

DATE: July 2, 2013
STAFF: Tom Vosburg
Steve Catanach

AGENDA ITEM SUMMARY
FORT COLLINS CITY COUNCIL

14

SUBJECT

First Reading of Ordinance No. 093, 2013, Amending Chapter 26 of the City Code to Establish User Fees for Public Use Electric Vehicle Charging Stations.

EXECUTIVE SUMMARY

This Ordinance will establish user fee rates for public use electric vehicle charging stations operated through the City's public electric vehicle (EV) charging station pilot program. These user fees only apply to the public use charging stations owned and operated by the City of Fort Collins Utility Services. The user fees for use of 240 volt "Level 2" charging stations will be \$1.00 per 1 hour charging session and the fee for use of a 480 volt "Level 3" DC quick charger will be \$3.00 per session. These fees are calculated to recover the direct energy and payment processing costs associated with each charging session. While user fees for general fund services can be established administratively by the City Manager, Council must establish all Utility Services rates and fees by ordinance.

BACKGROUND / DISCUSSION

The 2013 budget includes Light and Power Utility capital project funding for a public use EV charging station pilot program. The program includes funding for approximately five to ten public use EV charging stations located in off-street parking at City facilities. The actual number of charging stations installed will depend on installation costs associated with the selected sites. While the City has a number of charging stations for City fleet vehicles, that equipment is not available for use by the general public to charge private vehicles. The public use charging stations will be located in public parking areas and EV drivers will pay a service fee to use the equipment.

There are three classes of EV charging equipment based on the type of power required by the equipment and the relative speed of charging. Level 1 charging uses ordinary household 120 volt power and can be supported by simply plugging an EV into a typical electric outlet. Level 2 charging requires using a battery charging appliance powered by 240 volt electric service similar to that used by clothes dryers and air conditioners. Level 3 charging requires advanced direct current (DC) quick charging equipment powered by 480 volt high power commercial electric service. Level 1 equipment will provide between two to five miles of EV driving range for each hour of charging time; Level 2 chargers will provide between 7 and 20 miles for each hour of charging; while Level 3 chargers can provide 60 to 80 miles of range in less than 30 minutes.

The City will offer both Level 2 and Level 3 charging services. The user fee for Level 2 charging stations will be \$1.00 per 1 hour charging session and the fee for Level 3 DC quick charger service will be \$3.00 per session. These fees are calculated to recover the direct energy and user fee payment processing costs associated with each charging session. The fees are not expected to recover all equipment, installation, and fixed administrative overhead costs. The City has received significant equipment donations from Nissan Motor Corporation and the Bohemian Companies, as well as a grant from the State of Colorado for assistance with capital and installation costs.

Staff researched user fees set by other public agencies for EV charging services. Many public agencies are initially offering EV charging for free, but most expect to implement fees at some point. Fees now in place by public agencies typically range between \$1.00 and \$2.00 per hour for Level 2 charging. Very few Level 3 stations are available to the public and it is difficult to find comparisons of what other communities charge for such service.

Table 1 below lists the locations identified to date for City owned public use EV charging stations. Staff will continue to evaluate options for installing charging stations at other City facilities.

Table 1: Planned City of Fort Collins Public Use EV Charging Stations

Location	Number and Type of EV Charging Stations	Date Planned to be Available
Fort Collins Museum of Discovery	1 Level 3 1 Level 2	July 29, 2013
Civic Center Parking Structure	2 Level 2	July 29, 2013
MAX BRT South Transit Center	2 Level 2	Spring, 2014
Fort Collins Senior Center	2 Level 2	To Be Determined

The City of Fort Collins is coordinating its public use charging station program with the City of Loveland, as well as private businesses, through the Electrification Coalition's Drive Electric Northern Colorado initiative. The City of Loveland will be installing eight public use Level 2 charging stations this year. The Loveland public use charging stations will be located at the Loveland Library, the City of Loveland Civic and Service Centers, and McKee Hospital.

The redevelopment of Foothills Mall will include two customer use EV charging stations, and both New Belgium Brewing and O'Dell's Brewery have installed free EV customer use charging stations.

FINANCIAL / ECONOMIC IMPACTS

Implementing user fees for EV charging services (rather than offering free charging as some agencies do) will help reduce the ongoing operating costs of the public EV charging station program.

ENVIRONMENTAL IMPACTS

The public use EV charging station pilot program aligns with the City's sustainability goals. Staff believes there will be no significant environmental impacts resulting from collecting user fees for City operated EV charging station services.

STAFF RECOMMENDATION

Staff recommends adoption of the Ordinance on First Reading.

PUBLIC OUTREACH

Notice of the proposed fee was published in the *Coloradoan* on June 14, 2013, and a mailing was sent to city electric customers outside of the city limits in accordance with state requirements.

ORDINANCE NO. 093, 2013
OF THE COUNCIL OF THE CITY OF FORT COLLINS
AMENDING CHAPTER 26 OF THE CODE OF THE CITY OF FORT COLLINS
TO ESTABLISH USER FEES FOR ELECTRIC VEHICLE CHARGING STATIONS

WHEREAS, the City Council is authorized and directed by Article XII, Section 6, of the City Charter to fix, establish, maintain and provide for the collection of such rates, fees or charges for utility services furnished by the City as will produce revenues sufficient to pay the costs, expenses and other obligations of the electric utility, as set forth therein; and

WHEREAS, the 2013-2014 Biennial Budget includes Light and Power Utility capital project funding for a pilot public use electric vehicle (EV) charging station program (the "Program") in coordination with the Electrification Coalition's Drive Electric Northern Colorado initiative; and

WHEREAS, the City currently has several charging stations for City fleet vehicles, but that equipment is not available for use by the general public to charge private vehicles; and

WHEREAS, the Program includes funding for up to ten public use EV charging stations located in off street public parking areas at City facilities with EV drivers paying a service fee to use the equipment; and

WHEREAS, following the initial use of budgeted funds for startup expenses, staff anticipates that the Project will be self-sustaining; and

WHEREAS, under the Program, Level 2 (240 volt) and Level 3 (480 volt) services will be available at fee rates of \$1.00 per one-hour session for Level 2 charging stations and \$3.00 per session for Level 3 charging stations; and

WHEREAS, the fees are calculated to recover the Electric Utility's direct energy and payment processing costs associated with each charging session; however, the fees are not expected to recover all equipment, installation, and fixed administrative costs; and

WHEREAS, initially subsidizing the Program at fixed costs will result in a greater long-range ratepayer benefit by enabling quicker development of baseline EV charging infrastructure and incentivizing local EV purchases; and

WHEREAS, the Energy Board considered the Program on April 5, 2012 and recommended adoption of the Program as a "mature" public EV charging program that integrates charging station use with parking policies and user service fees; and

WHEREAS, the City Manager and staff have recommended to the City Council the following electric rates, fees and charges applicable for services at City EV charging stations under the Program on or after August 1, 2013; and

WHEREAS, based on the foregoing, it is the desire of the City Council to amend Chapter 26 of the City Code to adopt electric rates, fees and charges for public electric vehicle charging stations.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FORT COLLINS that Chapter 26 of the Code of the City of Fort Collins is hereby amended by the addition of a new Section 26-476 which reads in its entirety as follows:

Sec. 26-476. Public electric vehicle charging station service user fees.

(a) *Availability.* Designated electric vehicle charging stations will be made available by the Electric Utility for public use within the corporate limits of the City at the user rates set forth in this Section.

(b) *Applicability.* The fees set forth in this Section shall apply to all public electric vehicle charging stations owned and operated by the Electric Utility.

(c) *User Fee Rates.* Public electric vehicle charging station service user fees (including six and zero tenths percent charge in lieu of taxes and franchise) will be provided and billed on a session basis as follows:

(1) Level 2-240 volt charging: One dollar and zero cents per one-hour charging session.

(2) Level 3-480 volt DC Quick Charging: Three dollars and zero cents per charging session.

(d) *Payment of fees.* Payment for electric vehicle charging station services will be collected directly from the customer at the point of service (the charging station or City facility at which the charging station is located) through credit card or other payment processing service.

Introduced, considered favorably on first reading, and ordered published this 2nd day of July, A.D. 2013, and to be presented for final passage on the 16th day of July, A.D. 2013.

Mayor

ATTEST:

City Clerk

Passed and adopted on final reading on the 16th day of July, A.D. 2013.

Mayor

ATTEST:

City Clerk