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Ms. Judith C. Whitney, Clerk
Vermont Public Utility Commission
112 State Street
Montpelier, Vermont 05620-2701

RE: Case No. 18-2660-INV, Investigation into promoting the ownership and use of electric vehicles (EV) in the State of Vermont; Agency of Agriculture, Food and Markets Response to Commission Question No. 13

Dear Ms. Whitney:

This letter provides additional information in response to questions posed by Thomas Knauer, Policy Director with the Public Utility Commission, at the November 30, 2018 workshop in the above-referenced proceeding. Specifically, Mr. Knauer asked about the following:

- 1) the funding source is for the Agency of Agriculture, Food and Markets' (AAFM or the Agency) inspection of gas station meters
- 2) what would be an appropriate funding source if responsibility for inspection of charging stations was given to AAFM; and
- 3) whether AAFM has a sense of the magnitude of additional staffing or resources that would be needed to inspect EV charging stations.

AAFM's supplemental responses are set out below.

1) Current Funding Sources for Gas Station Meter Inspection/Regulation

AAFM's Weights and Measures program, which regulates gas pump meters (referred to as "retail motor fuel dispenser meters") falls within the agency's Consumer Protection Section. The Section is funded through multiple revenue sources. Roughly half of the Section is covered by the General Fund and half is covered by Special Funds. Special Funds include revenue derived from annual licensing fees.

A license is required to operate a weighing and measuring device, pursuant to 9 V.S.A. §2730. As set out in subsection 2730(f)(1)(A), the annual fee for a “retail motor fuel dispenser meter” license is \$25.00. This fee was intended to reflect the average cost of inspection, including inspector time and vehicle mileage.

2) Future Funding Source

AAFM has not identified an appropriate funding source for future regulation of EV charging stations, and observes only that if the State of Vermont determines that regulation of electric vehicle charging stations is a priority and that regulation by AAFM’s Weights and Measures program is appropriate, funding will need to be allocated to support that priority because the Weights and Measures program does not currently have capacity to take on additional work.

Moreover, funding this new function in a manner analagous to gas pump meter regulation would require a willingness to impose new fees, e.g. on electric charging station owners, and possibly a decision by the Legislature that EV charging station meter regulation is a priority over another current state government function from which funding could be diverted.

3) Magnitude of Funding and Resources Needed

AAFM does not currently have enough information to accurately estimate the magnitude of additional staffing or resources that would be needed to inspect EV charging stations. That said, in AAFM’s experience, costs associated with the creation, management, and implementation of an entirely new regulatory program can be considerable. Direct and indirect costs include wages, training, transportation, fees for office space, storage allowance, testing equipment, and administrative costs such as management oversight and tracking.

An accurate assessment of the magnitude of funding and resources would require more detail on the structure and scope of the regulatory program, consideration of the number, location, and ownership structure of EV charging stations in the state, as well as information about how long testing (or otherwise inspecting) an EV charging station would take, and what that would entail.

As to the structure and scope of the program, presumably these would be dictated or at least informed by National Institute of Standards and Technology (NIST) Handbook 44, which as noted previously is in draft form and not yet intended for enforcement.

AAFM observes that the program could be structured to minimize the cost of implementation, e.g. by spacing out inspection intervals, or by inspecting primarily in response to consumer complaints, but the up-front costs are unavoidable.

As a point of reference, while the Agency does not track the cost of gas station meter inspections specifically (because the weights and measures program is integrated; the six inspectors that participate in gas station inspections also perform other functions, including inspection of a range of other meters), a back-of-the-napkin estimate of the annual cost of gas pump meter inspections indicates that it is excess of \$100,000.

Conclusion

While AAFM continues to agree that it would make sense conceptually for weights and measures to regulate electric meters in EV charging stations, there are budgetary and logistical considerations, as outlined above and in our previous comments in this proceeding.

Respectfully submitted,

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