

**LEGISLATIVE FISCAL ESTIMATE**  
**SENATE, No. 3102**  
**STATE OF NEW JERSEY**  
**220th LEGISLATURE**

DATED: MARCH 20, 2023

**SUMMARY**

**Synopsis:** Establishes uptime requirement for electric vehicle charging station incentive programs administered by BPU.

**Type of Impact:** Annual State expenditure increase.

**Agencies Affected:** Board of Public Utilities.

**Office of Legislative Services Estimate**

<b>Fiscal Impact</b>	<b><u>Year 1</u></b>	<b><u>Year 2 and Thereafter</u></b>
<b>State Expenditure Increase</b>	\$80,000 - \$140,000	\$80,000 - \$120,000

- The Office of Legislative Services (OLS) determines that the bill would result in a one-time State expenditure increase for the Board of Public Utilities to develop and implement a process that would monitor the compliance of electric vehicle service equipment.
- The OLS notes that the bill directs the Board of Public Utilities to monitor and enforce compliance with the requirements of the bill. Due to the number of charging stations that will need to be monitored in the State on an annual basis, the board may require an additional staff member, with an estimated annual compensation in the range of \$80,000 to \$120,000 .

**BILL DESCRIPTION**

This bill would direct the Board of Public Utilities to establish a requirement, as a condition of providing any incentive for the installation of electric vehicle service equipment pursuant to P.L.2019, c.362 or any other State law, that the station is operational at least 95 percent of the time, as measured on an annual basis. The bill would also direct the board to develop and implement a process to establish, monitor compliance with, and enforce this requirement.

## **FISCAL ANALYSIS**

### ***EXECUTIVE BRANCH***

None received.

### ***OFFICE OF LEGISLATIVE SERVICES***

The OLS determines that the bill would result in a one-time State expenditure increase for the Board of Public Utilities to develop and implement a process that would monitor the compliance of electric vehicle service equipment. Specifically, it would require that the electric vehicle service equipment are operational at least 95 percent of the time, as measured on an annual basis. In addition, the OLS notes that the bill directs the board to monitor and enforce compliance with the requirements of the bill. Due to the number of charging stations that will need to be monitored in the State on an annual basis, the board may require an additional staff member, with an estimated annual compensation in the range of \$80,000 to \$120,000.

Many times electric vehicle charging stations are operated by a private company known as a charge point operator. A charge point operator provides services for the owner of the charging station including charging station service management. The management could include radar sensors to know if a car occupies a charging station, if a vehicle occupying a station is charging or not, and if any issues arise with the hardware, the software, or any other electric vehicle service equipment. The data from these sensors frequently goes to a platform that can be accessed by the owner of the charging station. Thus, the Board of Public Utilities could require the owner of a charging station to have a system set in place to monitor the operational status of the electric vehicle service equipment at a charging station and require reports to be sent electronically to the board. This would likely mitigate the enforcement costs of the bill. However, the OLS notes that each owner of a charging station may manage their charging station differently.

The OLS determines that to accomplish the monitoring and compliance under this bill, there will be an annual expenditure increase from hiring an additional full-time staff member. The OLS notes that there will be an increasing number of charging stations over the next several years. Thus, there will be more electric vehicle service equipment to monitor for compliance. Specifically, pursuant to P.L.2019, c.362, the State's goal is that there is to be at least 400 chargers available for public use at no fewer than 200 charging locations in the State by December 31, 2025, at least 1,000 chargers available for public use across the State by December 31, 2025, at least 15 percent of all multi-family residential properties in the State be equipped with charging stations for residents by December 31, 2025, and 20 percent of all franchised overnight lodging establishments be equipped with charging stations by December 31, 2025. The Board of Public Utilities is currently providing incentives for the installation of electric vehicle chargers in multi-family residential properties, overnight lodging establishments, and local and State government entities. Incentives available under the program range from \$4,000 to \$6,000 depending on the type of charging station and location of the charging station. Currently, 40 applicants have received approximately \$1 million in incentives for the installation of charging stations in multi-family residential properties. As the board would only be required to monitor the compliance of chargers at those multi-family residential properties or other facilities for which an incentive was awarded, the costs incurred by the board may be mitigated based on the number of charging stations installed by the recipients of the incentives. In addition, it is unknown how many charging station installations will be provided with State incentives in future years. The board is authorized to develop additional incentives beyond those currently authorized. If fewer incentives are provided, this too will mitigate the costs for the board.

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This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).