

February 6, 2023

The Honorable Zack Stephenson
Chairman, House Commerce Finance and Policy
Minnesota House of Representatives
449 State Office Building
St. Paul, MN 55155

Dear Chairman Stephenson:

The undersigned fuel retailers and energy marketer organizations represent hundreds of retail stores in Minnesota, employing tens of thousands of Minnesotans and contributing tens of millions of dollars in tax revenue annually. Our stores and our companies enable Minnesotans to freely travel throughout the state without fear or risk of running out of fuel. Our businesses provide an essential service by ensuring the availability of automotive refueling services in safe, convenient locations at competitive, transparent prices. Our industry is eager to invest in any refueling technology that our customers want to purchase, whether it is gasoline, ethanol, diesel, biodiesel, or electricity.

We appreciate your attention to EV charging policy and applaud your desire to provide electric vehicle (“EV”) charging to consumers. Several provisions in HF 413, however, would make it unnecessarily challenging for our industry to invest in EV charging stations in Minnesota. We request your assistance in removing these impediments and working with us to develop a sustainable market for reliable, affordable, clean energy consistent with free market principles.

To create a sustainable market for private investment, all EV refueling participants should face the same competitive risks and pricing fundamentals. Utilities should not have a leg-up over private companies that want to install charging stations. Minnesotans should not be forced to pay higher electric bills as suggested in HF 413 to underwrite a utility’s risk-free investment in charging stations.

If the specter of competing with a government-sanctioned monopoly is removed, the private sector would be eager to invest in EV charging infrastructure. Indeed, our companies are all actively working to apply for federal EV charging station grants that are designed to make those investments more attractive for us. Minnesota should facilitate a policy environment that encourages businesses to place private capital at risk on a level playing field. Our industry wants to work with you and with utilities to achieve what we believe are mutually compatible objectives.

As drafted, your legislation would encourage utilities in Minnesota to leverage their monopoly status to generate an artificial competitive advantage in the EV charging space. This threat would crowd out private investment in charging stations. It would also harm EV drivers in the state who will lose out on access to competitively priced charging alongside other amenities that they have come to expect while refueling.

We understand that Minnesota’s electric utilities must play a critical role in ensuring Minnesota’s grid infrastructure is prepared to support a statewide fast charging network. The most effective way to build out Minnesota’s charging network is through a coordinated partnership between regulated electric utilities and private, unregulated businesses. The Committee should implement policies that facilitate this partnership through the make-ready model. This model will

allow utilities to recover the costs of make-ready infrastructure to prepare charging sites for fast charging stations while unregulated businesses that compete on price and quality of service own and operate publicly available fast charging stations. This will encourage private investment and increase consumer choices in Minnesota's EV charging market.

Minnesota has an opportunity to develop policy that will allow our state to lead the country in EV charging infrastructure. We urge you to consider amendments to HF 413 that will provide fuel retailers with a pathway to participate in the EV charging business in Minnesota. We appreciate your consideration of this matter and look forward to working with you to build an EV charging market structure that works for your constituents.

Sincerely,

Casey's Retail Company
Circle K Stores, Inc.
Kwik Trip, Inc.
Kum & Go
The Love's Family of Companies
Minnesota Petroleum Marketers Association