

**MOORPARK CITY COUNCIL
AGENDA REPORT**

TO: Honorable City Council

FROM: Jeremy Laurentowski, Parks and Recreation Director

BY: Jessica Sandifer, Program Manager

DATE: May 20, 2016 (CC Meeting of 06/15/16)

SUBJECT: Consider Report on Electric Vehicle Supply Equipment Usage and Continuing Availability for Use by the Public

BACKGROUND

On December 19, 2012, the City Council approved the installation of two Blink Level 2 Commercial Pedestal Chargers and two ChargePoint Dual Level Charging Stations, collectively known as Electric Vehicle Supply Equipment (EVSE). On January 31, 2013, the two Blink charging stations were installed at the Metrolink Station. One was installed in the north lot on High Street and one was installed in the south parking lot. One ChargePoint charging station was installed at the Civic Center parking lot and one was installed at the public parking lot adjacent to the Post Office on High Street. As discussed in the December 19, 2012 staff report, the City funds the electrical costs and service fees in order to provide this equipment for public use. In February 2014, staff updated the Council on the first year of usage and costs to continue to offer the EVSE's for public use. At that time, staff informed the City Council that ECOtality had filed for bankruptcy and the Blink charging stations were subsequently purchased by CarCharging, Inc. As a reminder, the manufacturers of the EVSE's charge fees predetermined by the City, and subsequently reimburse the City a percentage of the revenue generated by the use of the EVSE based on the service agreements. Typically, the revenue that the City receives is based on a percentage of use, predetermined by the manufacturer, and has been established to compensate for electrical and annual subscription fees. In 2015, the City Council approved one more year of service. Please note that in January of 2014, the City installed a separate charging station at the Civic Center, which is used solely to charge the Chevrolet Volt pool car. This charger is not considered a part of this report.

DISCUSSION

It has been three years since the four EVSE's were put in service. The Blink Chargers have a four year Agreement that started in 2015, so no decision needs to be made on the service agreement at this time, however, staff is providing a recap of the usage for the calendar year 2015. The ChargePoint chargers' service agreement has expired and it is time to consider whether the City should renew the network service agreement.

During 2015, the ChargePoint charging station installed at City Hall was the most heavily used of the four chargers and comprised the bulk of the charge time and kwh usage of all four chargers. The Blink Chargers at the Metrolink station had minimal usage during calendar year 2015 with a total of 11 charging sessions. Staff is unsure of the reasoning as Car Charging hasn't responded to our request, but it was noticed that several times during the year, the stations were out of order. A quick review of current 2016 usage shows that the stations are already being used more than last year. Due to the Blink usage dropping, the usage at the four chargers was less in 2014 in total, however, charging sessions increased at the ChargePoint Chargers by 10% over 2014 usage. During 2015 the ChargePoint chargers logged 252 sessions or on average 4.8 sessions per week at the ChargePoint Stations. A summary of the actual usage and costs for all locations can be found below.

CURRENT REPORTING PERIOD - ACTUAL (January 2015 – December 2015)							
Charger	Sessions (both stations)	KWH Usage	Gross Revenue*	KWH Cost** (approx.)	Fees	Service Fees	Net Revenue/ Cost
ChargePoint	252	2,458	\$597.70	\$614.51	\$57.97	\$560.00	-\$634.78
Blink	11	103	\$0	\$25.66	\$0	\$0	-\$25.66

* no revenue provided by Blink as they retain it all in exchange for no services fees during four year term

** estimated \$0.25 per kwh

PREVIOUS REPORTING PERIOD (January 2014-December 2014)							
Charger	Sessions (both stations)	KWH Usage	Gross Revenue *	KWH Cost** (approx.)	Fees***	Services Fees	Net Revenue/ Cost
ChargePoint	229	1,730	402.18	380.60	40.33	\$460.00	-\$478.75
Blink	112	111	\$0	\$24.42	\$0	\$0	-\$24.42

* no Agreement was in place with CarCharging, Inc. during 2014, so all revenues were retained by them and no service fees were charged to the City

** estimated \$0.22 per kwh

For the third year, the costs of providing the ChargePoint stations for public use were covered by the City. Even though the usage of the ChargePoint chargers increased,

the increase in usage resulted in an increase in electricity costs. With the increased electricity cost plus the service fee, the ChargePoint chargers operated at a net cost of \$634.78 for calendar year 2015.

For the Blink stations, the chargers operated at cost to the city of \$25.66, which was the cost of the electricity provided to the chargers. The current service agreement stipulates that if the monthly revenues are not enough to cover the fees, the fees will accrue to the next month. If at the end of the term there is an amount due to CarCharging, Inc. from the City, CarCharging, Inc. will then waive the remaining fees owed. We will receive no revenue from the chargers as long as the revenues are less than the applicable fees and service charges. The current service agreement has a four-year term with a four-year renewal option.

For calendar year 2016, the service fees for each of the ChargePoint charging stations has remained the same (\$280/station) for a total of \$560. The service fees cover maintenance of the software. However, ChargePoint is no longer servicing the hardware for the units. The City can elect to maintain the units themselves, or pay for the maintenance program provided by ChargePoint. The cost of the maintenance program for both stations for one year is \$2,832. City maintenance staff do not have the necessary training or time to maintain the machines. Therefore, a service plan with ChargePoint, or other third party maintenance agreement, would be needed to continue to maintain the units. The total operating cost with the maintenance plan is \$3,967 for the year. As illustrated above, the chargers are already operating at a net cost of \$634.78. The total net cost to the City will increase to approximately \$3,467 annually at the current usage.

The costs of providing the chargers will likely continue to exceed revenues until electric vehicles become more mainstream and usage increases. In order for the City to break even, usage would need to increase by approximately 77 sessions or more per week at the current fee for the ChargePoint chargers. Due to the proposed revenue structure at the Blink chargers, usage would likely need to be 10 sessions or more per week before the City will start receiving revenues. Currently users are averaging 4 sessions per week at the ChargePoint and Blink chargers.

As mentioned, revenue generated by the charging stations is not expected to cover the costs of the chargers until the use of the chargers has increased significantly. In addition, the maintenance requirement for the ChargePoint Chargers was not provided to the City when the City accepted the gift of the chargers. Due to the high cost of the maintenance plan, staff is recommending that the City discontinue the use of the ChargePoint Chargers and maintain the Blink chargers through the term of the CarCharging, Inc. agreement. The majority of the use of the ChargePoint chargers is at the City Hall location and, historically, only the Blink charger at the north Metrolink parking lot location is used on a regular basis. Staff recommends relocating the Blink charger that is currently located in the south Metrolink parking lot to the City Hall location. Staff recommends maintaining the Blink charger at the north Metrolink

parking lot and removing the ChargePoint charger at the post office parking lot. The ChargePoint chargers are the property of the City and can be deployed if there is a future demand.

FISCAL IMPACT

Staff is recommending discontinuing the public charging service for the ChargePoint Chargers. This would save the City approximately \$3,967 in service, maintenance, and electricity fees for the stations annually. The cost to relocate the Blink Charger to City Hall is approximately \$800 and would be paid for with Traffic System Management (TSM) funding.

STAFF RECOMMENDATION

1. Approve discontinuing the ChargePoint Electric Vehicle Charger service at City Hall and the Post Office; and
2. Direct staff to relocate a Blink Charger from the south Metrolink Parking Lot to the City Hall location.