



ARLINGTON COUNTY, VIRGINIA

County Board Agenda Item
Meeting of July 16, 2022

DATE: July 5, 2022

SUBJECT: Ordinance to establish a user fee for charging electric vehicles at County government owned charging stations available for public use.

C. M. RECOMMENDATION:

Adopt a non-codified ordinance to establish a user fee for County-owned electric vehicle (EV) charging stations to be effective on July 16, 2022. The ordinance, if approved, would set an interim rate of \$0.1452 per kilowatt hour.

ISSUES: The adoption of this ordinance would set an interim fee to charge electric vehicles at County government owned charging stations available for public use at 14.52 cents per kilowatt hour (kWh).

BACKGROUND: Currently the County has seven charging stations available for use by the public for free. The proposed interim fee would reimburse the County for the cost of electricity and administrative overhead costs. On June 18, 2022, the Arlington County Board authorized advertisement of the Ordinance for a public hearing to be conducted on July 16, 2022. Subsequently, staff provided a briefing on the proposed ordinance for the Climate Change, Energy and Environmental Commission (C2E2) at its June 27, 2022, meeting.

DISCUSSION: The County has seven County-owned EV charging stations with 11 charging spaces available for public use, located at Arlington Mill and the Long Bridge Aquatics Center. Currently, the public is allowed to charge their vehicles free of charge. The County is proposing a new interim fee to reimburse the County for the cost of electricity, contract costs, and administrative overhead. This is an interim fee to ensure the County is recovering its costs related to providing this service to the public. While currently there are seven charging stations, the County may add additional stations that would be subject to this interim rate ordinance.

County staff is recommending the interim electric vehicle charging rate be set at 14.52 cents per kWh, primarily driven by the estimated cost of electricity based on projected Virginia Energy Purchasing Governmental Associations (VEPGA) rate schedules. In addition, the rate is designed

County Manager: MJS / Mic
County Attorney: MNC [Signature]
Staff: Tyler Ann Smith, Department of Environmental Services
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to recover a 10% administration fee the County is required to pay the Electric Vehicle Supply Equipment (EVSE) vendor, ChargePoint, on each transaction, and a 15% charge to recover County overhead costs, such as parking, infrastructure costs, (estimated at \$7,722 per station which includes two charging ports), engineering, electrical work, and staff time. The rate is also being set lower than most rates benchmarked in the region. This approach will incentivize the use of electric vehicles, which is consistent with the goals outlined in the County’s Community Energy Plan (CEP). Based on an average of 5.12 kWh estimated per session, (indicated by the last three months of data from Long Bridge), the per session average user cost is estimated to be \$0.74 per session. Loudoun County is averaging 22 kWh per session, which if County usage increases to this amount, would result in a per session cost of \$3.19 per session. The Loudoun charging stations are at commuter park and ride locations, which likely contribute to increased usage per session. The rate inputs are shown in the table below:

Cost of electricity as determined by VEPGA agreement:	\$0.1148 per kWh
County Administrative Costs of 15%:	\$0.0172 per kWh
ChargePoint Admin Costs 10%:	\$0.0132 per kWh
<b>Total Proposed Interim Rate</b>	<b>\$0.1452 per kWh</b>

The County is planning for the expansion of County-owned electric vehicle charging stations available for public use. To inform and plan for this growth the County is developing the Arlington Plan to Decarbonize Transportation (DecTrans) which will include an EVSE siting strategy for County government, the Arlington community, and APS. Concurrently the Department of Environmental Services (DES) is in the process of hiring a consultant to undertake a more robust EV analysis to inform a future recommendation on a permanent EV rate structure and charging model, which would be aligned with the expansion of the program. The future rate analysis and recommendation would consider infrastructure costs, parking fees and rate structure options, such as incorporating a dwell time charge to encourage turnover of spaces with EV chargers and maximize usage. It would also consider alternative models, such as partnering with a full service EVSE vendor who would own the infrastructure and set the rates. The future rate structure and model will also incorporate data and lessons learned from this interim / pilot phase of the program, such as how long vehicles occupy spaces, the average kWh used per session and other use and time-of-use data.

*Jurisdictional Comparison:*

In formulating the interim rate recommendation, staff reviewed other jurisdictions EV rates structures, rates from private EV infrastructure and utility owners, and residential utility rates. Loudoun County is the only Northern Virginia location with a jurisdictional EV rate ordinance established, based on staff research. The Loudoun County fee is structured as a fee per session and is lower than the proposed rate when converted to a per kWh rate structure.

The rate proposed herein is, however, less than commercially available EV charging stations in the County and region. Commercial rates vary widely on cost and fee structure depending on the provider, location, and power level, but in Arlington generally range between \$0.22 per kWh and

\$0.79 per kWh. In addition to local government and commercial business EV stations there are utility-owned and operated EV charging stations with established or pending rates. The regional utility-owned and operated rate for Pepco in Maryland is \$0.18 per kWh and the proposed Dominion pilot program is \$0.28 per kWh, both more expensive than the interim rate recommendation.

**PUBLIC ENGAGEMENT:** A public hearing on this item is being held on July 16, 2022. In addition, EV signage at the Long Bridge Aquatics Center and Arlington Mill has informed users that beginning in July vehicle charging would no longer be free. County staff briefed the Climate Change, Energy and Environmental Commission (C2E2) on the ordinance at the Commission's June 27, 2022, meeting. C2E2 unanimously supported the early work and data that will be available under the interim rate ordinance and how that will influence a future rate recommendation.

The County is planning for more robust communication efforts if/when the updated fee structure is proposed in the future.

**FISCAL IMPACT:** The interim rate will generate revenue which will offset the increased cost of electricity usage at County charging sites. No adjustment to the Fiscal Year (FY) 2023 budget is recommended at this time. Usage, costs, and revenue will be monitored, and the DES will include any recommended changes in the FY 2024 budget process.

**ENACTMENT OF AN UNCODIFIED ORDINANCE TO ESTABLISH AN INTERIM RATE FOR COUNTY-OWNED ELECTRIC VEHICLE CHARGING STATIONS TO BECOME EFFECTIVE ON JULY 16, 2022**

- I. BE IT ORDAINED by the County Board of Arlington, Virginia, that the following non-codified ordinance is hereby enacted and an interim rate, as described below, for electric vehicle charging at County owned electric vehicle charging stations for public use, will become effective on July 16, 2022.

The fee shall apply to all electric vehicle charging stations owned and operated by Arlington County Virginia that are available for use by the public.

Arlington County electric vehicle charging stations user fees will be billed as follows:

- Interim Rate: \$0.1452 per kilowatt hour

Payment of electric vehicle charging station services will be collected directly from the customer at the point of sale through credit card or other payment processing services.