September 6, 2021

Washington State Department of Agriculture
Re: Chapter 16-662 WAC
PO Box 42560
Olympia, WA 98504-2560

RE: Chapter 16-662 WAC Multiple Payment Options for Publicly Accessible Electric Vehicle Charging Stations Per Second Substitute Senate Bill 5192

Dear Tim Elliot,

Tesla appreciates the opportunity to provide feedback on rulemaking Chapter 16-662 WAC regarding multiple payment options for publicly accessible electric vehicle (EV) charging stations, as outlined in Second Substitute Senate Bill 5192 (SS SB 5192).

Tesla, Inc. is a U.S.-based electric vehicle (EV) and EV charging equipment manufacturer that operates charging stations for both Direct Current Fast Charging (DCFC) and Level 2. In Washington, Tesla has built 33 DCFC stations, known as Tesla Supercharger stations, with 335 DCFC ports, representing roughly 50% of the total number of DCFC ports currently in operation throughout the state.¹ Tesla has a Level 2 charging network, known as Destination Charging, with 303 Level 2 ports at 115 locations across Washington, typically provided at hotels and workplaces as a free amenity for guests and employees. Providing seamless, transparent, and accurate customer charging experience has been and continues to be one of Tesla’s key objectives in developing our charging networks. We strongly believe that a positive customer experience is a critical component to electrifying the transportation sector.

The regulations currently under discussion in Chapter 16-662 WAC, as they relate to payment methods, may directly impact operations and costs at existing and future Tesla EV charging stations in the state of Washington. Tesla has been an active participant in discussions regarding payment standards and agrees with other stakeholders that, beyond the comments provided below, it will be important to provide a data driven approach to this process and potentially incorporate guiding principles to ensure any requirements on payment options are technology agnostic to the extent feasible and consider future innovation. This includes ensuring that costs are minimized, and benefits are maximized, as articulated in Section 5 of SS SB 5192.

I. Multiple Payment Methods

As outlined in Section 5 of SS SB 5192, the Washington Agriculture Department, in consultation with the Department of Commerce and the Washington Utilities and Transportation Commission, “must adopt rules requiring all electric service providers make multiple payment methods” at publicly available Level 2 and DCFC stations.² Section 5 further defines that, “payment methods may include, but are not limited to: a credit card reader…contactless credit

¹ https://afdc.energy.gov/fuels/electricity_locations.html#analyze?fuel=ELEC
card reader devices...a toll-free number...a mobile payment option”\(^3\). In general, payment mechanisms should maintain flexibility to reflect market trends, minimize costs, ensure scalability, and drive innovation. Section 5 of SS SB 5192 provides this flexibility by requiring multiple payment options while not being prescriptive as to which payment options should be required. Multiple payment options are interpreted to mean more than one payment option is provided to an EV driver. For instance, providing both a mobile payment option and a toll-free number would qualify as sufficient for providing multiple payment options.

SS SB 5192 outlines credit card readers and contactless credit card readers as potential payment methods EV charging stations could provide. The EV charging technology is generally moving away from physical card readers on each charger toward mobile payments on the phone or within the vehicle. Mobile payments are increasingly common as more people adopt smartphone and mobile payment technology. The Pew Research Center estimated that 81% of people in the U.S. have a smart phone in 2019, and adoption has been increasing in lower-income households.\(^4\) Cell phone ownership is estimated at 95% and smartphone ownership at 71% in households earning less than $30,000 per year.\(^5\) As a result, mobile payments that offer a seamless and simple charging experience for customers through an application or in-vehicle will become increasingly popular and accessible. Some charging providers are integrating AutoCharge or Plug-and-Charge into their networks whereby the customer’s EV is automatically recognized, and the charging process begins without need to open an application or using a credit card.\(^6\) This is similar to how Tesla drivers today can access payment for Tesla Supercharging, which is integrated in-vehicle.

While some level of standardization may be needed in the payment options for EV charging stations to improve customer experience and facilitate ease of charging access, it should not lock the market or consumers into one particular technology or set of technologies that may be more costly to maintain overtime and do not maximize long-term benefits. As a guiding principle, flexibility should be maintained to the greatest extent possible to enable multiple payment options and a seamless customer experience to all EV drivers to best accelerate EV adoption. At the same time, it is best to base any policy recommendations for payment standards and options on a data driven approach.

II. Compliance Deadlines

Per SS SB 5192, payment method regulations must be adopted by January 1, 2023. In order to allow the industry adequate time to revise payment systems and build necessary equipment, compliance deadlines on new EV charging stations should be required at earliest 12 months following the final adoption date. For example, if regulations are adopted January 1, 2023, the compliance deadline for new EV charging stations should be set to January 1, 2024. To the extent feasible, we recommend these deadlines be identical for public Level 2 and DCFC EV charging stations. However, we recommend these timelines be informed by a technology assessment of the various payment types available not only today but also expected within the next several years.

For existing EV charging stations operational prior to regulation adoption, a 10-year phase in on compliance is appropriate given potential retrofit costs, existing state and local investments and

---

4 http://www.pewinternet.org/fact-sheet/mobile/
5 http://www.pewinternet.org/fact-sheet/mobile/
other considerations for the longevity of a charging station. A 10-year phase in date for existing equipment is already established as precedent in Section 9 of SS SB 5192. If regulations are adopted January 1, 2023, the compliance deadline for existing EV charging stations, both public Level 2 and DCFC, should be set to January 1, 2033.

***

Tesla appreciates the opportunity to provide initial feedback on rulemaking Chapter 16-662 WAC regarding multiple payment options for publicly accessible electric vehicle stations, as outlined in SS SB 5192. Tesla looks forward to providing additional input throughout the public stakeholder meetings and collaborating with the Department and other stakeholders to provide a seamless, transparent, and accurate customer charging experience to EV drivers in Washington.

Sincerely,

Noelani Derrickson
Business Development and Policy
Tesla