

Attachment2 – Port Moody EV Charging Fee Rationale

Previous to fees being implemented, Port Moody owned EV stations were increasingly being used inefficiently, for example:

- leaving EVs plugged in beyond parking limits;
- leaving EVs plugged in for multiple days;
- parking in spaces and not plugging EVs in; and
- using the wrong cable/port dedicated for the space.

This has caused reports of frustration between drivers and unfair distribution of access to charging services. The goal of implementing fees is to allow the City to best manage a public space and its infrastructure in a way that is fair and equitable for the majority of users.

The user fees are intended to account for the cost of energy as well as other costs. Other costs include:

- installation (e.g. charging units, electrical upgrades, permits etc.);
- maintenance;
- non-electricity operating costs (e.g. network fees); and
- energy costs.

The fees also consider that the user is paying for access to a public service, the same as they are with parking fees in other jurisdictions. This is not directly comparable to a conventional vehicle fueling station where the driver stays near their vehicle and are only fueling momentarily. With EV charging (especially Level 2), EV owners are likely to be parked for an extended period of time and do other things while they fuel such as shopping and using nearby facilities. Therefore, the fee needs to account for fueling as well as storing the vehicle, often in a premium location. This is similar to parking fees that account for the time-value of the parking space.

The \$2/hr fee is seen as a reasonable starting fee because it is high enough to likely encourage turnover and incentivize home-based charging. In other communities, there is often a parking fee on top of a charging fee, which is not currently experienced in Port Moody. An initial base fee of \$2/hr provides room to reduce rates if certain stations have low usage, without automatically going to free charging where this has shown to result in inefficient use of the stations. Port Moody's Level 2 user fees remain consistent for the first four hours to match parking restrictions in most City parking lots, and allow vehicle's to obtain a driveable charge, considering that most vehicles require between 2-6 hours. The \$16/hr (or \$0.267/min) fee for the DCFC was set as the base rate to be higher than the Level 2 rate to encourage use of Level 2 stations over the DCFC. On an hourly basis this fee is very approximate since the rate of charging slows once a vehicles battery reaches 80%.

Additionally, a slightly higher municipal charging fee incentivizes private organizations to invest in charging infrastructure since they would be able to offer a lower rate that attracts customers and still allows cost recovery. Private investment reduces the financial and administrative burden on Local Governments to provide the majority of public EV charging infrastructure.

Although the City operates two power sharing stations, staff recommended the initial fee remain the same as other Level 2 stations for a few reasons:

- other municipalities found that price reduction for a split charging station had negligible impact on station turnover;
- these stations had high and/or higher occupancy rates than dedicated Level 2 stations; and
- the initial higher fee leaves room for fee adjustment over time without automatically going to zero if future adjustments are made.