station
17 that delivers electricity from a source outside an electric vehicle
18 into an electric vehicle and is separate and distinct from
19 make-ready infrastructure.

20 (5) "Level two charging station" means a charging
21 system capable of delivering at least 3 and not more than 50
22 kilowatts of alternating-current electrical power to an electric
23 vehicle's rechargeable battery at a voltage of 200 volts or
24 greater.

25 (6) "Make-ready infrastructure" means the electrical
26 infrastructure required to service an electric vehicle charging
27 station's electrical load on the electric utility's or customer's

1 side of the meter. The term does not include an electric vehicle
2 charging station.

3 Sec. 42.0103. ELECTRIC UTILITIES. (a) An electric utility
4 or transmission and distribution utility:

5 (1) may not directly provide retail electricity
6 charging service from an electric vehicle charging station;

7 (2) may not include an electric vehicle charging
8 station for recovery through rates approved by the commission;

9 (3) may provide retail electricity charging service
10 from an electric vehicle charging station through a separate
11 affiliate that is:

12 (A) not subject to regulation by the commission;
13 and

14 (B) subject to prohibitions on market power
15 abuse, cross-subsidizations, and preferential treatment between
16 regulated and competitive activities described by Section
17 39.157(d); and

18 (4) consistent with the requirements of Subchapter B,
19 Chapter 38, and Section 39.157(d)(3), shall offer the same
20 nondiscriminatory rates, terms, and conditions offered to the
21 affiliate described by Subdivision (3) to other electric vehicle
22 charging providers in the utility's service area for the operation
23 of electric vehicle charging stations.

24 (b) An affiliate of an electric utility or transmission and
25 distribution utility that provides, owns, operates, or maintains
26 electric vehicle charging stations and is not subject to regulation
27 by the commission may not be subsidized by any rate or charge for

1 any regulated services provided by an electric utility or
2 transmission and distribution utility.

3 (c) This section does not prohibit an electric utility or
4 transmission and distribution utility from subsidizing the costs of
5 make-ready infrastructure through rates or charges for services
6 provided by the electric utility's or transmission and distribution
7 utility's regulated services.

8 SECTION 2. Section 42.0103(b), Utilities Code, as added by
9 this Act, applies only to a rate or charge imposed after January 1,
10 2024.

11 SECTION 3. This Act takes effect September 1, 2023.