

Cameron Demetre
19-6-3

California Air Resources Board
19-6-3: Public Hearing to Consider Proposed Electric Vehicle
Supply Equipment Standards

- Good Morning Chairperson Nichols and board members,
- My name is Cameron Demetre and I work for TechNet, the voice of the innovation economy.
- Two key areas of the TechNet portfolio are electrification of transportation and financial technology.
- TechNet is unique in that, we are able to see innovation in these two fields and the intersection between new technology innovations in these fields.
- Charging stations are being installed throughout California and this industry is continuing to grow, but we still have far more work to do to meet the needs of rising electric vehicle sales.
- In order to meet our state's goals, the charging station market needs to remain viable and competitive.
- We need to promote technology-neutral policies, consumer choice, long-term competition, and innovation.
- The financial technology market is quickly evolving to meet the needs of consumers and provide consumers with new, secure and reliable payment systems and financial tools.
- Innovation in this market, including mobile payments and contactless credit and debit cards, has taken off because of the issues presented by swiping or dipping "plastic" debit and credit cards.

-TechNet is concerned that a mandate for credit card readers as a required payment option will not only increase the cost of charging stations and hinder growth in this industry, but also could open consumers up to increased fraud.

-Gas pumps and point-of-sales devices throughout California have fallen victim to skimmers and shimmers, which thieves use to steal consumer personal information and PIN numbers. According to FICO, "manipulated ATMs and point-of-sales devices increased by 8 percent" in 2017 and according to Diebold Nixdorf, an ATM manufacturing company, ATM skimming is a \$2 billion-dollar problem.

-An important distinction is that skimming devices read information from the magnetic strip on the back of the card, while shimmers contain microchips specifically designed to capture data contained in the EMV chip as soon as a consumer inserts their card into an ATM or point-of-sale device. Mandating card readers to be installed on charging stations will open consumers to the same risks they are currently facing at gas pumps or other point-of-sales devices.

-Contactless cards and near field communication (NFC) chips are cost-effective to deploy and operate in the charging station industry and result in quick and secure payment transactions for consumers.

-These payment methodologies are consistent with SB 454 and should be allowed as options to satisfy the requirements of the Electric Vehicle Charging Station Open Access Act.

-TechNet additionally requests the ARB consider amending the proposed definition of NFC reader.

-The definition should accurately capture NFC readers that accept credit card-enabled NFCs and allow this technology to qualify as a type of credit card reader.

-NFC chips stocked inside credit cards enable contactless payment, which is commonly understood by the industry as a "credit card" payment method, not a "mobile" payment.

-A smartphone or smartwatch can be a method for NFC and allows the consumer to digitize their credit card.

-This type of technology is widely used by consumers through electric vehicle service providers, as well as, in many other industries.

-Contactless cards can provide credit card access to charging stations without the cost impact, consumer protection issues, and technology obsolescence associated with chip readers and swipe machines.

-Requiring electric vehicle service providers to retrofit existing stations and prospectively include credit card readers will increase operational and product costs.

-This will hamper EVSPs ability to allocate resources to research and deploy new innovative payment technologies and will also take critical, existing charging stations out of operation for consumers and reduce the availability of these stations.

-We appreciate ARB's continued efforts to electrify the transportation sector and support innovation in achieving our long-term climate goals.