



Agenda Item No. 15.

Staff Report

Date: April 14, 2022

To: Mayor Robbins and Council Members

From: Richard Simonitch, Public Works Director

Subject: Consideration and approval of the preferred payment method and rate for public use of Electric Vehicle charging stations in the Ross Post Office parking lot

Recommendation

It is recommended that the Town Council approve staff's recommendation of charging by the kilowatt-hour (kWh) at the rate of \$0.30/kWh to Electric Vehicle charging station (EVCS) users at the Ross Post Office parking lot. It is also recommended that the responsibility for all future EVCS pricing and payment policy decisions be delegated to the Town Manager.

Background and Discussion

At a regular Town Council meeting on June 10th, 2021, the Town Council requested that staff investigate the feasibility, limitations, and restrictions involved with funding and installing EVCS's in the post office parking lot for public use, with the decision to install the new EVCS units to be made once enough information was provided to the Town Council to make an informed decision. At a regular Town Council meeting on October 12, 2021, the Town Council approved the installation of a single charging head for a van-accessible parking space and a dual charging head for two regular parking spaces for a total of three charging heads. The installation was completed on March 16, 2022 however the stations have not yet been activated, pending Town Council's approval of the pricing plan and the rate charged to end-users.

Payment policy options:

The EVCS provider's cloud plan services provides a website with significant flexibility to set up or modify EVCS pricing plan options by the designated network manager. Currently the Town's Public Works Director is the EVCS network manager for all Town-owned EVCS. There are two options for payment of electricity by the driver: Electricity can be charged by the kWh, or by the hour (or minutes) that the charger is use.

Pay by hourly rate:

The driver pre-pays for a charging period of time of their choice, similar to how a parking meter operates. There is an option available to the Town to charge an overtime fee if the charger remains connected after the “meter” expires. This method encourages drivers to free up the space after charging is complete, although until the Municipal Code is updated to enforce “EV Parking Only” they could simply unplug the charger and remain in the EV stall without penalty.

Pay by the kWh:

The driver pays for the actual quantity of kWh used during the charging session. There is no incentive to move the vehicle once charging is complete. Staff recommends that this be the method used initially as it is the most common and easiest method for drivers to use.

Staff may, from time to time, suggest payment policy changes based on periodic observations of how the parking stalls at the charging stations are being used. If the Town Council wishes to enforce “EV Parking Only” at the Post Office parking lot EVCS stalls, staff will prepare an amendment to the parking ordinance, including provisions for the collection of overtime fees, for a future Town Council agenda item.

Fiscal, resource and timeline impacts

The most current (as of March 2022) cost of electricity at the electric meter serving the EVCS’s based on peak and off-peak rates is \$0.28/kWh and \$0.26/kWh respectively. For simplicity, staff recommends at this time to use an average of these two rates as a base rate, or \$0.27/kWh.

In addition to the base rate of \$0.27/kWh staff is requesting consideration of an additional charge to cover capital and other costs related to the maintenance of the EVCS. The Town currently pays a monthly fee to the EVCS provider for maintenance and cloud services of approximately \$29.00 per charging head. In addition, the EVCS provider charges 10% of the session fee for collecting and processing the payments. One-time capital expenditures per charging head after deducting for the TAM/MCE grants was approximately \$2,700 per charging head.

Based on typical usage history provided by the City of Larkspur for 2016, a typical charging session lasts about 1-1/2 hours, with an average of 90 charging sessions per month per EVCS. Staff believes that this is a reasonable template to estimate usage for Ross at one of the standard parking stalls. This usage scenario equates to approximately 900kWh per month per charging head. Monthly electrical charges paid to PG&E by the Town would therefore be approximately \$243.

To estimate the cost/kWh the Town would need to charge over the base rate of \$0.27/kWh to achieve cost recovery, staff assumed capital recovery of \$2,700 over 10 years @ 6% is \$30/month. Add to this the monthly cloud services fee of \$29 for a total of \$59/month which equates to \$0.07/kWh and the 10% session fee of approximately \$30/month or another \$0.03/kWh under this scenario. To achieve 100% cost recovery on this usage scenario the Town would therefore need to charge \$.37/kWh.

San Anselmo currently charges \$0.25/kWh, While Larkspur charges \$1.00/hour (or \$0.15/kWh) with a \$1.00 minimum. The EVCS at Kentfield School District parking lot charges \$0.35/kWh and College of Marin provides free charging for permitted parking. It is staff's understanding that in the case of Larkspur and San Anselmo, these rates have not been updated nor reviewed in recent years.

The Town does not have any usage history yet to make a truly accurate determination of how these costs should be distributed into the cost/kWh. Until the usage history has been generated, staff recommends that \$0.03/kWh be added to allow for some capital and maintenance cost recovery while staying competitive with neighboring agencies. The total price to drivers using the EVCS would therefore be \$0.30/kWh. Staff is also recommending that moving forward, the Town Council authorize the Town Manager to adjust the price/kWh.

Attachments

None