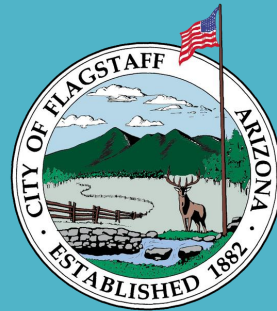


Discussion of Fee for Public Use of City-Owned Electric Vehicle Charging Stations



December 19, 2023

Danae Presler, Climate Analyst, Sustainability Division

Today's topics

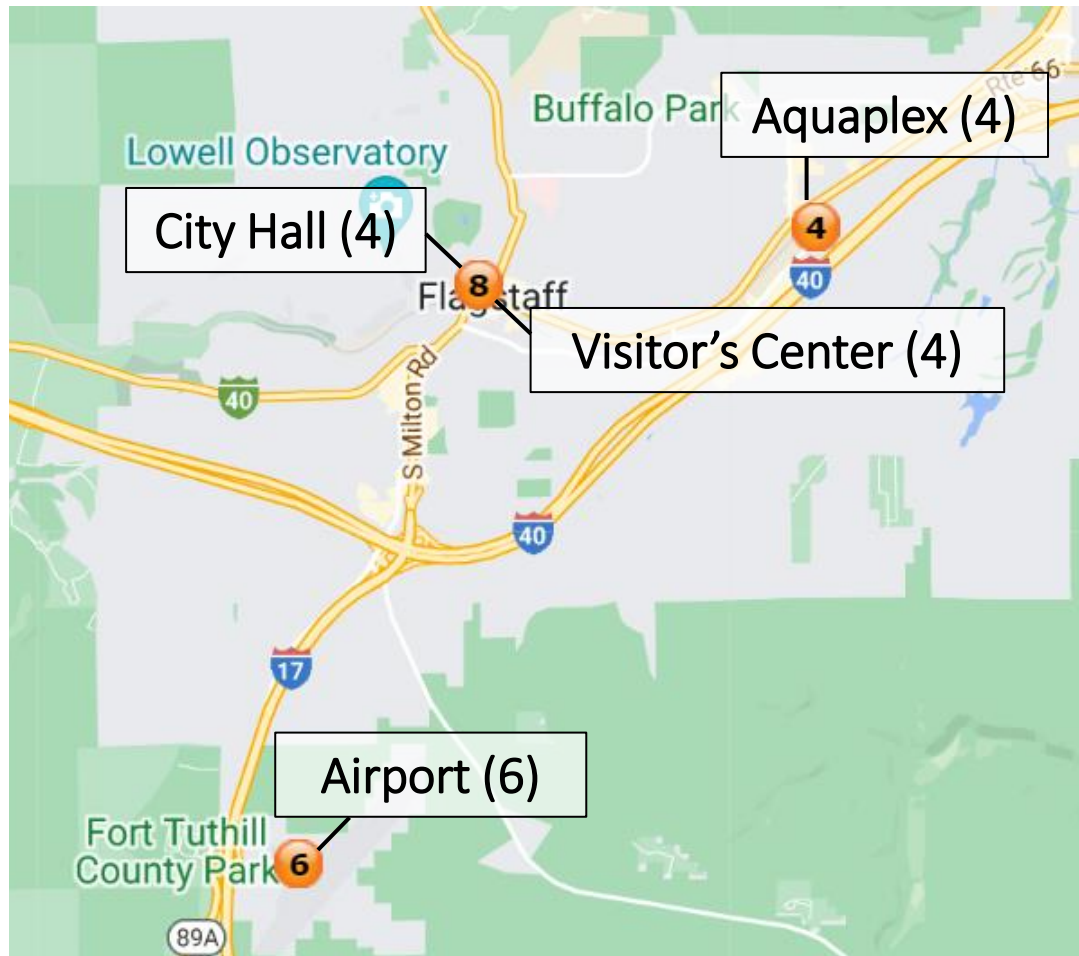


- **City-owned EV Charging Stations**
 - Overview
 - Benefits
 - Costs
- **EV Charging Fees**
 - Fee setting flexibility and user interface
 - Fee scenarios

We are seeking Council direction on:

- If we should charge a public fee for the use of City-owned EV Charging Stations
- The **policy approach**, if we charge a fee

Overview of City-owned Public Chargers



18 Level 2 Charging Stations

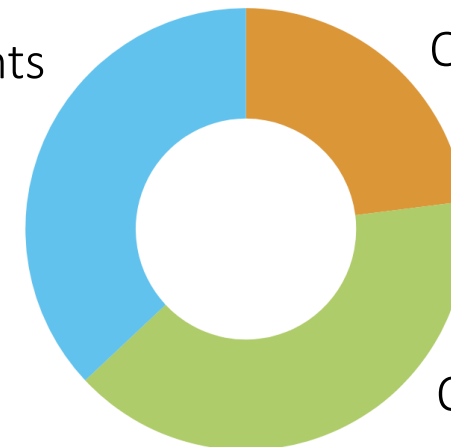
- Provide approximately 22 miles/hour in charge
- All stations installed through APS Take Charge AZ Pilot Program

Who Uses Our Charging Stations?

Flagstaff Residents
37%

Out of State
23%

Other AZ Cities
40%



Overview of City-owned Public Chargers

	# of Stations	Sessions / Year	Typical Session Duration	% of Time Plugged in, Not Charging
City Hall:	4	3,174	2 hr.	21%
Visitor's Center:	4	2,448	1.5 hr.	16%
Aquaplex:	4	1,409	1.25 hr.	18%
Airport:	6	617	Varies	63%
	18	7,648	1.5	22%

Benefits of Providing Public Charging



Enables greater adoption of EVs



Supports tourism and the local economy



Perk for community members

Initial Operational Costs of Providing Public Charging

Direct Annual Operational Costs

Electricity (FY22-23)	\$16,000
Network Subscription Fee	\$5,000
Maintenance	<u>\$4,500</u>
	\$25,500

Citywide Overhead Estimated Costs

Estimated Overhead (10%)	\$2,500
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Capital Costs

Future replacement and expansion costs

Caveats:

- Full cost recovery analysis need to be completed to determine the full cost of this program
- Operational costs may fluctuate over time based on station usage, electricity rates, and changes in provider-set fees

Flexibility in Setting Fees

Incentivize use

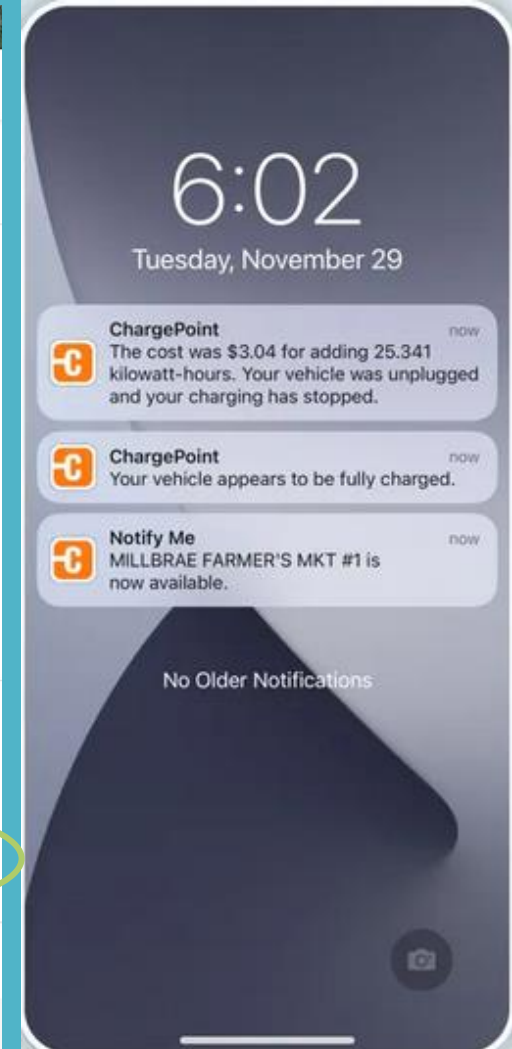
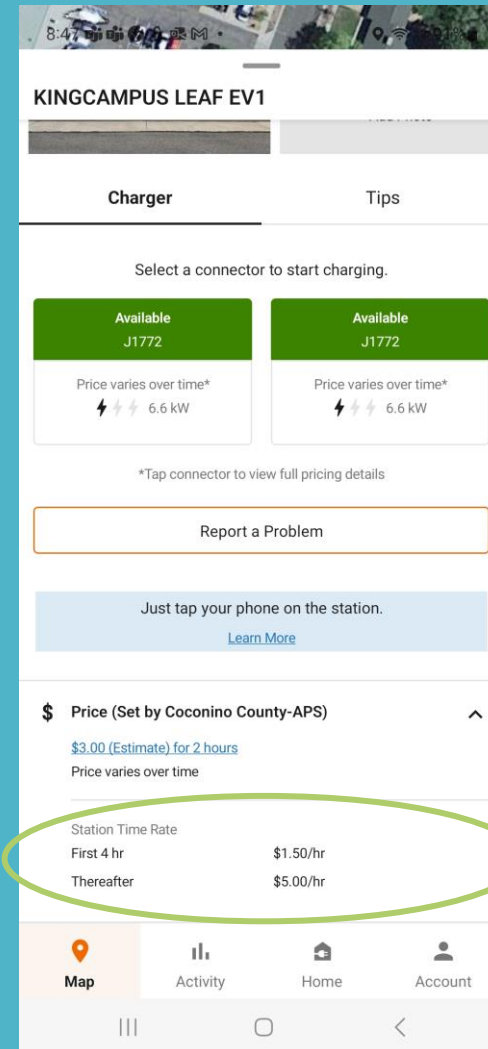
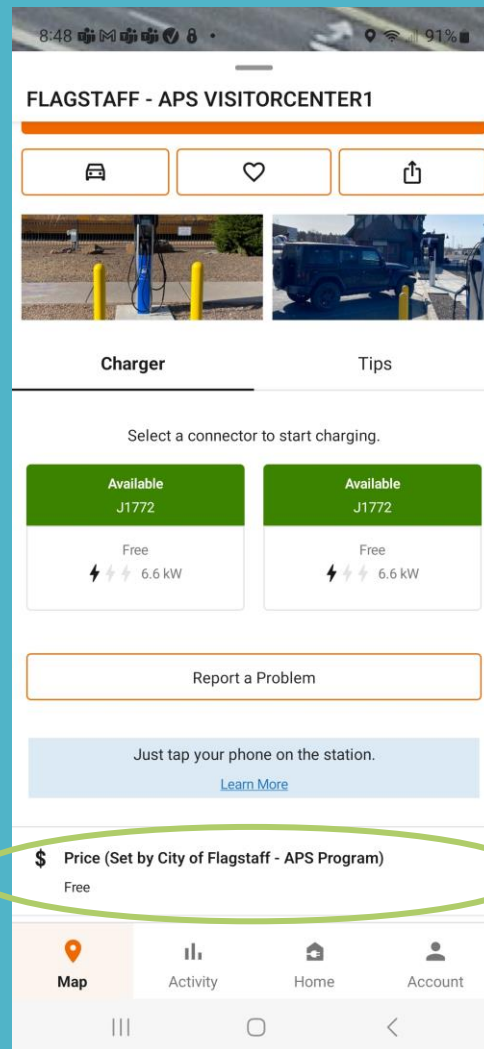
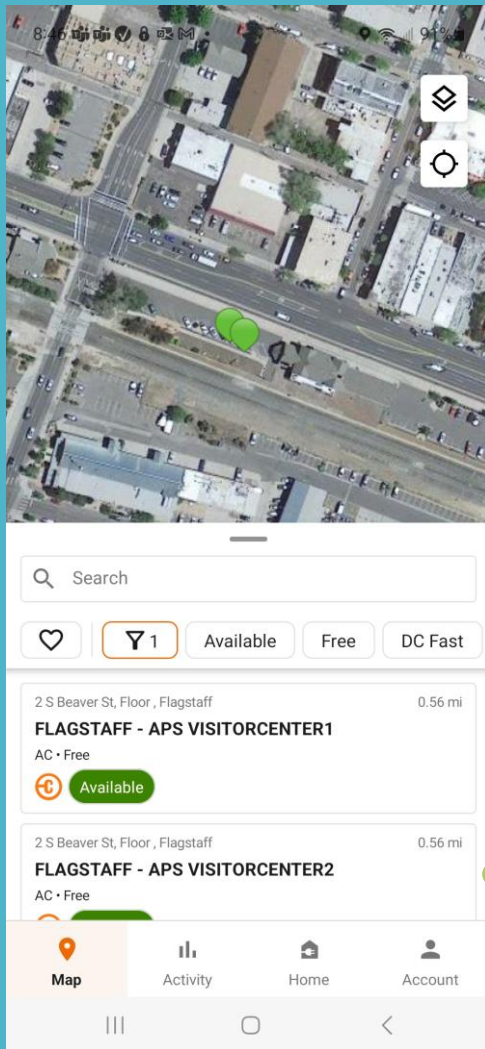
Recover costs

Encourage vehicles to be moved once fully charged

Enable replacement and/or expansion of chargers

Take advantage of clean energy

The ChargePoint interface is already known and used by charging station users



Fee Scenarios

The following Departments, Divisions, and Commissions provided insights and input on fee scenarios



- City Managers Office
- Parks, Recreation, and Open Space
- Airport
- ParkFlag, Discover Flagstaff, and Economic Vitality
- Fleet
- Facilities
- Visitor's Center
- Finance
- Sustainability Commission

Fee Scenarios

Goals	A. Status Quo	B. Cost Recovery	C. Cost Recovery + Encourage Behavior
Fee Structure			
Incentivize Use of Stations			
Recover Costs			
Encouraged to Move Vehicle			
Clean Grid Charging			

Fee Scenarios: Status Quo

Goals	A. Status Quo
Fee Structure	Free
Incentivize Use of Stations	High
Recover Costs	No
Encouraged to Move Vehicle	No
Clean Grid Charging	Yes

Fee Scenarios: Cost Recovery

Goals	B. Cost Recovery
Fee Structure	Pay per kWh
Incentivize Use of Stations	Low
Recover Costs	Yes
Encouraged to Move Vehicle	No
Clean Grid Charging	Yes

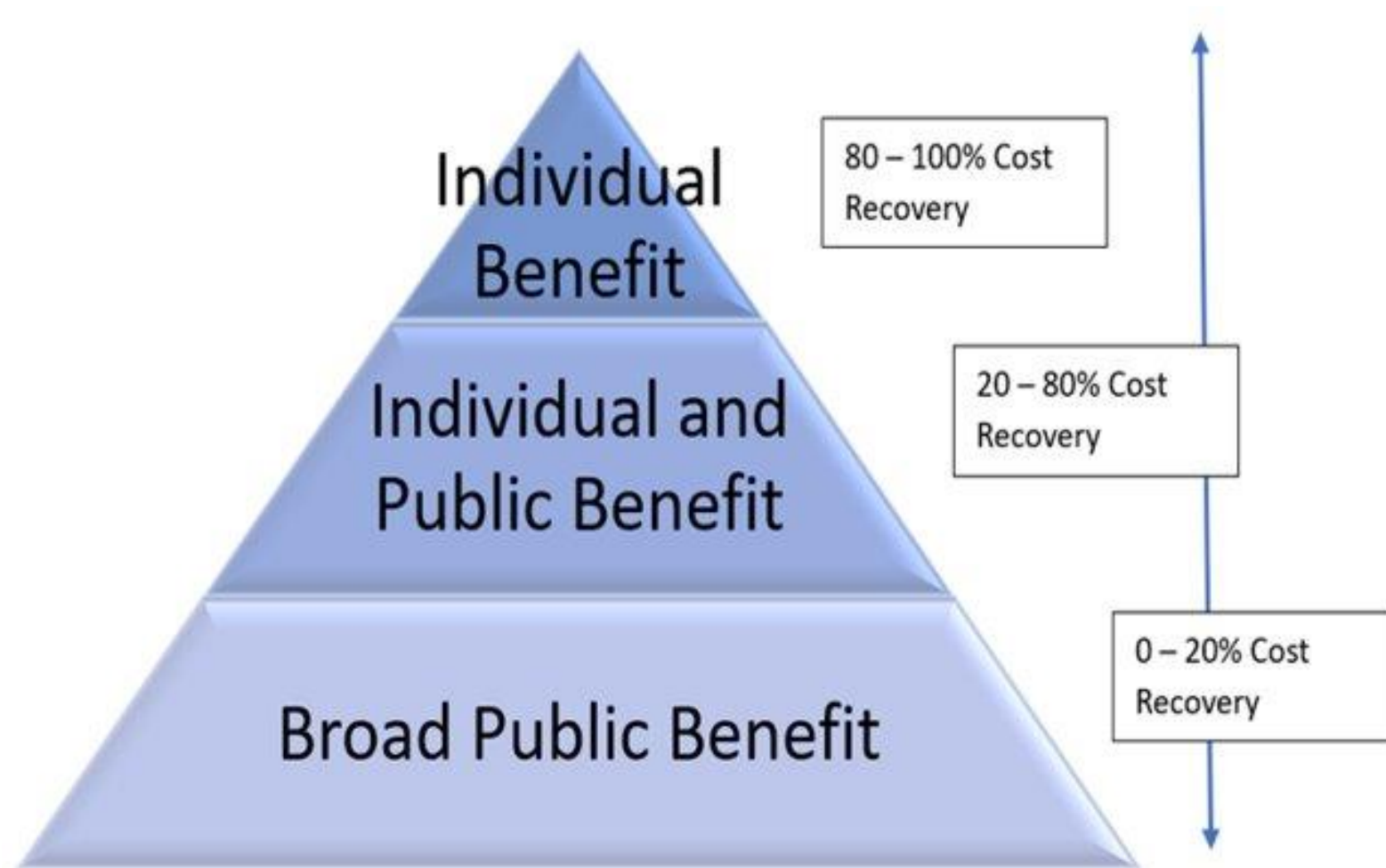
Fee Scenarios: Cost Recovery + Encourage Behavior

Goals	C. Cost Recovery + Encourage Behavior
Fee Structure	Pay per kWh until charged; pay per hour thereafter
Incentivize Use of Stations	Medium
Recover Costs	Yes
Encouraged to Move Vehicle	Yes
Clean Grid Charging	Yes

Fee Scenarios

Goals	A. Status Quo	B. Cost Recovery	C. Cost Recovery + Encourage Behavior
Fee Structure	Free	Pay per kWh	Pay per kWh until charged; pay per hour thereafter
Incentivize Use of Stations	High	Low	Medium
Recover Costs	No	Yes	Yes
Encouraged to Move Vehicle	No	No	Yes
Clean Grid Charging	Yes	Yes	Yes

Levels of Cost Recovery



Next Steps

If Council gives direction to move forward with a fee for EV charging, next steps would include:

- Rate Study
- 60-day Public Notice
- Public Hearing
- Ordinance (two readings)

Timeline: The goal is to implement Council policy direction for FY24-25

Other Users

Staff will continue internal discussions about appropriate fee structures for City fleet vehicles and City employee vehicles.

Seeking Council Direction

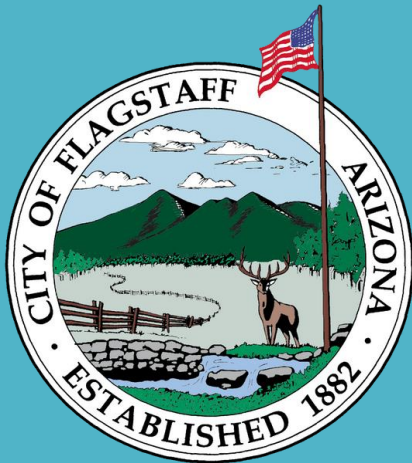
1) Would Council like to:

- a) maintain free EV charging,
- b) recover costs of providing the service, or
- c) recover costs while encouraging behavior to move vehicles once charged?

2) If cost recovery is desired, what level of cost recovery would Council like to pursue?

- a) 80 - 100% of costs
- b) 20 - 80% of costs
- c) 0 - 20% of costs

Thank you



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