June 8, 2021

The Honorable Peter DeFazio
Chairman
Committee on Transportation and Infrastructure
2165 Rayburn House Office Building
Washington, DC 20515

The Honorable Sam Graves
Ranking Member
Committee on Transportation and Infrastructure
2164 Rayburn House Office Building
Washington, DC 20515

RE: Improvements Needed to INVEST in America Act

Dear Chairman DeFazio and Ranking Member Graves,

The National Association of Convenience Stores (NACS), the National Association of Truckstop Operators (NATSO), and the Society of Independent Gasoline Marketers of America (SIGMA) appreciate the work of the House Committee on Transportation and Infrastructure to advance needed legislation to upgrade our infrastructure system. The convenience and fuel retailing industry, along with virtually every U.S. industry, relies on a foundation of solid and reliable infrastructure. While these investments are needed and there are many positive provisions of the INVEST in America Act, there are additional improvements we urge the Committee to make before the legislation is considered by the full House of Representatives. If improvements are not made, the legislation may stunt the growth of electric vehicle (EV) charging infrastructure, which is an important part of the future development of the transportation sector.

By way of background, NACS is an international trade association representing the convenience store industry with more than 2,200 retail and 1,600 supplier companies as members, the majority of whom are based in the United States. NATSO currently represents more than 4,000 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. The fuel wholesaling, fuel retailing and convenience industry employed about 2.34 million workers and generated more than $548.2 billion in total sales in 2020, representing more than 3 percent of U.S. gross domestic product. Of those sales, approximately $292.6 billion came from fuel sales alone. Our industry processes more than 160 million transactions every single day. That means about half of the U.S. population visits our members on a daily basis. In fact, ninety-three percent of Americans live within 10 minutes of one of our locations. The average time a customer spends in one of our stores is about three and one-half minutes and the industry competes to ensure the customer's needs are met as efficiently as possible – saving them time and money.

The industry is making significant commitments to EV charging infrastructure. In fact, just last week, one company in our industry committed to installing 500 direct current (DC) fast chargers at its locations by the end of 2022. This one commitment alone will significantly increase the availability and convenience of DC fast charging locations around the nation.

For investments like these to be successful and increase over time, public policy must lay the foundation for a competitive private market for EV charging. Private sector investment in EV charging ensures that consumers will benefit from price-competitive options situated in convenient locations for drivers. Parts of the INVEST in America Act advance this goal, but other provisions risk undermining the potential for private sector investment in providing charging to EV drivers.

We appreciate, for example, the considerations included to guide the implementation of the clean corridors grant program in the bill. By taking into account the need for public-private partnerships to advance the goal of increased charging infrastructure and the proximity of retail fueling stations to proposed projects, grant decisions can help ensure that federal dollars leverage private investment – rather than depressing those investments.

However, these provisions do not go far enough to help ensure that the bill will not discourage private development of EV charging infrastructure. Any legislation funding EV charging infrastructure must protect against double-dipping of government funds by electric utilities. Many utilities have used, or plan to use, funds extracted from all of their electricity customers to underwrite the cost of EV chargers. That funding model may be justified when it is used for activities unique to utilities, such as grid improvements, line extensions and other underlying infrastructure. It is not justified when private sector participants are ready and willing to make those investments, such as owning and operating the EV charger itself. Passing those costs on to electricity customers is unfair and, by funding projects without start-up capital costs, creates an unlevel playing field that discourages any private investment in geographic areas that might compete with those projects. Giving federal dollars to pay for the same utility-owned and operated chargers that are already underwritten by consumers cannot be justified. The legislation should include language that requires the disclosure of this funding model and a prioritization that federal funds go to projects putting capital at risk. Doing so would help prevent this double-dipping of ratepayer and taxpayer and avoid pushing away private investment and wasting federal dollars.

Another major threat to the development of EV charging infrastructure is the provision of the bill that would allow installation of such chargers at interstate rest areas. Federal law has banned commercial activity at interstate rest areas for more than 60 years. Experience has shown that allowing commercial activity at rest areas dramatically depresses the overall availability of commercial offerings to motorists by disincentivizing investment at interstate exits. If EV charging is allowed at rest areas, the same dynamic will prove true. Due to the unfair competition of on-interstate services, the private sector will not invest to offer those services at interstate exits and the overall offerings to consumers, and the competitiveness of those offerings, will suffer as a result. The provable outcome of any policy allowing EV charging at rest areas is that it will achieve the exact opposite of what is intended – it will reduce the overall availability of EV charging infrastructure compared with what would develop if the committee did nothing. We support efforts like that led by Representative Rick Larsen (D-WA) to amend this language to protect against the negative impacts the current language in the bill could produce.

We appreciate the work of the committee to date and its demonstrated commitment to improving U.S. infrastructure, but we strongly urge the committee to improve the INVEST in America Act to deal with the shortcomings noted above and create policy that will incentivize investments in electric vehicle charging infrastructure rather than undercutting them. We look forward to working with you to achieve those goals.

Sincerely,

National Association of Convenience Stores
National Association of Truckstop Operators
Society of Independent Gasoline Marketers of America

cc: Members of the Committee on Transportation and Infrastructure